

CORRECTED Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

Title: Public Meeting to Discuss the Proposed
 Rulemaking to Align the Regulations in
 10 CFR Parts 50 and 52, to Address
 Updates to the Licensing Processes,
 and Lessons Learned for Future New
 Reactor Applications

Docket Number: NRC-2009-0196; RIN 3150-AI66

Location: Rockville, Maryland

Date: January 15, 2019

Work Order No.: NRC-0052

Pages 1-105

NEAL R. GROSS AND CO., INC.
Court Reporters and Transcribers
1323 Rhode Island Avenue, N.W.
Washington, D.C. 20005
(202) 234-4433

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

+ + + + +

PUBLIC MEETING TO DISCUSS THE PROPOSED RULEMAKING TO
ALIGN THE REGULATIONS IN 10 CFR PARTS 50 AND 52, TO
ADDRESS UPDATES TO THE LICENSING PROCESSES, AND LESSONS
LEARNED FOR FUTURE NEW REACTOR APPLICATIONS

+ + + + +

TUESDAY,

JANUARY 15, 2019

+ + + + +

ROCKVILLE, MARYLAND

+ + + + +

The Public Meeting convened in the
Commissioners' Hearing Room at the Nuclear Regulatory
Commission, One White Flint North, 11555 Rockville
Pike, at 8:30 a.m., George Smith, Facilitator,
presiding.

NRC Staff Present:

GEORGE SMITH, NMSS

FRED BROWN, NRO

JOSEPH COLACCINO, NRO

JIM O'DRISCOLL, NMSS

PATRICIA VOKOUN, NRO

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

T-A-B-L-E O-F C-O-N-T-E-N-T-S

Meeting Logistics

George Smith.....3

Opening Remarks

Fred Brown.....10

Proposed Rulemaking to Update Regulations for Future
New Reactor Licensing Applications

Jim O'Driscoll.....12

Patricia Vokoun.....16

Joseph Colaccino.....19

NEI Discussion

Mike Tschiltz.....30

Charles Pierce.....33

Amy Aughtman.....34

Dan Stout.....51

Peter Hastings.....54

Open Discussion/Q&A Session.....79

Closing Remarks/Adjourn.....104

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

P-R-O-C-E-E-D-I-N-G-S

8:30 a.m.

MR. SMITH: Good morning, everyone. Good morning, everyone on the phone. My name is George Smith. I'll be your facilitator for today's meeting.

My role is to ensure that today's meeting is both informative and productive. This is a Category 3 public meeting which means that it's structured to provide opportunity for public interaction.

So we've provided an agenda including questions where we're looking for the public input. There will be an opportunity for those in the room and those on the phone to ask questions and to make comments after the NRC and stakeholder staff presentations have concluded.

So today's meeting is scheduled for two three-hour sessions. We'll have a one-hour lunch break. We'll also have a 15-minute break every 90 minutes.

So before we get started I'll go over a couple of housekeeping items. First, for those in the room that I have a brief safety message. In the event of an emergency you'll see that the back doors here we have emergency exits that we can go out. Basically what we'll do we'll go out the door. There may be some

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 security out front giving us direction as to where we
2 should go and what we should do. We'll follow the
3 directions of the security folks.

4 But you can stay with the NRC folks. We're
5 going to meet over by the Harris Teeter over on Citadel
6 Drive. If you decide not to stay with the group, please
7 let me know or Jim O'Driscoll know. We just want to
8 have an accurate account of all the -- of those who've
9 signed up to attend this meeting -- that signed in,
10 I'm sorry, to attend the meeting.

11 So with regard to getting around the
12 building as a visitor, you have unescorted access from
13 the lobby area that you came into up through this
14 hallway. So we have a cafeteria down the hallway.
15 In Two White Flint we have unescorted access. We have
16 an NRC general store down there, a Starbucks. You also
17 have a cafeteria across the hallway. But again, just
18 make sure you display your badge.

19 As a reminder there's no eating and
20 drinking in this room, so I just want to remind you
21 of that. And if you're going to go in any other area
22 in the building you have to be on the escort.

23 So to get to the restrooms you can just
24 go out the double doors here and make a left. You'll
25 see the women's room on the left-hand side about five

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 feet down the hall, and before the double doors, the
2 glass double doors you'll see the men's room on the
3 right-hand side.

4 If you've not have an opportunity to sign
5 in, we have a sign-in sheet at the beginning of the
6 desk as you come in the door. Please sign in, everyone.

7
8 Also we have some public feedback forms
9 out at the table that's available for you to fill out,
10 so please take the time to fill those out. It helps
11 us with our process.

12 So I'll do my best to make sure that
13 everyone has an opportunity to participate in the
14 discussions and have a chance to express their views
15 without concerns as to how these views will be received,
16 so we appreciate your assistance in accomplishing that
17 goal also.

18 Also this meeting is being recorded and
19 transcribed for our reference so we can review our
20 communications for effectiveness. To ensure we
21 accurately document your feedback we ask that only one
22 person speaks at a time with no interruptions.

23 For those of you in the room please utilize
24 the microphones. You can -- if you're at the table,
25 you have a microphone. If you're not at the table,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 you can come to one of the two microphones. If you
2 can't come to the microphones, just wave at me, let
3 me know and I'll bring a microphone to you.

4 For those on the phone the operator will
5 place you in the queue to speak and I'll alternate
6 between the room and the phones for the questions.
7 And I'll do that based on the amount of questions that
8 the operator is indicating that we have on the line
9 and how many folks have indicated that they want to
10 speak herein the room.

11 If you choose to speak, please speak slowly
12 and clearly, state your organization affiliation, and
13 if you can spell your name the first time so we can
14 attribute your comments and questions. To minimize
15 any distractions please place your phones in courtesy
16 mode at this time so if your phone -- you can turn it
17 off or mute it, any electronic devices if they ring,
18 buzz or beep or alarm. We also ask that you minimize
19 side conversations. We understand that you may have
20 an important phone call, and that's fine, but please
21 take the phone -- you can just take the call outside
22 of the room. We'd appreciate that.

23 This meeting is being hosted by webinar,
24 so you can view the slides and participate via the
25 Internet by using the webinar link on the meeting

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 announcement. If you are participating by this method,
2 we strongly encourage you to mute the sound on your
3 computer and listen to the meeting through the telephone
4 bridge line that's provided in the meeting
5 notice. If you are participating through the webinar
6 audio feed right now, please take a moment to call
7 1-888-848-6713. Again the number is -- for the audio
8 feed please call 1-888-848-6713. And you can use the
9 passcode 5107274. That's passcode 5108274.

10 Also to ensure we capture a complete
11 transcript we -- please make your comments by telephone,
12 not through the webinar. We have an operator on the
13 line to help us. Again her name is Robin.

14 For those of you dialing in to the meeting
15 you will be in listen-only mode unless you notify Robin
16 that you wish to speak. You can accomplish this by
17 pressing star-1 on your phone. I will remind you that
18 -- to press star-1 on your phone for those online
19 throughout the meeting.

20 Also for those on the phone, if you're at
21 a computer and do not wish to use the webinar and would
22 like to see the slides for today's meeting, you can
23 access them from the NRC home page, www.nrc.gov and
24 it will be under public meetings and involvement
25 heading. Click on the link to the public meeting

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 schedule, scroll down to today's date and meeting time,
2 find the information for this meeting and click on the
3 link for the meeting info. You'll bring up the meeting
4 notice and agenda. On the third page click on the link
5 for meeting detail. Scroll down and you will find a
6 link to the presentation slide and related document
7 section. Please note that a list of ADAMS accession
8 numbers to the document referenced in the NRC staff's
9 presentations can be found at the end of the staff's
10 slide presentation.

11 And we'll say this throughout the meeting
12 today, please be careful not to discuss any safeguards
13 information, security-related information, classified
14 or proprietary information during this meeting.

15 Although we intend to have an open dialog
16 please note that the NRC will not make any regulatory
17 commitments during the meeting.

18 Slide 2, please. So this is the agenda.

19 Joining me today is Fred Brown, Director of the NRC's
20 Office of New Reactors.

21 Fred?

22 Also from the NRC Office of New Reactors
23 we have Joseph Colaccino.

24 Did I get it right?

25 MR. COLACCINO: Close.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 (Laughter.)

2 MR. SMITH: Adrian Muniz, Patricia Vokoun.

3 And they're all from the Office of NRC's Office of
4 New Reactors. Also joining me is Jim O'Driscoll from
5 the NRC Office of Nuclear Material Safety and
6 Safeguards.

7 We have several other NRC staff here in the audience
8 as well.

9 After opening remarks we will have the NRC
10 staff presentation. The NRC technical staff will cover
11 the NRC staff's scope and activities to date and discuss
12 preliminary views for items to be considered in the
13 rulemaking. And then we will open up the floor for
14 stakeholder's presentations and discussion.

15 Slide 3, please. So the purpose of today's
16 meeting is to discuss the staff's plan for determining
17 the scope of a rulemaking that would better align Part
18 50 and 52 and will address lessons that have been learned
19 through new reactor licensing reviews. Our purpose
20 today is also to solicit and receive ideas from the
21 public on what they think should be considered in this
22 rulemaking. Please note that the NRC will consider
23 the input received today, but the staff will not prepare
24 written responses to that input.

25 Slide 4, please. And now I'd like to

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 introduce Fred Brown, Director of NRO for the opening
2 remarks.

3 MR. BROWN: Thank you, George.

4 Good morning, everyone, and I appreciate
5 the attendance even in the aftermath of Washington,
6 D.C.'s snow storm. I know at least one person in the
7 audience who's from Wisconsin who did not think this
8 was a big snow storm, but we were shut yesterday
9 nonetheless. And so my thanks to the staff that
10 prepared through yesterday and for the members of the
11 public that came into town for this meeting.

12 Ho Nieh will also be joining us, the
13 Director of the Office for NRR for at least portions
14 of the meeting. Both he and I see this as a really
15 important opportunity. Part 52 and Part 50 have some
16 slight differences and the staff does have the
17 Commission's approval to enter into this rulemaking
18 and address them -- those differences, and we'll talk
19 a little bit more about that. But we also have an
20 opportunity to figure out how has the world changed
21 since the 1994 time frame when Part 52 was put into
22 place and what should we do as a learning organization
23 to reflect those changes.

24 So I think an analogy, when you go about
25 any project; for instance, if you decided to design

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 your own home or work with an architect to design your
2 own home, you have a paradigm in your mind of what you
3 need and how things will work and how things will flow.

4 And you build the home and after a couple of years
5 you figure out, gee, that kitchen island should have
6 been two feet to the left and a little wider doorway
7 in and out of the garage would have been good. And
8 that is just the nature of how things evolve as you
9 use something.

10 And so Part 52, we've now had the
11 opportunity to use most of the components of the rule.

12 We've got some experience with it. The staff is
13 identifying things that we believed did not go as well
14 as they could have or should have or cases where the
15 world has changed and now we need to focus on a different
16 aspect of the makeup of the rule. And this is an
17 opportunity for members of the public to provide us
18 the same sort of lessons learned and input on how the
19 world has changed and ideas in adapting the rule to
20 reflect the world as it exists today rather than as
21 it existed over 20 years ago.

22 So we'll talk much more, but my main message
23 in addition to the thanks for the input is that we will
24 go through a process of evaluating the difficulty and
25 the challenge and the clarity of a reg basis for all

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 of the proposed changes that we get input on and we'll
2 make a -- likely make a recommendation to the Commission
3 based on resources and return on investment. What are
4 the things that should be added into this rulemaking
5 and what might need to be pushed out just from a resource
6 perspective or the time -- how quickly there would be
7 a benefit from a change?

8 So we are in a data gathering mode. We'll
9 engage on the ideas we hear to get input on them, and
10 I look forward to a very productive day. So thank you.

11 MR. SMITH: Great. Thank you, Fred.

12 Next slide, please.

13 Okay. Thank you for the remarks.

14 We'll now roll into the NRC staff's
15 presentation. I'll turn it over to Jim O'Driscoll.
16 O'Driscoll. Sorry.

17 (Laughter.)

