

August 2, 2007

PARTICIPANTS: Nuclear Energy Institute
Nuclear Procurement Issues Committee

SUBJECT: SUMMARY OF THE JULY 17, 2007, MEETING TO DISCUSS THE
QUALITY ASSURANCE PROGRAM AND VENDOR INSPECTION
PROGRAM FOR NEW REACTORS

On July 17, 2007, a Category 2 public meeting was held between the U.S. Nuclear Regulatory Commission (NRC) and representatives of Nuclear Energy Institute (NEI) and Nuclear Procurement Issues Committee (NUPIC) at the NRC headquarters offices in Rockville, Maryland. The purpose of the meeting was to discuss issues related to (1) quality assurance programs for new reactors, (2) NRC guidance to observe oversight activities performed by third-party organizations, (3) the vendor inspection program for new reactors, and (4) the industry's activities in these areas. A list of meeting attendees is included in Enclosure 1.

The agenda used at the meeting, along with all meeting handouts, may be accessed through the Agencywide Documents Access and Management System (ADAMS) package at accession number ML07207639. This system provides text and image files of the NRC's public documents. If you do not have access to ADAMS or if there are problems in accessing the handouts located in ADAMS, contact the NRC Public Document Room reference staff at 1-800-397-4209, 301-415-4737, or by e-mail at pdr@nrc.gov.

The public meeting was a follow up meeting from previous meetings the NRC has conducted with the nuclear industry to discuss quality assurance program and vendor inspection activities for the design, construction, and operation of new reactors. A brief summary of the issues discussed follows:

Pre-Combine License (Pre-COL) Audit:

The purpose of the pre-COL audits is to verify suitability of quality assurance (QA) processes applied to the development of the COL application to inform the acceptance review conducted by staff, and to identify any programmatic issues that could affect the completeness and accuracy of the information in the application as required by 10 CFR 50.9. During these audits, the staff has focused on the implementation of QA policies and procedures applied to the development of the COL application, including QA controls implemented during site characterization activities for applications not referencing an early site permit (ESP).

The staff discussed the lessons learned from the first audit performed at South Texas Project. The staff emphasized that the audit was focused on the implementation of QA programs as applied to COL quality related activities to provide reasonable assurance of the accuracy and completeness of the application in accordance with the requirements of 10 CFR 50.9. The participants noted that from their perspective they would benefit if the staff would provide a list of information that was needed at the audit during the early interaction with the COL applicant and contractors. The next pre-COL audit is scheduled for the week of July 30, 2007, for the Bellefonte and Lee sites.

Oversight of Third Party Vendor Oversight Activities:

The staff provided a draft version of the NRC inspection procedure (IP) 43005, "NRC Oversight of Third Party Organizations Implementing Quality Assurance Requirements." The purpose of IP 43005 is to document the staff's participation as observers in third party oversight activities of vendors. In addition, IP 43005, documents NRC inspection guidance for the staff to conduct an inspection of the vendor's 10 CFR Part 21 program in parallel to the third party observation. The staff will be documenting the effectiveness of the third party's activities in a trip report, while documenting the inspection findings on the 10 CFR Part 21 program in an inspection report to the vendor. IP 43005 will be piloted by the NRC staff during a NUPIC joint utility audit at Cameron Industrial Products the week of August 6, 2007.

Vendor Inspection Program Update:

The staff shared with the participants the Commission Paper on the Vendor Inspection Program for New Reactors, SECY-07-0105, "Enhancement to the Vendor Inspection Program Within the Office of New Reactors." SECY-07-0105 describes the enhancements of vendor inspection program based on the expected increase in activities in the nuclear industry. The paper also describes the extent of the program and several factors that led to the enhancements of the program, including: (1) entry of new suppliers, (2) use of modular construction, (3) inspection, tests, analyses, and acceptance criteria (ITAAC) verification activities, and (4) use of suppliers for engineering and licensing activities.

Industry's Update on QA Activities:

The participants provided an update on the industry's efforts in the area of QA. The industry is developing a workshop for vendors on QA programs requirements. The industry is currently looking for the dates and locations to provide these workshops. The industry is also working to compile lessons learned from previous construction using different documents (e.g., NUREGs, INPO documents, Louisiana Energy Services, and Finland's construction of Olkiluoto-3). The industry will be able to share with the NRC the recommendations of the lessons learned by the end of August. The staff suggested that appropriate information on how these recommendations would be implemented be provided as well. This topic will be addressed in future public meetings. Finally, the industry is working to provide a guidance document that describes the qualifications and training for QA and quality control (QC) resources divided by function. The industry is developing standardize qualifications in this area.

Members of the public were in attendance. Public Meeting Feedback forms were not received. Please direct any inquiries to me at 301-415-4001, or axr1@nrc.gov.

/RA/

Aida Rivera-Varona, Operations Engineer
Quality and Vendor Branch B
Division of Construction Inspection
& Operational Program
Office of New Reactors

Enclosure: As stated

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Office of New Reactors

Enclosure: As stated

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Package No.: **ML072070639**

1. Meeting Notice: ML071220097
2. DCIP/NRO Slide Presentation: ML071420117
3. Draft IP 43005: ML071970419
4. SECY-07-0105: ML071280620
5. Meeting Summary NO.: ML072070652

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Quality Assurance and Vendor Inspection Program Meeting
July 17, 2007
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Greg Galletti	NRC/NRO
Ronald Carver	Luminant
Sabrina Cleavenger	NRC/NRO
Charles Ogle	NRC/RII
John Traynor	Unistar Nuclear
Jim Fisicaro	NEI
Steve Meyer	Ameren
Sherry Grier	Duke Energy
Mark Harvey	GE
Richard Oehlberg	EPRI
Michael Janus	Progress Energy
Tim Franchuh	SCE&G
Dana Millar	Entergy
Terry Dunn	DOE
Tom Mudge	WGI
Marion E. Smith	STP
Frank Talbot	NRC/NRO
Kerri Kavanagh	NRC/NRO
Ann Hodgdon	NRC/OGC

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