18 MR. O'DRISCOLL: Thank you.

19 Good morning. My name is Jim O'Driscoll.

20 I'm a project manager in the Rulemaking Group in the
21 Nuclear Regulatory Commission. That's in NMSS, so
22 we're consolidated. Thank you for joining us today.

23 As we said in our opening, the purpose of
24 today's meeting is to discuss the staff's current plans
25 and activities for determining the scope of a rulemaking

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 approved by the Commission in the staff's Requirements
2 Memorandum SECY-15-0002. We also are here to solicit
3 and discuss ideas from the public regarding what they
4 feel the NRC should consider in the rulemaking.

5 Next slide. We hope this interaction will
6 help you better understand the staff's overall
7 objective for this activity and we hope this public
8 interaction will help the staff understand your
9 perspectives on the subject, including what you think
10 the staff should focus on when evaluating the scope
11 of the draft regulatory basis. We'll take this
12 information, perspectives and questions we hear today
13 into consideration when developing the rule scope and
14 the regulatory basis, but the NRC will not prepare
15 detailed written responses to the input we receive
16 today. We plan to hold additional public meetings if
17 there's interest.

18 This slide, slide 6, shows the rulemaking
19 process, which is another way of saying the development
20 of Government regulations. We're in the second box;
21 that's the green one there, Regulatory Basis, where
22 our present task is to define the scope and then develop
23 the draft regulatory basis. We anticipate completing
24 the activities to define the scope in late March of
25 this year. We plan to communicate the proposed scope

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 to the Commission, as Fred said, in some venue and then
2 develop the draft regulatory basis.

3 For a rulemaking of this scope development
4 of the draft regulatory basis takes about 12 months
5 after the scope is defined, so we anticipate publication
6 of the draft reg basis for public comment in the second
7 quarter of calendar year 2020, but this date may change
8 depending on the results of the staff's current effort
9 to define the scope of the activity. After we develop
10 and publish the draft regulatory basis there will be
11 a 75-day public comment period. We expect to hold a
12 public meeting during that public comment period.

13 The written responses we receive during
14 that comment period will go into the docket for the
15 rule. In the final regulatory basis we will include
16 a summary of the stakeholder interactions and the key
17 messages we received from the public during the
18 development of the regulatory basis. We should publish
19 the final regulatory basis about a year after publishing
20 the draft regulatory basis, so this would be around
21 the second quarter of calendar year 2021.

22 The next two major steps are the
23 publication of the proposed rule and the publication
24 of the final rule. We will continue to provide
25 opportunities for public comment in this process. Upon

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 publication of the draft proposed rule in the *Federal*
2 *Register*, you will have an opportunity to review the
3 proposed rule and provide written comments to the NRC.

4 We expect to hold public meetings during that public
5 comment period as well.

6 Next slide. So we're on slide 7. The NRC
7 requires a regulatory basis for most of its rulemakings
8 in order to ensure sound informed decision making
9 throughout the rulemaking process. The regulatory
10 basis documents the justification for why rulemaking
11 is the best way to resolve a regulatory issue. The
12 regulatory basis also describes the technical, legal
13 or policy information that would support the content
14 of the rule. The draft regulatory basis will include
15 a draft cost benefit analysis of the proposed changes.

16 The Commission's direction in SRM-15-0002 provided
17 the direction to the staff to proceed with rulemaking.

18 So now I'll pass the baton to Pat Vokoun
19 who will provide some details on our current activities
20 to update and further define the scope of the activity.

21 MS. VOKOUN: Thank you, Jim.

22 Beginning with slide 8, I will describe
23 the background for our activities. In SECY-15-0002
24 issued on January 8th, 2015, the staff made several
25 recommendations to the Commission regarding policies,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 rules, guidance updates to ensure consistency in new
2 reactor licensing applications reviews. In the SRM
3 to SECY-15-0002 the Commission approved the staff's
4 recommendations and as such, the staff is commencing
5 the rulemaking process.

6 In Enclosure 1 of the SECY paper, the staff
7 included recommendations on alignment of Parts 50 and
8 52. The staff in Enclosure 2 of the SECY paper also
9 made a recommendation to address staff-identified
10 lessons learned obtained through Part 52 licensing
11 reviews. We will provide additional details regarding
12 these recommendations in subsequent slides.

13 It should be noted that additional items
14 associated with these recommendations may be identified
15 as the staff goes through the rulemaking process. As
16 previously stated by Jim, we will consider the feedback
17 we obtain today as we develop the proposed scope for
18 this rulemaking.

19 In addition, the staff is considering
20 various transformational changes that were not included
21 in SECY-15-0002. The staff intends to address
22 editorial, administrative or easy-to-implement changes
23 as well.

24 See slide 9. Let's talk more about
25 improving alignment between new reactor licensing

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 processes. Specifically, in SECY-15-0002 the staff
2 requested that the Commission confirm that the
3 Commission's guidance given in the Policy Statement
4 on Severe Reactor Accidents Regarding Future Designs
5 and Existing pPlants and other Commission direction
6 provided in response to SECY-89-013, SECY-90-016 and
7 SECY-93-087, would apply to any new applicants that
8 choose to use the Part 50 licensing process for their
9 application.

10 The purpose of SECY-89-013, dated January
11 19th, 1989, was to inform the Commission of the staff's
12 intentions regarding the ongoing reviews of the
13 evolutionary advanced light water reactors, or ALWR
14 designs. It was the staff's intent to pursue the design
15 review in a manner that might go beyond the acceptance
16 criteria defined in the Standard Review Plan, or SRP,
17 up to that time. The staff believed that the approach
18 to be in keeping with the intent of the proposed 10
19 Part -- CFR Part 52 to enhance safety through the design
20 certification process.

21 The purpose of SECY-90-016, dated January
22 12th, 1990, was to present the staff's recommendations
23 concerning proposed departures from the 1990
24 regulations of the evolutionary ALWRs.

25 The purpose of the SECY-93-087, dated April

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 2nd, 1993, was to present the Commission with the
2 recommended positions pertaining to evolutionary and
3 passive light water reactor design certification.
4 SRM-SECY-15-0002 was that confirmation that the policy
5 issues applied to Part 52, applications should also
6 be applied to Part 50 applications.

7 See slide 10. Let's talk more about
8 aligning Parts 50 and 52. Based on the Commission's
9 approval the staff will consider revision of the
10 regulations in 10 CFR Part 50 for the new power reactor
11 applications to more closely align with requirements
12 in 10 CFR Part 52 incorporating as follows:

13 To develop a plant-specific probabilistic
14 risk assessment, or PRA, to submit appropriate
15 information describing that analysis as part of the
16 construction permit and operating license submittals,
17 and maintain and upgrade the PRA throughout the duration
18 of the operating license; to address the Three Mile
19 Island requirements of 10 CFR 50.34(f) with the same
20 exceptions given for 10 CFR Part 52 applications; to
21 provide a description of design features for prevention
22 and mitigation of severe accidents; and provide a
23 description and analyses of fire protection design
24 features and describe fire protection plans.

25 The SECY discusses aligning Part 50 to Part

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 52 for new reactor applications. However, the staff
2 is considering aligning Part 52 to Part 50 where
3 appropriate. The alignment may go both ways.

4 Joe Colaccino will now discuss lessons
5 learned.

6 MR. COLACCINO: Thank you, Pat.

7 Good morning, everybody. My name is Joe
8 Colaccino. Happy New Year to you.

9 In addition to the information that Pat
10 has just presented on aligning, the SECY also talked
11 about lessons learned reviews that would be conducted
12 to -- updating Part 52. This was always the intent
13 of the staff. It was written in a couple of places
14 where we would do this. Notably it's not noted in the
15 SECY. There was a bipartisan policy paper -- the
16 Commission where we -- in its Recommendation 7 where
17 we'd said we'd update the -- we'd update regulations
18 to incorporate lessons learned to contribute to
19 enhancing the licensing process.

20 So Enclosure 2, we provided some examples.

21 And just to let everybody know, Enclosure 2 is not
22 comprehensive, but we -- it is grouped into three areas
23 where we felt that would be illustrative of what we
24 were trying to do: corrections, clarifications and new
25 requirements.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Since the update to Part 52, the last
2 comprehensive update in 2007, we had collected a number
3 of comments from the staff of areas that we should
4 consider in the future. It was approximately 150 that
5 we had.

6 So I'm going to talk about a couple of those
7 things this morning, and those issues are focused
8 -- I've kind of focused them on issues that have
9 unnecessarily, as I like to say, challenged the staff,
10 applicants and licensees.

11 So the first one I wanted to talk about
12 is the design certification renewal, and I'm going to
13 talk about renewal in the next slide as well. No fault
14 of either the staff or the applicant this has been under
15 review for a certain period of time. I'd like to say
16 it's just because of events and the way it was -- the
17 way we started in the renewal. So it's been lengthy
18 and it still undergoes. And this is for the GE ABWR.

19 The scope is non-specifically defined in
20 the rule. It's pretty high level. And we've -- I don't
21 think that there's anybody that's been involved with
22 the rule that would say there's been some challenges
23 with the implementation of this. So we did provide
24 some draft guidance to the applicant to do -- how about
25 -- go about to implement the -- this requirement. There

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 is an application in house and it's currently making
2 its way through review. But this is an area that we
3 think we want to at least consider in future rulemaking.

4 I'd like to talk that -- I'm going to talk about that
5 more in the next slide because it leads us
6 -- consideration of the renewal leads us to some other
7 change -- potential changes that we would consider in
8 the regulations.

9 The next one I wanted to mention was errors
10 in a certified design while renewing a COL application.

11 I don't think many people in this room understand
12 what the issues that were had. There's been a number
13 of correspondence on this with the AP1000 reviews with
14 -- particularly with a couple of COLs that were under
15 review that were held up because we were resolving some
16 issues that had occurred after one of the COLs was
17 issued.

18 So we're going to -- I think it's prudent
19 to ask ourselves what could be done in -- if anything
20 in consideration of the way Part 52 is constructed,
21 if there's anything that could be done to clarify and
22 make this situation more understandable. And I
23 understand there will probably be additional discussion
24 by that -- by the -- I've looked at the slides ahead
25 of what the industry has said. I know that this was

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 on your issue -- list of issues. So that was no
2 surprise. You know, just -- I didn't see any surprises
3 in any of the -- that you provided to me. So there's
4 always been a lot of discussion about this.

5 The third one I wanted to mention, again
6 another topic that's been a discussion, certification
7 -- certifying information that's referenced in design
8 certification rulemaking; i.e., Tier 1.

9 Now there's nothing in the regulations that
10 says that you have to -- what's Tier 1, what's Tier
11 2, what's Tier 2 Stars? Matter of fact the only thing
12 that identifies a tier of information is in the design
13 certification appendices. The tiering is all policy
14 papers that were -- numerous policy papers that were
15 written in the '80s and the early '90s, yet there isn't
16 any specific thing in the regs that says that you have
17 to have -- your application has to come in tiers. And
18 I think most people in the room know that, but I think
19 it's just worthy of saying it because there is a lot
20 of policy construction associated with that.

21 And so I think now that we've gone through
22 -- that were, as Fred had said, in the later stages
23 of -- as implied, executing the Part 52 process; we
24 haven't done it completely yet, it's worthy to go back
25 and look at this especially since we see the experience

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 that we're having right now as a facility is being
2 constructed and looking at what the challenges are with
3 number of exemptions that we're receiving.

4 Next slide, please. So I titled this
5 slide, "Transformational Changes." I think everybody
6 understands what the meaning of that is, but we have
7 to recognize that after the issuance of the SECY paper
8 in 2015 and the Commission going ahead with allowing
9 us to do rulemaking on the alignment and also looking
10 at updating Part 52 a lot has happened since then.
11 We have the construction progress on Vogtle. We have
12 completion of other design certification and ESP
13 reviews. We're about to finish -- we're moving forward
14 finishing another one. Obviously the changes in the
15 nuclear industry that are happening and changes at the
16 NRC, quite frankly: Project Aim and the afore-alluded
17 to transformation paper. So in light of that it was
18 prudent to look and see -- and take a look that was
19 beyond what the scope in the Enclosure 2 of SECY-15-0002
20 is to see what other things could be considered.

21 And so I'd ask you to put renewal on hold
22 for a second. And so when you look at -- now I want
23 to come back to it. So expiration date of the
24 certification. Each certification has an expiration
25 date of 15 years. The 15 years was a compromise between

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 what the staff wanted at the time: 10 years, and what
2 the industry wanted at the time, which I believe was
3 20 years. At least from the records that we have we
4 have that. So that was to provide the backfit
5 protection as my research understands for that time
6 once you have certification.

7 Given what we know now and the efforts that
8 the Agency has done with backfitting and then also the
9 challenges with -- that we were experiencing with
10 renewal causes us to say what is the benefit of having
11 a certification expiration date? And so -- and of
12 course with that what are the impact on the Part 52
13 regulations? So there's a lot in there that's
14 associated with renewal and a lot of things would be
15 to unwind, but there may be some benefits in doing that
16 for -- quite frankly for not only someone that has the
17 -- that has provided the certification with the staff
18 that needs to conduct the review.

19 And as we've seen from the ABWR review -- I
20 won't say that the review has been futile. I mean,
21 I think it's good to get ahead of that. But we now
22 have in Part 52 an amendment process as well where the
23 certification can be amended. So that was not part
24 of the original Part 52 process. That was -- came about
25 in -- I think that was part of the 2007 rule change.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 So I think it's worthy for us to at least look at that.

2 And as Fred alluded to, our SECY paper -- the SECY
3 paper said that if there was anything that was beyond
4 what was in the scope of the SECY paper, we would come
5 back to the Commission and talk to them about that.
6 I think clearly this would be one of those things.

7 If you look at the -- then the -- so that's
8 a cascading change. You'd look at the change process
9 within the certification as well. That would be one
10 thing that you'd have to look at. But the change
11 process is in there. You know, we always talk about
12 the 50.59-like process. The "like" really is
13 associated with standardization. So there are tests
14 in there to make sure that you've -- that the design
15 is standardized. And for those of you who have done
16 the research -- and there is an extensive -- the
17 Commission spoke extensively on standardization
18 because the Commission believed at that time that
19 standardization would bring safer plants.

20 And so is there an opportunity now to look
21 at this? I mean, obviously they're not going to be
22 any safer, but what are -- to what level of
23 standardization do we need to have for these facilities
24 as described in Part 52?

25 So the next one, something that's given

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 a lot of us lots of discussions about the phrase "what
2 does an essentially complete design mean?" It is
3 clearly defined in the papers. The policy is the scope
4 of the design so that you -- it would encompass all
5 the safety features. It was just -- not just the NSSS
6 system. It was -- and really we're focusing here -- I'm
7 thinking of the certification piece. It would be the
8 entire facility minus the site-specific pieces and
9 those interfaces would be described in the
10 certification.

11 There is a lot of discussion about the level
12 of detail in that scope. And again, we can look -- and
13 the proposal back in the '90s of the staff, the late
14 '80s, early '90s, about having four different
15 proposals, where actually the staff was -- at one point
16 was saying you need to actually produce all the design
17 blueprints and -- for it to be standardized. That piece
18 was rejected. But there is provisions in the
19 regulations that you have to provide enough information
20 such that the staff would have that available for audit,
21 the information produced design and procurement
22 specifications so that the staff could have it available
23 for -- if they needed it. So that's in the regulations
24 right now.

25 So that ties in with Tier 1 as well: What

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 level of information do we need for Tier 1? What
2 information do we need to standardize the design? What
3 information is Tier 2? And I'll use -- even though
4 I've just -- I said before Tier 1 and Tier 2 is not
5 in the regulations in Part 52, what information needs
6 to be within that that is standardized? And then that
7 also fits in with the change process. So it all kind
8 of fits together.

9 Okay. The last one. And this does fit
10 in, and give me a second so I can explain how it fits
11 in. So there's a requirement in Part 52 that you have
12 to provide a -- you have to -- what's the exact
13 alignment? You have to address the Standard Review
14 Plan six months before your application comes in. And
15 I know that when I was leading a branch of one of the
16 design certifications that came in, I believe they
17 produced an 800-page report describing how they
18 deviated from the Standard Review Plan.

19 So, and I understand that the staff used
20 this report and -- but at the same time I also understand
21 that the review -- the application was structured such
22 that it had to answer the SRP completely. And the staff
23 did its review, so it also did the SRP completely.
24 And just asking is that the right approach? I mean,
25 the application piece is -- if you looked at the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 requirements of 52.47, it gives you exactly what you
2 need to apply for, for the most part. For the most
3 part. And one of those pieces is this provision
4 addressing this SRP six months ahead of time. Is this
5 the right way to go? So do we burden ourselves with
6 much larger applications that don't necessarily enhance
7 safety by going by this route?

8 Okay. So those are my examples. I have
9 others within the 150 and there's been lots of
10 discussion as we're going through and scoping out this
11 rulemaking. I'm interested -- like I said, I did read
12 what you all had ahead of time, so I'm interested to
13 hear what you all have to say. And of -- as Jim said,
14 our regulatory basis will consider looking at the
15 evaluation associated with these items and we have made
16 a commitment again to provide the Commission with items
17 that are outside the scope of this paper, as Fred had
18 mentioned before.

19 Okay. So with that I think I'm passing
20 it back to Jim, right? You finishing up? Thank you.

21 MR. O'DRISCOLL: So we're a little ahead
22 of schedule. We were going to -- at this point we were
23 going to take a break and then roll right into the
24 stakeholder presentations, but I think it's early.
25 We can go right ahead into the stakeholder presentation

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 if that's okay by everyone.

2 So in our meeting notice we -- interested
3 members of the public were asked to let me know if they
4 intended to make a presentation. The Nuclear Energy
5 Institute informed me they would hold a discussion of
6 a list of items that pertain to the subject of the
7 meeting. I will ask the folks who will be discussing
8 this list to state their names and go ahead and start.

9
10 MR. TSCHILTZ: Okay. Thanks, Jim. My
11 name is Mike Tschiltz from the Nuclear Energy Institute
12 and we basically are going to go through a list of items
13 that we've provided the staff that I think is up on
14 the webinar right now. We've assigned leads for
15 discussing each of the issues and we'd like to conduct
16 this as more of a panel discussion from the industry
17 perspective.

18 We appreciate the opportunity to provide
19 this input early on in the rulemaking process as a first
20 look or a sampling of the issues that the industry feels
21 are important to address with Part 52. I think we
22 anticipate providing additional input throughout the
23 process as the staff works through the rulemaking.

24 I think there is a feeling that we need
25 to make the most of this opportunity. If you look at

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the timing of everything it's probably a once-in-a-
2 decade opportunity to fix what's wrong with Part 52
3 or what people have concerns with Part 52 and it's a
4 unique opportunity from the standpoint of it provides
5 a chance for us to address some of the concerns that
6 stakeholders have fundamentally with Part 52 as being
7 maybe a non-workable process for first-of-a-kind design
8 certifications. So it's the opportunity for us to
9 maybe address some of those concerns and make it more
10 attractive for advanced reactor developers to utilize.

11 So with that being said I'll transition
12 to the table. I'm not going to read these items, but
13 the first item is basically the ability to make changes
14 during construction to the licensing basis without
15 delaying construction. I think the industry feels as
16 if this issue is set apart from all of the rest of the
17 issues because it is singly the most important issue
18 that we feel needs to be addressed.

19 The distinction I'll make also with this
20 issue is we don't feel that rulemaking is necessary
21 to fix this. We think it's a process implementation
22 issue. That being said I think the rule could benefit
23 from language in the Statement of Consideration that
24 would specifically address this to prevent an
25 interpretation like is currently being implemented from

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 taking place in the future.

2 So we -- the NEI issued a paper in October
3 of 2018 that basically looked at licensing impacts
4 during construction and experience using Part 52 to
5 make changes during construction. And we enlisted the
6 help of Southern who'd gone through this and had
7 firsthand experience. And basically what we
8 determined through the review was that the change
9 process for making changes to Tier 1 information, and
10 to Tier 2 Star for that matter, is too burdensome without
11 corresponding safety benefit. So we're looking for
12 that to be addressed through changes in NRC processes
13 as well as being addressed in the Statement of
14 Considerations for the rule.

15 I think if you look at the experiences with
16 the plants that were being constructed I think that
17 -- I don't think people can point out to the Part 52
18 change process as being a principal contributor to
19 delays during construction, however, the use of the
20 Part 52 process disrupted work, increased licensing
21 and engineering costs during constructions without a
22 corresponding safety benefit. And the NRC's
23 interpretation that construction has to be 100 percent
24 compliant with the licensing basis at all times creates
25 unnecessary ongoing risk throughout the entire

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 construction period without a corresponding safety
2 benefit.

3 So part of this also gets to the issue of
4 the level of detail that's captured in the licensing
5 basis in Tier 1, 2 Star. I think we have a number of
6 licensing -- or lessons learned with that. NRC I think
7 has made progress in its implementation of Tier 2 Star
8 and for future design certifications. It's
9 eliminating basically the use of Tier 2 Star unless
10 requested by the applicant. So we think that's
11 progress. However, I think there's more work that's
12 needed in this area, specifically with dealing with
13 first principles and identifying Tier 1 information
14 that goes into the design certification.

15 We've worked on industry guidance
16 documents. NEI 15-02 was out there initially and now
17 we've got a draft of NEI18-01, which talks about
18 industry guidelines for development of Tier 1 and ITAAC
19 under 10 CFR Part 52. So we feel that there's
20 significant work that needs to be done to cut down the
21 level of detail in Tier 1 and thus eliminate these need
22 for changes that require NRC review for things that
23 are very minor and don't present a safety issue.

24 So I think that's what I wanted to cover
25 here. And I'll open it up to other people on the panel

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 if they want to add anymore from their experiences with
2 changes during construction.

3 MR. PIERCE: Well, I'll just mention -- my
4 name is Charles Pierce. I work for Southern Nuclear.

5 And I'll just mention that the PAR process that was
6 developed either on went a long way to addressing the
7 immediate problem for changes during construction.
8 And without that I don't think -- I think there would
9 have been a -- Southern Nuclear would have had a very
10 difficult time with the construction program at Vogtle.

11 Having said that, just early on with the
12 -- in 2012 with the first issue that we had with rebar
13 we had to -- I mean, when it was identified, we basically
14 had to stop work and work on other things and work on
15 other issues and divert people, personnel and so forth.

16 And even though NRC was very responsive in getting
17 a PAR out to us very quickly, we got them in very quickly,
18 the PAR came out very quickly afterwards, there was
19 still construction impacts that were out there that's
20 -- and so we -- we've regularly had those types of
21 impacts where we don't necessarily -- it doesn't
22 necessarily impact a he construction milestone, but
23 it causes resource challenges within our organization
24 as we have to deal with an issue that comes up like
25 this. And we've had -- we have refocused the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Westinghouse engineering organization to work on the--
2 a more complete design than initially we might otherwise
3 and so forth as we go through this process.

4 MS. AUGHTMAN: Amy Aughtman from Southern
5 Nuclear. I'll just echo what Mike and Chuck have
6 already said. I do think just as we also start
7 factoring in transformational changes opportunities
8 into this I do hope the staff will kind of take a step
9 back and just ask the question how much of what was
10 initially laid out and thought would be the process
11 by which a COL licensee would perform construction
12 -- how much of that is still necessary today? I mean,
13 now that we have lived some of these lessons what is
14 -- is there another point in time at which it makes
15 sense for the design, the license, the licensing basis
16 documentation, procurement information and all of that
17 to come into alignment?

18 MR. TSCHILTZ: So if there's no further
19 discussion on item 1, we'll shift to item No. 2 on the
20 list.

21 MR. PIERCE: Ah, that's mine.

22 MR. TSCHILTZ: Yes.

23 MR. PIERCE: There in the early days with
24 our Early Site Permit Program Southern Nuclear received
25 an early site permit in August 2009 and the limited

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 work authorization also in August 2009. As work began
2 and construction began under the limited work
3 authorization there were some changes that were
4 identified the need to be made to the SSAR, the
5 Supplemental Safety Analysis Report, in order to move
6 forward with construction.

7 10 CFR 52.39(e) specifically requires a
8 license amendment be required for any change to the
9 SSAR. It didn't -- without exception. So we couldn't
10 use the 50.59 process or a similar process to conduct
11 some evaluations and make changes to the FSAR at that
12 point in -- or SSAR at that point in time. That allowed
13 -- that created some complexity for us and required
14 us to make some license amendments that required very
15 quick turnaround in order for us to continue
16 construction at that point.

17 So my belief is that for individuals who
18 have an early site permit, particularly with a limited
19 work authorization, that some form of a change process
20 should be provided for to change the SSAR without going
21 back to the NRC necessarily for approval in all cases,
22 much like a 50.59 process.

23 MR. TSCHILTZ: Okay. Any questions on No.
24 2? If not, we'll move onto No. 3. Zach?

25 MS. AUGHTMAN: I can start this one if you

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 want, Zach.

2 MR. HARPER: Okay.

3 MS. AUGHTMAN: So Amy Aughtman again from
4 Southern. And so this is addressing the topic of Tier
5 1, and I was encouraged to hear Joe's comments earlier
6 about -- just acknowledging that there is no requirement
7 for a tiered application approach. And so while our
8 -- we make a suggestion here that there should be a
9 Tier 1 minor change process added; I'll just say that,
10 that was to -- I'm going to say that was kind of a
11 Band-Aid solution here. If there's a better solution
12 that limits what needs to be part of Tier 1 that would
13 allow for greater flexibility in changes, then we
14 certainly do encourage that.

15 MR. COLACCINO: Amy, can I ask a clarifying
16 question? You -- this is Joe Colaccino. When you say
17 "minor," you mean something that's not an exemption?

18 MS. AUGHTMAN: So I'll continue on --

19 MR. COLACCINO: I'm sorry.

20 MS. AUGHTMAN: -- with what I mean by that.

21

22 So what the thought was by requesting that
23 is that many of the exemptions we have had to submit
24 that were changes to Tier 1 certified material were
25 for things like typos, clerical errors. So by typos

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 I'm talking about: so this is a level-of-detail issue
2 I think, TAC numbers are in currently contained in some
3 of the Tier 1 information. Rad monitor numbers are
4 in the Tier 1 information. And then clerical and
5 administrative Like if we got a figure number incorrect;
6 we said 2.3-1 and we really meant 2.3.2-1, things of
7 that nature. Misspelled words. Elevator. We also
8 had a "lighting" change versus a "lightning" change
9 that we needed to make that we needed to make.

10 So the thought is for very minor changes
11 like that if there is -- if that isn't captured in Tier
12 1, would it make sense to provide for some type of change
13 process that doesn't require an exemption or other prior
14 NRC review and approval to fix minor changes like those?

15 Now if Zach has anything else to add.

16 MR. HARPER: Yes, I thought that was good.

17 I would just add onto that is that Tier 1 is lengthy
18 in many cases and the -- as a practical matter there
19 are going to be edits, there are going to be editorial
20 changes that need to be made and the -- what it causes
21 is resources are being pulled to work on an LAR or an
22 exemption for edits where those resources could be
23 better applied to more safety-significant issues than
24 changing a "lighting" rod to a "lightning" rod.

25 MR. SMITH: Excuse me. I'd like to remind

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 everyone to please use your full name and organization.

2 Zach, your name is?

3 MR. HARPER: Yes, Zachary Harper,
4 Westinghouse, Plant Engineering and Licensing.

5 MR. SMITH: Oh, great. Thanks. And
6 that's for the transcribing for those on the phone so
7 we can understand who's speaking.

8 MR. TSCHILTZ: So that brings us to No.
9 4 on the list for those on the webinar.

10 MR. HARPER: All right. Again, this is
11 Zachary Harper, Westinghouse, Plant Engineering and
12 Licensing.

13 So I was going to address items 4, 5 and
14 6, which are all related to renewal.

15 As written, Part 52 in draft NRC guidance
16 make it prohibitively expensive to renew a design
17 certification. I'd like to propose three changes to
18 the rule that would make the renewal application process
19 more predictable and efficient. I believe that these
20 proposals have no impact on plant safety, can be
21 implemented quickly and would have a positive benefit
22 to the nuclear industry.

23 The first item that I'd like to talk about
24 is aligning -- so it will go in slightly different order
25 than what's on the table. So the first item that I'd

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 like to discuss is aligning a design certification with
2 a constructed operating facility's UFSAR. So Part 52
3 does not distinguish a design certification renewal
4 for designs that have been licensed and built in
5 verbatim compliance with a high volume of lessons
6 learned versus a design certification that has never
7 been built in the United States with a lower volume
8 of lessons learned.

9 I believe that the additional hundreds of
10 thousands of hours of scrutiny applied to those designs
11 that have been constructed in the way of license
12 amendment requests, ITAAC closures, audits,
13 inspections and licensing evaluations should be
14 appropriately valued during the design certification
15 renewal process. Currently the renewal does not
16 provide for an efficient process to align design
17 certification to a recently constructed operating
18 facility's UFSAR.

19 What I would propose is to revise 10 CFR
20 52 to allow a design certification renewal application
21 be submitted following a facility's construction and
22 initial operation. Essentially what -- the proposal
23 would be for changes within the design application that
24 align with an operating facility's UFSAR should be
25 considered resolved and need no NRC review and approval.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1
2 For those changes that would be included
3 in the design application that go beyond what was
4 included in the operating facility UFSAR; essentially
5 optimization-type changes, they should be evaluated
6 by the DC applicant in accordance with Section
7 VIII(b)(5) of the design certification rule. There
8 changes that need NRC approval under (b)(5) would be
9 considered an amendment under 52.57(c) and changes that
10 do not need NRC approval would be considered resolved.
11

12 In terms of justification I think this is
13 safe, it can be easily implemented and would have a
14 positive benefit. So in terms of safety changes from
15 the original DCD that have been implemented, the
16 operating facility's UFSAR have already been determined
17 to be safe, meet regulations and have no adverse impact
18 on the facility. Therefore, implementing those same
19 changes into a renewal application is safe and meets
20 regulatory requirements.

21 Implementation, I think it would be easy
22 because Reg Guide 1.206 Rev. 1 already provides
23 precedent and includes the justification for this
24 proposal. The recent Reg Guide updated in October of
25 2018 allows the COL applicants to align their COLA with

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 an operating facility's UFSAR with no NRC review.
2 So essentially the COLA application process already
3 has this provision. What we're proposing is that -- to
4 align the renewal rule with the COLA rule.

5 In terms of positive benefit I believe this
6 would ensure that lessons learned that are identified
7 during construction are included within the design
8 certification. It would also ensure that the design
9 certification matches the underlying engineering
10 technical documentation, it would greatly simplify the
11 COL application enhancing standardization, and also
12 changes that have already been evaluated to meet NRC
13 rules would not be unnecessarily reviewed.

14 So I'll pause there before I go onto my
15 second item.

16 (Pause.)

17 MR. HARPER: Okay. So the key point there
18 is that Reg Guide 1.206 already has precedent for this.

19 I believe for the COLA applicants we're looking to
20 take those -- what's provided for a COLA and make it
21 applicable to a renewal.

22 Okay. So for the second item that I was
23 going to address was related to the 15-year design
24 certification duration which you had previously brought
25 up. So per 10 CFR 52.55 a design certification is valid

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 for 15 years. This 15-year duration does not serve
2 the underlying purpose of the rule to, quote, "permit
3 more operating experience with a given design to
4 accumulate before the certification comes up for
5 renewal," end quote.

6 This duration is too short and does not
7 permit the desired outcome. In practice the 15-year
8 duration is causing design certification holders to
9 make a decision: either a renewal application and face
10 extensive NRC re-review as shown in the ABWR, or to
11 allow their safe design that has already been shown
12 to meet regulations and determined to be safe to lose
13 its certification. It should be the discretion of the
14 DC applicant when lessons learned have accumulated to
15 the point where it would warrant a DC renewal, not an
16 arbitrary date with no safety basis. So the proposed
17 resolution would be to revise 10 CFR 52 to remove the
18 15-year design certification duration.

19 In terms of justification I think this is
20 safe because the design certification rule -- they're
21 rules, they're not licenses. Rules should not expire.

22 They have been reviewed and approved by the NRC to
23 have met all regulatory requirements. Regulations
24 exist that allow the NRC to impose new requirements
25 on a design certification should a new

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 safety-significant issue come up. And I think the NRC
2 has shown its ability to do that.

3 And then in terms of positive benefit safe
4 designs that have been demonstrated to meet regulations
5 would maintain their design certification instead of
6 expiring at a predetermined arbitrary date. It would
7 also encourage new safe technologies to be introduced
8 since the DC applicant would have additional time to
9 recover up-front costs. It's very expensive and
10 time-consuming to get an original design certification.

11 To know that it's only going to expire in 15 years
12 gives a very limited time to recover the investment.

13 So I'll pause there before I go onto my
14 third item.

15 (Pause.)

16 MR. HARPER: Okay? All right. The last
17 item that I'd like to address is bringing the DCD up
18 to date. 10 CFR 52.57 currently requires an applicant
19 for renewal to contain all information necessary to
20 bring up to date the previous application. 52.59
21 provides the type of information that would be necessary
22 to bring the previous application up to date.

23 Specifically it states, "The Commission shall grant
24 a renewal if it complies with the Atomic Energy Act
25 and the Commission's regulations applicable and in

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 effect at the time that the certification was issued."

2 Unfortunately -- so the NRC has issued
3 draft guidance that attempted to clarify 10 CFR 52.57
4 by saying that renewal applications must include all
5 -- the correction -- include correction of errors, typos
6 and effects that reflect design changes -- and reflect
7 any design changes. So there appears to be some
8 disconnect between what was actually written in 10 CFR
9 52.59 and -- i.e. -- what was written in 52.59; i.e.,
10 the changes that need to comply with regulations and
11 the staff's interpretation; i.e., the correction of
12 errors, typos, defects and design changes.

13 So what I would propose is to clarify 10
14 CFR 52.57 regarding what it means to bring up to date
15 the information in the certification. In terms of
16 safety changes that require to meet NRC regulations
17 -- changes required to meet NRC regulations would
18 continue to be on the DC application. The -- it's
19 fairly simple because you're just pulling what's in
20 -- already in 52.59 into 52.57 and I think it would
21 have a positive benefit because it would eliminate
22 confusion on what content is actually required in a
23 renewal application.

24 So I guess just in closing I would say that
25 a rule written 30 years ago could not have anticipated

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the challenges that we have on renewal and should the
2 NRC be amenable to including these type of changes,
3 we can provide a more full explanation if you'd like.

4 Thank you.

5 MR. TSCHILTZ: Okay. Moving on to item
6 No. 7.

7 MR. PIERCE: Item 7 deals with the 50.59
8 versus the departure process.

9 MR. SMITH: Full name? Sorry. Sorry
10 again. I'm sorry, but full name and organization.
11 Thanks.

12 MR. PIERCE: Okay. My name is Chuck
13 Pierce. I work for Southern Nuclear.

14 MR. SMITH: Thanks.

15 MR. PIERCE: So the -- I think the
16 challenge here is that when the departure processes
17 were put in place I think that it was meant to be
18 essentially the same as the 50.59 in terms of with the
19 part of that process that deals with the questions of
20 50.59. However, the 50.59 process does contain some
21 differing language such as dealing with tests and
22 experiments and some other language. That drove to
23 a need to have subsequent guidance on how to do
24 departures, which has been done. And so right now we
25 do both departures and 50.59s on various aspects of

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 our FSAR.

2 Particularly going forward as you go into
3 operations what you're going to find out is that we'll
4 have engineering doing analyses, we're going to have
5 licensing doing work, we're going to have all the
6 -- right now today the entire organization, various
7 parts of the organization for the fleet does 50.59s
8 and this is going to be a human factors issue as when
9 do you do a 50.59 and when do you do a departure? It's
10 going to be pretty challenging as you get into the
11 operational phase and making those decisions and doing
12 them properly. Of course it can be done, but from a
13 process issue it would be far simpler in my mind to
14 make it clear that the 50.59 -- that the departure
15 process is actually a 50.59 process and you can apply
16 50.59 in lieu of the departure process. There's still
17 of course the aspect of severe accident sets that has
18 to be added at the end as well, but I think that's pretty
19 -- that's very doable.

20 MR. TSCHILTZ: Okay. Moving onto No. 8.
21 Mike Tschiltz from NEI.

22 So this gets to an issue that was raised
23 during the NRC's presentation about delays in issuance
24 of COLs due to errors in the design certification that
25 are noted following certification of the design. And

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 so there's a fairly long history on this with -- over
2 the last several years with NEI interacting with the
3 NRC on this and trying to come up with what we would
4 consider to be viable options for addressing this issue
5 in the future.

6 There's no doubt in my mind this will be
7 faced by a future applicant, so the next person going
8 through the design certification process, the first
9 plant building it is going to undoubtedly find some
10 issues that could impact the certification itself, and
11 any follow-on COL would be impacted in a similar manner
12 than -- than they were in the past if we don't address
13 this. So that's why I think NEI keeps on coming back
14 to this because this is I think the opportunity we need
15 to fix this.

16 I think we had proposed in correspondence
17 to the NRC three different options, one of which -- I
18 think the industry felt was clearly the preferred option
19 was addressing this issue with errors in designs by
20 NRC issuance of a license condition. And I know there
21 was some concerns about legal precedent and the
22 Commission's views on the use of a license condition
23 and things that would limit that.

24 I think what we're looking at is something
25 explicitly stated in the rule that says if you have

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 this type of issue, here's what you should do so it's
2 not left up to interpretation. And I think we clearly
3 feel that a license condition is probably the best way
4 to deal with this out of the options that we developed
5 when we were engaging with the staff.

6 So I think in the example I have listed
7 here it lays out the process of requiring a license
8 amendment to correct the error prior to the 52.103(g)
9 finding and then specifying a design methodology for
10 correcting the error and acceptance criteria for the
11 design. So I think we think this is reasonable and
12 addresses the issue and that's what we're proposing
13 here for the staff to consider in the rule.

14 So I would say we would go onto item No.
15 9.

16 MS. AUGHTMAN: All right. Amy Aughtman
17 from Southern Nuclear. I'll cover items 9 and 10.

18 This again kind of comes back to -- item
19 9 comes back to Tier 1 again. One other item to consider
20 when examining Tier 1 is how much of it is necessary
21 to replicate in the COL itself? There was a desire
22 to have all the plant-specific ITAAC -- by the staff
23 to have all the plant-specific ITAAC reflected in the
24 COLs as an appendix.

25 And then there was a belief that for context

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 we needed -- that the Tier 1 information that supported
2 the ITAAC needed to be duplicated in the COL itself.

3 So that requires us to provide basically dual markups
4 for everything and it's not clear is there really a
5 benefit there for replication? I know it puts on us
6 a human performance error trap. And it's not that hard,
7 but again it's just extra work that we're not clear
8 if there's another -- if there is benefit there or not.

9 So that's what item 9 is about.

10 And then item 10 is just a potential
11 clarification to consider regarding the status of the
12 tech spec bases. Sorry, that's technical
13 specification bases. Technical specifications are
14 clearly articulated as not being considered part of
15 Tier 1 or Tier 2, however there's -- it's -- the rule
16 is silent on how the bases should be treated.

17 And right now our bases control program
18 is considered to not be in effect until 103(g) when
19 the tech specs become effective, however, we are having
20 to process changes to the bases as we're proceeding
21 changes now to the technical specifications themselves.

22 So perhaps a clarification on how the bases should
23 be managed prior to 103(g) could be beneficial.

24 MR. TSCHILTZ: Okay. Moving on to No. 11.

25 MR. STOUT: Okay. This is Dan Stout. I'm

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the Director of Nuclear Technology and Innovation at
2 Tennessee Valley Authority managing our small modular
3 reactor early site permit application for the Clinch
4 River site. I'll be addressing No. 11 and No. 15 and
5 Peter will get cleanup on these.

6 What we're doing is we're asking the NRC
7 to consider a more staged approach to application
8 acceptance and review of components of an application.

9 And I'm talking about design certification
10 applications, CPs, construction permits, COLAs, ESPAs.

11 And it's going to require a shift from the perspective
12 of the NRC staff away from the position that was taken
13 two to three years ago where you were looking for a
14 complete application in its entirety before you would
15 conduct the review. You move there from an application
16 that was ready to begin the review.

17 And what we're asking is to think about
18 accepting something that is a complete component that
19 is of sufficient detail to conduct and issue a Safety
20 Evaluation Report with open items because we do
21 recognize that the staff will need to see a component
22 of an application in the context of the complete
23 application. And so it's reasonable to have an open
24 item that says you need to conduct that final review
25 once you've seen the complete application.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 We think that this kind of an approach would
2 allow the applicant to get some needed finality and
3 predictability while also giving the NRC that -- the
4 ability to state its limitations on the finality that
5 they would be able to provide by seeing a component
6 of an application.

7 In terms of the clock it's reasonable that
8 the clock wouldn't start until you have a complete
9 application, but this would allow the potential for
10 more efficient use of resources in a case where the
11 staff had availability and the applicant had the ability
12 to get a part of the application in front of the NRC
13 and you could knock that out earlier and it reduces
14 the workload that's on critical path when that final
15 element of the application comes in.

16 MR. BROWN: This is Fred Brown with the
17 NRC. If I could just ask a quick clarifying question,
18 Dan. You used the word "providing needed finality,"
19 and there's different levels of finality within Part
20 52 that SDA has finality on the staff. DC has finality
21 relative to the Advisory Committee on Reactor
22 Safeguards and the Commission. Is this proposal -- how
23 does this proposal consider the degree of finality that
24 you would be thinking about with this change?

25 MR. STOUT: I think that's a great

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 question. The amount of finality that can be given
2 is what we'd be asking for. In other words, the SDA's
3 process does not achieve finality from the Commission
4 or the ASLB, and that's fine.

5 MR. BROWN: Okay.

6 MR. STOUT: You know that going into it
7 that the finality has limitations. So I think the more
8 important element is getting the finality from the staff
9 and to some degree getting the finality from ACRS
10 review. That takes you a long way down the path of
11 having alignment from a technical perspective.

12 MR. BROWN: So great. So the main
13 distinction here between -- and I used an acronym, I'm
14 sorry. Standard design approval. The main
15 distinction would be to have the staff include the
16 Advisory Committee on Reactor Safeguards which is not
17 currently laid out in the sub-part E of Part 52, which
18 is the standard design approval. We can do staged
19 reviews, but to extend that to engagement with ACRS
20 for portions of various applications it's hard.

21 MR. STOUT: I guess it would be my
22 suggestion that we try to accommodate that, that that
23 helps improve the degree of finality and I think it's
24 consistent with how the staff currently interacts with
25 the ACRS. You do bundle together like technical topics

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 and take them to ACRS. Sometimes you take them with
2 open items; sometimes you wait until you have no open
3 items. But that degree of engagement with the ACRS,
4 it is a level of increased finality that is helpful.

5 MR. BROWN: Thank you.

6 MR. HASTINGS: So there's a segue from this
7 to item 12 as well. This is Peter Hastings. I'm the
8 Vice President of Regulatory Affairs and Quality for
9 Kairos Power. And this maybe a good time to introduce
10 sort of the advanced reactor spin on this whole thing
11 before I go on to item 12.

12 My team and I on the Kairos team have been
13 involved in one way or the other in new plant development
14 since the early days of NP-2010. I've got members of
15 my team that worked on the AP1000 COLA design
16 certifications, the mPower light water reactor, other
17 light water SMRs. We've been working for the last
18 several years on advanced reactor regulatory framework
19 and have been with -- I've been with Kairos now for
20 about a year. Just for reference sake, we're a small
21 modular reactor based on Triso pebble fuel and molten
22 salt coolant. So distinctly non-light water reactor.

23 We're endeavoring to bring our Part 50 and
24 52 experience to bear in non-light water reactor
25 development. Importantly, based on the timing that

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Joe talked about for the rule, this rule change won't
2 be ready in time for near-term deployment of some
3 advanced reactors. And that's fine. We want to
4 clarify and reinforce industry's position that a rule
5 change is not required for near-term development. For
6 longer-term efficiency it certainly makes sense.

7 There is some risk to rule development
8 while applications are being developed, but let's say
9 that there's no perfect time for a rule change. And
10 so we're very pleased to support this effort and to
11 recognize the importance of clarifications to the rule
12 for longer-term efficiency and licensing
13 predictability.

14 And I personally really appreciate the
15 staff's receptiveness to incorporating lessons, some
16 of which were hard-fought, some of which are pretty
17 obvious in retrospect, in hindsight, but to develop
18 an improved set of rules going forward. The suggestion
19 that Dan made on item 11 would require changes to Part
20 52(b), Part 2, Section 101(a)(5) and probably some other
21 areas.

22 But to Fred's question on finality, it's
23 helpful to think of it in terms of incremental finality.

24 And this is what the whole staged licensing issue that
25 was popular in advanced reactor circles a couple of

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 years ago was all about. It's getting some financial
2 predictability into the system earlier so that one
3 doesn't have to go spend numbers with lots and lots
4 of zeros behind it before the NRC's first conclusion
5 on the design.

6 For item 12, as I said, it's a good segue
7 to that issue. And item 12 is all about some of that
8 work that's been done in advanced reactor regulatory
9 framework, notably the NRC's draft regulatory review
10 road map for non-LWRs, which provides for non-LWRs to
11 use preliminary design information in an SDA. And
12 that's not entirely consistent with the rule which
13 provides for, quote, "final design information for an
14 SDA," but that was -- I'm hopeful and of the belief
15 that that was done on purpose.

16 This provision of the road map recognizes
17 the value of a phased approach and the use of an SDA
18 for that phased approach; that is, utilizing the
19 existing tools available to the staff in lieu of going
20 off and developing a new, say -- let's call it a
21 Canadian-vendor-design-review-type process that we
22 collectively between the Agency and industry decided
23 wasn't needed because there were enough tools in the
24 NRC staff's tool kit already.

25 The PSID, preliminary safety

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 identification or information document, on the one hand
2 provides for a non-binding NRC staff review of
3 preliminary design information. Standard design
4 approval provides for a binding staff evaluation of
5 what's called final design in the regulation. We
6 believe that the NRC's road map recognizes that there's
7 a viable middle ground there that the SDA -- and SDA,
8 which is already established in terms of being able
9 to evaluate major portions of the design as opposed
10 to the complete design. That already sort of sets the
11 stage for the notion of a sliding scale, if you will,
12 of finality.

13 You get finality on what you present. And
14 so if you provide an SDA with preliminary information,
15 then the SER associated with that SDA is going to be
16 contingent on the satisfaction of that preliminary
17 information in what's ultimately set forth in future
18 license proceedings.

19 The industry owns all of that risk. If
20 we set forth an SDA with preliminary information and
21 the staff provides an SER and in a subsequent design
22 iteration the preliminary information becomes no longer
23 valid, then the impact of the SER and the finality
24 associated with that SER is the burden of the industry
25 to demonstrate that it's still acceptable or that it

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 needs to be revised.

2 So that's a long-winded explanation behind
3 what's behind item 12. We think that the
4 reconciliation of the language in the rule and the
5 language in the non-LWR road map is easy to do and would
6 be a beneficial change to the regulations.

7 MR. TSCHILTZ: Thank you, Peter. This is
8 Mike Tschiltz from NEI. This may be a good point, Jim,
9 if you were to consider taking a break in our
10 presentation.

11 MR. O'DRISCOLL: You read my mind.

12 So why don't we take a 15-minute break and
13 come back at let's say -- why don't we just come back
14 at a quarter after, a little bit more than 15 minutes.
15 Quarter after 10. Thank you.

16 (Whereupon, the above-entitled matter went
17 off the record at 9:54 a.m. and resumed at 10:14 a.m.)

18 MR. SMITH: Okay, if everybody could take
19 their seat, we're going to get started again.

20 Robin, I don't know if you heard me, but
21 we're going to go ahead and get started again.

22 OPERATOR: Yes, the lines are open.

23 MR. SMITH: Great, thank you.

24 Okay, before we get started again, just
25 wanted to remind everyone not to discuss any classified,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 safeguard, sensitive, or proprietary information.
2 Also, if you could state your name, your organization
3 prior to speaking, it'll help us to record information
4 and also for the folks on the line, for their benefit.

5 All right, you guys want to continue?

6 MR. BROWN: Mike, if I could, this is Fred
7 Brown with the NRC. I just want to correct confusion
8 that I inserted potentially into folks' minds in a
9 question on Item 11 about the staged approach. The
10 ACRS does review the staff's work under Subpart E for
11 standard design approval already. So my question was
12 really about finality, and Dan answered that question
13 that the industry does recognize there's a degree of
14 finality that doesn't involve the Commission and that
15 got to the point of the suggestion. So my thanks and
16 my apology for the confusion.

17 MR. TSCHILTZ: So this is Mike Tschiltz
18 from NEI. And so we're going to transition to other
19 10 CFR changes that kind of are corresponding changes
20 that come out of Implementation Part 52, and so I'll
21 turn it over to Southern for Item No. 13.

22 MS. AUGHTMAN: All right. Again, this is
23 Amy Aughtman from Southern Nuclear. And I'm pulling
24 up my notes to get them handy again.

25

1 Okay, so this topic is on probabilistic
2 risk assessment or PRA requirements. And so this was
3 a fairly significant rule change from what has been
4 required for Part 50 applicants. And a couple of things
5 we want the staff to consider in this rulemaking; one
6 is Southern has found that the requirement to utilize
7 the NRC endorsed consistent standards that are in effect
8 one year prior to fuel load is probably not practical.

9 And Southern did seek relief from this through an
10 exemption request, which basically allowed us to use
11 the standards that are endorsed at the present time.

12 And so one suggestion we have is perhaps locking in
13 the standard that should be utilized at the time a COL
14 is issued. There may be other ways to accomplish that,
15 but just one year to get the PRA models developed and
16 peer reviewed, just is not really enough time by
17 considering everything else you have going on in that
18 one year leading up to fuel load. The second
19 requirement is in 50.71(h)(2) which requires an upgrade
20 every four years, so this is once you've achieved
21 operation and the upgrade must reflect endorsed
22 consensus standards in effect, again, one year prior
23 to the upgrade. Two things we'd like you to consider
24 there; one is, is the four-year frequency really the
25 right type of requirement upgrades or a little more

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 significant than a simple maintain and update, which
2 -- I say simple; those are not necessarily simple
3 themselves -- but an upgrade is additional scope and
4 burden that I just think we should re-examine the cost
5 benefit for requiring upgrades. So then beyond that,
6 again, if there are requirements for upgrades, one year
7 to get the models developed and peer-reviewed, again,
8 is probably not very realistic and we would ask for
9 you to reconsider at what point in time is the right
10 time to lock in the standard that we should be working
11 to.

12 MR. TSCHILTZ: Okay, I think we'll
13 transition to Item No. 14.

14 Is that Chuck or Amy?

15 MS. AUGHTMAN: Oh, okay. Amy Aughtman,
16 again, for Southern. So this is on -- this item is
17 about the definitions on use of Commission-approved
18 simulators. This is an area that Southern discovered
19 perhaps the rules are not very clear on -- or don't
20 provide enough allowance or in particular when you're
21 trying to get started with cold licensed operators in
22 a design for which a simulator hasn't been approved
23 on yet. There's some opportunity to get some clarity
24 there on using a Commission-approved simulator and how
25 that compares to what the rules allow for plant

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 reference simulators. So this is another area Southern
2 had to -- actually, we requested approval from the
3 Commission for the simulator to be used; during that
4 review NRC staff determined an exemption is appropriate
5 and needed to allow us to refer back to the
6 Commission-approved simulator. And so we provided the
7 ML number there for the exemption requested -- sorry,
8 the exemption that was granted -- so that you can see
9 perhaps the rules may need to be adjusted to reflect
10 that.

11 MR. TSCHILTZ: Okay, so the next item is
12 No. 15. Is that Pete?

13 MR. HASTINGS: Yes, so for 15 -- this is
14 Peter Hastings -- Dan coupled the first half of this
15 with his remarks on Item 11, so we don't need to
16 reiterate that, but the latter half of this, the next
17 as being 10 CFR 2.101 (a)(5); we would suggest that
18 the staff take a look at areas of the environmental
19 report in EIS where the impact is effectively
20 predetermined by the licensing action underway. So,
21 for example, it doesn't make a lot of sense to require
22 an additional set of radiological impact assessments
23 when the license is being issued sets the parameters
24 around which that licensee is able to operate already.
25 So look for any opportunities within the environmental

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 review that are duplicative of the work that's being
2 done elsewhere in the application, relatively
3 straightforward.

4 MR. TSCHILTZ: Okay, No. 16.

5 MR. PIERCE: Chuck Pierce, Southern
6 Nuclear. I'm going to jump and talk a little bit about
7 Part 26. And during the construction phase for Vogtle
8 3 and 4 it was identified that the construct of 26.4(f)
9 does not provide for the use of -- or does not allow
10 for visitors to come on site and do safety or secured
11 work under escort. If you look at the construct for
12 the operating fleet, there is an allowance for visitors
13 to come on site and under appropriate escort -- I think
14 it's also in Part 73 -- to do work. So for the first
15 part here there will be a need as we get into the parts
16 of construction, particular as it deals with testing
17 and start-up for visitors to be engaged -- or for people
18 to come on site for very short terms and to support
19 the staff and get any equipment ready for start-up.
20 And so we anticipate that we will be using the
21 individuals a very short period of time; we would like
22 to use visitors under appropriate escort. We do have
23 a license amendment with an exemption applied for on
24 this, but I think it'd be appropriate to look at this
25 in a broader context of what might be appropriate for

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 a rule change.

2 Likewise, on the second part, we also use
3 Subpart K workers which are construction workers,
4 there's a provision in Part 26 for construction workers
5 specifically. And Subpart K is silent on certain, what
6 I call administrative provisions that are provided for,
7 for other works in Subpart's A-H, N and O. And the
8 one that particularly jumps out is the authorization
9 reinstatement provisions of 10 CFR 26.59. So if
10 somebody is, for example, off the site for 30 days,
11 there's a reinstatement provision for them to come back
12 on; so this is -- there are no similar provisions in
13 Subpart K, so it's silent on it -- and so we would like
14 the regulations clarified to how those provisions apply
15 back in the Subpart K provisions.

16 17, jumping forward. 17 deals with annual
17 fees of Part 170.15(e); currently annual fees begin
18 at -- for a plant, begin at 103(g) or when the 103(g)
19 decision is made. Historically, it appears to us that
20 the appropriate time for annual fees to begin is when
21 there's a derived economic benefit. And there's some
22 history to that being an appropriate time as well.
23 So our recommendation in looking at the annual fees
24 is that the annual fees begins, rather than beginning
25 at 103(g), they begin at commercial operation, the date

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 of commercial operation when there's a derived economic
2 benefit.

3 MR. TSCHILTZ: Okay, this is Mike
4 Tschiltz, NEI. This brings us to No. 18 and I think
5 we're going to add one after 18 to the list here. But
6 for No. 18 I'd like Tom Bergman who's on the phone to
7 lead the industry discussion on that. So I don't know
8 if the operator can bring Tom in. He's going to press
9 Star 1 so he can talk.

10 OPERATOR: Thank you. If he'll please
11 press Star 1 so I can get his line open.

12 Okay, one moment.

13 Okay, your line's open.

14 Please unmute your line. Your line's
15 open.

16 MR. BERGMAN: Oh. Good morning,
17 everyone; this is Tom Bergman with NuScale Power. I
18 hope you can hear me clearly.

19 I am going to address 18 and then our
20 up-comments so I don't pop on and off the line. With
21 respect to 18, and it's broader than 20.1406, that some
22 clarity in to what extent the requirements in Part 20
23 need to be addressed by the DCA. The DCA in Subpart
24 B points to Part 20, but many of the requirements in
25 Part 20 refer to licensees. In general we need to

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 address questions on those requirements, though it
2 isn't clear they actually apply to a DC applicant.
3 So the applicability statements in Part 20 should be
4 modified to indicate what applicants under Part 52 are
5 required to comply with which requirements in Part 20,
6 because in our view the amount of information that we
7 provide on Part 20 goes beyond what's necessary for
8 a safety finding and it has little lasting regulatory
9 control because most of that information will be changed
10 by the COL applicant and/or holder, the licensee, later
11 as they actually get operating data from the plan, and
12 those changes typically would be made without engaging
13 the NRC at a later point. So that review provides an
14 appearance of regulatory control while actually
15 providing little. And that's sort of a general theme
16 of our comments and they do overlap some of the comments
17 the staff made, as well as the other participants with
18 NEI. And we do support the NEI comments. We have our
19 own lessons learned being a design to deviate
20 significantly from those that were considered when the
21 regulations were written using Fred's analogy of a
22 house; we're kind of a different kind of home -- not
23 a house -- I don't know what kind to call it, but we
24 look like a house, but we are different than the typical
25 house.

26
NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 And that theme I mentioned on Part 20
2 carries to the others that having applicants spend
3 effort in developing information for an application
4 and having the NRC review that information where it
5 has little or no effect on safety and can be changed
6 later without subsequent NRC reviews of limited value,
7 and this gets to the essentially complete requirement.

8 And Joe, I can't remember Joe Colaccino's exact
9 language, but it was along the lines of related to the
10 safety findings, and yet we feel our application goes
11 in the systems that there is no safety finding to be
12 made, other than perhaps a very high level along events
13 some of the general design criteria like 2, 4 and 5,
14 and there may be a way to modify application such that
15 the information in the FSAR is limited to that type
16 of finding, but the details that the staff may find
17 of interest are in a non-regulated, descriptive
18 document. And I bring it up because in the NuScale
19 design, once you leave the reactor building there's
20 almost nothing that has any safety significance at all.

21 And we think that will be typical of future advanced
22 reactor designs as well that you keep the safety stuff
23 close to the NSSS, and once you get into the balance
24 of plant, there's lower or no safety significance.

25 And we do think this is somewhat consistent with the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 staff's effort to enhance the RAI process that tries
2 to tie them to sound regulatory basis, but clarifying
3 that whether it's in a state in consideration or within
4 the rule where essentially complete would be helpful.

5 The next, going to earlier discussion on
6 ITAAC; we do think more consistent regulatory guidance
7 on ITAAC would be beneficial. NEI 15-02 was a good
8 effort that was stopped; we understand it will soon
9 be resubmitted as NEI 18-01, but endorsed guidance on
10 appropriate ITAAC would be a regulatory improvement.

11 And in that guidance, and one thing we do appreciate
12 NRO's discussing with us is that acceptance of criteria
13 for ITAAC could without -- as a supplement to reduce
14 the burden on a change process that the ITAAC themselves
15 have flexibility for licensee's to meet the acceptance
16 criteria without necessarily changing the ITAAC. The
17 one example we typically use with the staff is the demand
18 and capacity ratios pointing to the code rather than
19 to the analysis that's part of FSAR that would give
20 the COL flexibility to modify the design, but because
21 it would still meet the code, it would still be safe.

22 Another comment Joe Colaccino, again,
23 brought up the SRP evaluation requirement, and I do
24 think that should be changed from a requirement to
25 guidance, but retained is an option. I think because

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 there may be a possibility a large light-water reactor
2 will be submitted or amended and they may find it useful
3 to do that analysis. NuScale is a light-water reactor
4 that's substantially different, the value of that
5 somewhat reduced that when you -- and the reason I bring
6 that up is when you deviate from the SRP substantially,
7 it's often times harder to explain to the staff why
8 that deviation is acceptable than just stating we had
9 an alternative approach to safety and we'd want that
10 evaluated on its merits. I recognize that that type
11 approach would require somewhat a function of change
12 of the staff that you're just saying we're not
13 conforming to certain reg guides in the SRP and here's
14 our approach to safety. We've no comparison at all,
15 but it is a possibility if something could be done.
16 Much is with DCA; either eliminate or extend the
17 duration of SDA's or develop a SDA renewal process which
18 isn't currently in there. I think this may be part
19 of the EPZ rule, or more appropriate there, but the
20 distance from population centers and 10 CFR 100 needs
21 to be rethought in light of the new designs.

22 And it was on Slide 9 a number of SECY papers
23 for reference, and it goes beyond those reference on
24 Slide 9. But SECY's should be converted into
25 regulatory guidance or requirements if the Commission

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 deems a requirement necessary. That would allow a more
2 public participation process than occurs with a SECY
3 paper, and it would also make sure that we understand
4 what the regulatory guidance is and reduce debates over
5 interpretation of SECY papers.

6 But overall, I just want to say we've
7 learned a lot working with Part 52 and we do encourage
8 the NRC to continue its consideration of improving the
9 Part 52 process.

10 That's all I have.

11 MR. TSCHILTZ: Thanks, Tom. This is Mike
12 Tschiltz, NEI. So we're at the point in the
13 presentation where we've ended our list of 18. I should
14 note that we provided the NRC with the list of 20 other
15 additional changes that we don't intend to cover at
16 the meeting, but we would like the NRC to include those
17 issues in its meeting summary. But there is one item
18 from that list that we'd like to mention, and I'm going
19 to ask Amy Aughtman of Southern to cover 10 CFR 73.58.

20
21 MS. AUGHTMAN: So this would be Item 15
22 for those that maybe want to follow along on the webinar.

23 And again, Amy Aughtman from Southern. This item has
24 to do with the provision in 10 CFR 73.58; that's the
25 safety security interface requirements. And in SECY-

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 15-0002 there's a recommendation made for clarifying
2 that this rule should in fact be effective for Part
3 52 licensee's after issuance of the license, whereas
4 right now it indicates it applies to operating reactors.

5 And so I think this falls in the bucket of items that
6 the staff are calling issues that unnecessarily
7 challenged the staff and applicants and licensees where
8 we went through several months of debate with the staff
9 on whether this provision actually did apply for some
10 licensed amendments we were seeking shortly after we
11 got the COL. And there was a letter issued to clarify
12 that it should not apply until 103(g), and that ML number
13 is provided in these written comments, just to go back
14 and refer to. And again, recognizing the SECY is a
15 few years old, we'll just ask that the staff reconsider
16 the position that was stated in the SECY on revisiting
17 that, and keeping it at the stage of operation. The
18 way, at least 73.58 is implemented for operating plants,
19 is pretty involved in terms of you have significant
20 interface with various groups with an operating plant,
21 operations, maintenance, engineering, radiation
22 protection, not all those groups are available at the
23 time we're making changes early in a construction
24 environment. And so I think what was alluded to in
25 the letter that we reference here should be sufficient

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 for assuring that safety and security are balanced
2 during the change control process after a license is
3 issued. So we do have in our procedures, we do make
4 sure we're assessing security impacts for design
5 changes along the way. And certainly as security plans
6 are developed and further refined, those are taken into
7 account the state of design as they're developing those
8 strategies as well.

9 So just wanted to point that one out in
10 particular since it appears to be different than what
11 was proposed in the SECY.

12 MR. TSCHILTZ: So Mike Tschiltz from NEI.

13 We're transitioning back to the other list where we're
14 shifting to the section on recommendations for policy
15 statements or guidance associated with Part 52.

16 So there's two items on here, and I'll ask
17 Amy to talk about the first one.

18 MS. AUGHTMAN: Again, Amy Aughtman from
19 Southern. So what this is just offering as something
20 to consider is Tier 1 is issued, or identified I should
21 say, at the DCD phase and the licensee's then maintain
22 a plant specific Tier 1 document. And we have been
23 maintaining it separate and apart from our plant
24 specific DCD. So we have our USFAR which incorporates
25 the plant specific DCD, but the plant specific Tier

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 1 document -- so this is really just a technicality.

2 I don't know that there's a whole lot implication
3 either way here, that it's just something that has
4 caused a little bit of confusion that you may want to
5 look at does there need to be some clarification here.

6 For the avoidance of doubt we do maintain a plant
7 specific Tier 1 document; it's just a question of should
8 it be treated or identified as part of the USFAR.

9 MR. TSCHILTZ: So the second item on the
10 list involves the issue of standardization and finality
11 and the challenges it creates for especially
12 first-of-the-kind Part 52 licensees or applicants.
13 So I think what we're asking is part of the rulemaking
14 there be some kind of consideration of this and some
15 statement that revisits the balance struck between
16 standardization, finality and flexibility. So I think
17 this is important for future applicants and there were
18 some things said a long time ago about the Commission
19 on this, things have been implemented; I think it's
20 time to reflect to see whether we can more clearly state
21 this or strike a better balance on this issue. And
22 so that's the end of our comments here.

23 And so I'll note at this point that the
24 industry has another list of items that we've
25 characterized as parking lot items, things that were,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 we've identified as potentially wanting to provide
2 input on at some point in time that we need to gain
3 consensus on. We need to see how the staff develops
4 a draft rule and what things are changed in there.
5 So we have an ongoing list of things to consider, so
6 it's important that we stay engaged and have public
7 interaction during the course of development of the
8 proposed rule.

9 And I think with that I'll offer to any
10 other of the industry panelists there to make a
11 statement.

12 MR. STOUT: I just want to follow up on
13 what Tom Bergman said on Part 100, and I'm not -- it
14 was my understanding that it wasn't part of the scope
15 of the EP rulemaking; if that's the case, then perhaps
16 this is the place to address it going back to the
17 alignment of 52 and that kind of stuff.

18 MR. TSCHILTZ: So that concludes the
19 industry panel's presentation.

20 MR. SMITH: All right, this is George
21 Smith, NRC facilitator. Robin, if you can ask those
22 on the line if there are any members of the public with
23 any other prepared remarks. We just want to find out
24 how many folks there, and I'll query the room here while
25 you're making that announcement.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 OPERATOR: At this time if there is
2 questions from the phone line, please press star
3 followed by the number 1. Please unmute your line,
4 record your name clearly as prompted to be introduced.

5 Again, with questions from the phone line, please press
6 star followed by the number 1.

7 MR. SMITH: And again, Robin, just for
8 clarification, we've not began the Q&A session yet.
9 This was just -- we just want to find out if there are
10 any other members of the public with any prepared
11 remarks that they'd like to present at this time?

12 OPERATOR: Again, you can press star 1 with
13 any remarks.

14 MR. SMITH: Also, is there anyone in the
15 room here with prepared remarks they'd like to present?

16 Okay.

17 OPERATOR: And no one's queuing up for any
18 remarks at this time.

19 MR. SMITH: Okay, great. So at this time
20 we will transition into the open discussion Q&A session
21 where we'd like to hear your questions and comments
22 on the NRC presentation and discussions on what you've
23 heard so far today.

24 What we'll do, again, we'll query to see
25 how many folks may have questions in the room and on

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the line. If there are quite a bit of folks in the
2 room, I do have comment cards that we can use, but if
3 there are not, we won't use the comment cards. If there
4 are only a few folks in the room who would like to make
5 questions, have questions, then we won't sort of put
6 the hard time limit on that, but if we have a lot of
7 folks that would like to ask questions, then we'll try
8 to limit the time limit to about four minutes. Then
9 we'll let you have follow-up questions. But we do want
10 to make sure everyone has an opportunity to provide
11 their feedback.

12 Robin, if you can, if you can query on the
13 line to see if there's anyone who would like to
14 participate in the Q&A session, if they have any
15 questions at this time.

16 OPERATOR: And if there is questions on
17 the phone line, that is star followed by number 1.
18 Please unmute your line and record your name clearly.
19 I'll be standing by for any questions.

20 MR. SMITH: So I'm showing one individual
21 in the room. Do I have two?

22 Okay.

23 OPERATOR: And I'm not showing any on the
24 phone line at this time.

25 MR. SMITH: Okay, so those on the phone

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 line, if you have questions, we'll open the lines up
2 again for you to have questions if you hear something
3 during this process that you'd like to follow up with
4 a question.

5 So, we only have three people in the room.

6 We still would like to get -- try to be succinct at
7 your questions, and we'll try to get them to answer.

8 But if you can come up to the microphone up front and
9 ask your questions. Please state your name and the
10 organization that you're representing, please.

11 And also, before you get started, please
12 do not provide any kind of safeguards, sensitive
13 information, proprietary information with your
14 questions and your feedback.

15 Thanks.

16 MR. DOLLEY: Thank you. Steven Dolley,
17 S&P Global Platts. My question is just a clarification
18 on the industry recommendation No. 17 on 10 CFR 171,
19 the question of when annual fees will begin, should
20 they begin with the 103(g) decision or with the
21 beginning of commercial operation. But my
22 clarification question is when do the most significant
23 increases in NRC oversight, or rather the shift I should
24 say to oversight of an operating reactor take place?
25 Is the point that occurs the 103(g) decision or the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 beginning of commercial operation? I'm trying to get
2 a sense of whether the recommendation matches up, the
3 recommendation for when the annual fees begin, matches
4 up with when NRC transitions from construction
5 oversight to the ROP, basically I guess. And would
6 it end up being a situation where if it did begin only
7 with commercial operation that there were a gap period
8 where there were increased NRC oversight that would
9 not be covered by annual fees if this proposal were
10 adopted.

11 MR. BROWN: Yes, so this is Fred Brown with
12 the NR -- I'll address the part of the question regarding
13 fees and the NRC activity. So we charge two types of
14 fees, 10 CFR Part 170 fees which are essentially a fee
15 for service and the license holder is currently paying
16 those fees for all of our inspections or licensing
17 reviews, so they are in fact paying for everything that
18 we do that's directly tied to the COL. The Part 171
19 fees which I understood the suggestion to focus on are
20 the cost recovery for the agency fees that are required
21 by separate statute which include the cost of the agency
22 that are attributable to the functional area, so in
23 this case reactor safety, and are spread across all
24 of the holders of operating licenses, which
25 historically have been Part 50 OL's. So I will defer

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 to Southern to their thoughts, but just to clarify on
2 the question; for the direct activities that the agency
3 perform that support Southern today, we are charging
4 fees. 171 fees would be for the infrastructure of the
5 agency.

6 MR. PIERCE: That's correct; today you're
7 charging the 170 variable fee structure. So its hours
8 -- and this is Chuck Pierce, Southern Nuclear; I should
9 have started out by saying that. As direct hours are
10 being used by the NRC for like NRC inspectors, there's
11 a direct charge for that going to Southern Nuclear,
12 so we do see fees today. With regard to when we
13 transition from construction operation, we're clearly
14 under construction today; when you move to start-up
15 and testing and particularly at 103(g) it started in
16 a transition area stage where you're still in a -- where
17 you were testing the plant and going through various
18 tests to demonstrate that the plan will work, and then
19 you end up in commercial operation after demonstration,
20 at some point, maybe six months in the future. And
21 then that's clearly operation, but you do load fuel
22 at 103(g) in order to be able to continue that start-up
23 program. So it's sort of a transitional, sort of
24 transition over a period of time from what I'd call
25 construction into an operations program. It's not a

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 clear date that you go from one to the other.

2 MR. DOLLEY: But there would have to be
3 a specific time that had been reviewed under a
4 construction permit or the construction aspect of a
5 COL that goes over to operation in the ROP, right?
6 I mean, there's not a grey area on whether you're in
7 the ROP or not, as I understand it? Or is there?

8 MR. PIERCE: It's not a ROP, no.

9 MR. BROWN: Yes, this is Fred Brown again.
10 So the ROP is charged as 170 fees, as fee-for-service
11 direct fees.

12 MR. DOLLEY: Okay.

13 MR. BROWN: So to further -- I should have
14 -- I said the 171 covers infrastructure, so to be a
15 little clearer, rulemaking, the cost of the ACRS, the
16 cost of the computer systems, the docket, the
17 applications and all of our public outreach, the
18 Commission work devoted to reactor safety; all of those
19 things are covered under 171.

20 MR. DOLLEY: Generic.

21 MR. BROWN: So, in fact, the holder of the
22 COL has benefitted from all those things for the
23 existence of the COL, just not directly, not covered
24 under 170. So it's a policy decision to some extent.
25 At what point do we charge the 171 fee, and there's

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 probably more background that I'm not familiar with
2 in how that, what shapes that policy because it's not
3 in my part of the organization, but the real distinction
4 here is in this particular case Southern Nuclear is
5 paying 170 fees for all the direct service and they
6 will continue to pay 170 even after whether it's 103(d)
7 or commercial operations. It's a matter, though, of
8 when the rest of the allocated cost get distributed
9 out to the 171 payers, at what point they enter that
10 group.

11 MR. DOLLEY: Thanks, I appreciate the
12 clarification.

13 MR. SMITH: Please, again, state your name
14 and organization you're representing.

15 MR. WILLIAMS: I will. Joe Williams; I'm
16 a Senior Project Manager in the Office of New Reactors
17 and the Advanced Reactor and Policy branch. I was
18 actually one of the authors of SECY-15-0002. My focus
19 in that effort was on the Part 50 alignment with Part
20 52. I do have remarks on that and also some
21 observations regarding the Part 52 discussion. These
22 are thoughts for consideration both of the staff and
23 by the stakeholders here today. First of all,
24 pertaining to Part 50, there needs to be a what I would
25 think of as a line by line comparison of the regulations

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 within Part 50 and Part 52 to ensure that any gap has
2 been identified and dispositioned. An example of an
3 item that was not described in the Commission paper
4 that I realized was there, and it's related to some
5 of the items in the Commission paper; the paper talks
6 about the need to address severe accidents in some Part
7 50 applications. In Part 52 the 50.59-like change
8 process reads the same as 50.59 in the Part 50, except
9 it does also add some criteria for evaluation of changes
10 to severe accidents. And so there's an administrative
11 burden on Part 52 applicants to address changes for
12 severe accidents that would not appear for Part 50.
13 So supporting, adding severe accident issues to Part
14 52 -- or Part 50 reviews, I should say, supporting adding
15 those requirements to Part 50 you'd need to consider
16 whether or not, what changes need to be made to 59 or
17 other regulations. I think you also need to examine
18 other regulations that reference Part 50 and 52 to
19 determine whether or not the two different licensing
20 approaches are handled consistently. A particular
21 example that comes to mind is in Part 51, the regulation
22 51.50 says that an environmental report for a combined
23 license must address fuel cycle impacts for non-LWR's.
24 A non-LWR CP application does not include a similar
25 requirement, so making sure that the two schemes align

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 in that regard as well would be worthwhile, not just
2 for that line item, but any other items that might
3 appear.

4 Similar to some of the issues that were
5 described in the paper, there's a need to consider what
6 level of risk and severe accident information is
7 appropriate to provide with the construction permit
8 application. It's easy to contemplate how an operating
9 license would address those issues; you would expect
10 a similar level of the information that you would have
11 with the combined license application. But a CP is
12 based upon preliminary design information, not final
13 design information. So what would be the appropriate
14 level of preliminary severe accident information.
15 I'll note that that topic has some implications for
16 the ongoing licensing modernization project that we're
17 pursuing for advanced reactors, and so some clarity
18 in that regard for people that might be contemplating
19 a CP application would be beneficial.

20 A couple other topics that were addressed
21 in SECY-15-0002; there was discussion both of 10 CFR
22 50.54(h)(h) and also the Aircraft Impact Assessment,
23 Rule 10 CFR 50.150. In both cases the paper said that
24 the staff would provide some guidance to clarify
25 expectations for future applicants in that regard, but

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 perhaps also there should be some consideration given
2 to whether or not the rule language itself needs to
3 be clarified in those regards.

4 Also, now regarding the discussion of Part
5 52; some thoughts here, I'll note that I have some
6 familiarity with some of these topics. I was the author
7 of SECY-17-0075 that talked about the tiered
8 certification structure with a focus on Tier 2 Star;
9 regarding the tiered structure for design
10 certification, it occurs to me that the regulatory basis
11 development for the rule should assess whether or not
12 the challenges that we've seen lie within the structure
13 of the regulations themselves, the specific
14 implementation and a specific design certification,
15 or some combination of the two. It's certainly
16 reasonable to contemplate that we need a means to
17 address some of the simple editorial issues that were
18 described here today, but there's also, at least in
19 my mind, some challenges associated with basically some
20 sloppiness, if you will, that might have come about
21 in a rush to complete a certification review and what
22 obligation that might create for the certification
23 holder or the licensed applicant.

24 Regarding at-risk changes during
25 construction; it occurs to me -- and I want to emphasize

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 that this is a personal view -- we should consider
2 whether or not a change like a process like the Notice
3 of Enforcement discretion that is applied to operating
4 reactors would be appropriate. It seems strange to
5 me that we can tell an operating reactor licensee that
6 they're permitted to deviate from their licensing basis
7 for a designated period of time, and that's for a
8 facility where there's actually a radiological hazard,
9 and nonetheless, have a different burden that supply
10 to a facility that doesn't even have any radionuclides
11 present on the site. So I think some consideration
12 of a process like that might be beneficial.

13 And finally, regarding standard design
14 approvals; I'll note that the Part 52 update in 2007
15 removed the preliminary design approvals that had been
16 previously in place, that process had previously been
17 in place and had actually been used quite a number of
18 times during the 1970's. There was quite a number of
19 preliminary design approvals that were issued and they
20 were often referenced in construction permit
21 applications. Reinstating a process like that might
22 address some of the questions and concerns that were
23 being described here earlier this morning regarding
24 the type of clarity that one might, finality if you
25 will, that one might obtain.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Thank you.

2 MR. SMITH: Thank you very much.

3 One moment, please. Robin, do you have
4 anyone on the line that's showing that they have a
5 question at this time?

6 OPERATOR: Yes, I do. I have Brian
7 Medders. Your line's open.

8 MR. MEDDERS: Thank you. My question was
9 previously answered, so I'm good.

10 MR. SMITH: Okay. Thank you, Brian.

11 Is there anyone else on the line, Robin?

12 OPERATOR: I'm showing no further
13 questions. But as a reminder, it's star followed by
14 1.

15 MR. SMITH: Do we have someone else behind
16 the column? I can't see.

17 No.

18 Okay.

19 OPERATOR: And I'm showing no further
20 questions.

21 MR. SMITH: Great, thank you. You going
22 to go up?

23 MS. CUBBAGE: Hi. Amy Cubbage, NRO staff.

24 I'd just like to support the comments that Joe Williams
25 just made and also add to a comment that he made at

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the end about the preliminary design approval process
2 and the standard design approval. One, a factor that
3 will need to be considered going forward whichever way
4 we go with that, is what is the ultimate purpose of
5 the approval and how it will be referenced in a
6 subsequent application. So, for example, is the SDA
7 or PDA were to be referenced in a construction permit
8 application, then a preliminary level of design
9 information may be appropriate. However, if the intent
10 is that the SDA be referenced in a combined license
11 application, then a final level of design information
12 would be warranted.

13 MR. SMITH: Thank you.

14 MR. MUNIZ: This is Adrian Muniz with the
15 Office of New Reactors; I'm a Project Manager in that
16 office. This is a question to, I believe, NEI on,
17 relates to Items 4 and 6 of your list that you discuss
18 on Page 2. The question is, if the staff were to move
19 forward and eventually remove the duration of the design
20 certification, therefore removing the requirement of
21 renewal, do you see still the need to then implement
22 Item 6 to allow for DC renewal applications following
23 a facility construction, an initial operation, given
24 that current regulations allow for amendments of the
25 design certification that subsequently get put into

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the rule through rulemaking?

2 MR. HARPER: This is Zach Harper,
3 Westinghouse. So I think that the three ideas that
4 were presented related to renewal are all independent
5 and could be implemented separately from each other.

6 I think all three are good proposals and I think that
7 it would depend on how it were implemented. If the
8 15-year design certification duration were to be
9 removed, I think it would depend on how, whether it
10 would apply retroactively to applications that have
11 already been submitted, or if it were just applied to
12 design certifications going forward. If it were
13 applied retroactively, then the need for some of the
14 other ideas would be become less important. If it were
15 just applied to those design certifications going
16 forward, then the need for a change to align the design
17 certification with a constructed operating facility,
18 USFAR would still exist.

19 MR. SMITH: Are there any other questions
20 here or statements here in the room?

21 Robin, do you have anyone indicating on
22 the line that they have a question or a statement they'd
23 like to make on the phone?

24 OPERATOR: At this time, if there's anyone
25 that has a statement or a question, please press star

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 followed by number 1.

2 I'm showing no statement or question at
3 this time.

4 MR. SMITH: Okay. Jim, it's showing that
5 there's no questions or statements. You can decide
6 if you'd like to continue on or you'd like to take a
7 little break or a lunch.

8 MR. O'DRISCOLL: Well, it's 11 o'clock.
9 I think we could probably finish through and be done
10 by noon, and then be done. But if there's -- we can
11 go along and see how this goes. But anyway, the next
12 step in our discussion is a facilitated Q&A. So I'm
13 just going to go ahead and do that.

14 So in our meeting notice we provided
15 several questions to the public on this activity. I'll
16 start the discussion by asking if there's anyone in
17 the room who would like to provide input on this
18 question; what elements of the Part 50 licensing process
19 should be aligned with Part 52 licensing process to
20 achieve equivalent outcomes under both new reactor
21 application or review processes? And along the same
22 lines, what elements of the Part 52 -- excuse me, Part
23 50 licensing process should not be aligned with Part
24 52 licensing process?

25 And then of course, in addition we'd like

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 your input on what elements of the Part 52 process should
2 be aligned to match or to be aligned with Part 50 as
3 well, so either way.

4 MR. SMITH: So anyone here in the room,
5 any feedback on this question?

6 Again, please state your name and
7 organization.

8 MR. WILLIAMS: Once again, this is Joe
9 Williams, the Office of New Reactors. Consistent with
10 what I was saying a few minutes ago, my belief is that
11 a systematic look is needed both at the two regulatory
12 processes and across the entire regulatory set of other
13 regulations, Part 51 and so forth to ensure that we've
14 actually identified in this position all the
15 distinctions between the two regulatory processes.

16 MR. SMITH: Is there anyone else in the
17 room that would like to make a statement or have a
18 question?

19 Robin, is there anyone indicating on the
20 phone that they have a question or would like to --
21 or I'm sorry, would like to make a statement on this
22 question?

23 OPERATOR: Again, as a reminder, that's
24 star followed by 1 with a statement or question.

25 And I'm showing no statement or question

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 at this time.

2 MR. SMITH: Okay. Jim, if you can go to
3 the next --

4 MR. O'DRISCOLL: Okay, we're on Slide 17.

5 I'll ask the second question; what elements of the
6 Part 52 licensing process should be changed to address
7 difficulties encountered during previous licensing
8 reviews or improve clarity and provide more efficient
9 and effective reviews for future applications?

10 MR. SMITH: Is there anyone in the room
11 that would like to make a statement on this question?

12 MR. TSCHILTZ: This is Mike Tschiltz from
13 NEI. I think our presentation was focused on trying
14 to identify that those are common.

15 MR. SMITH: Thank you. Anyone else?

16 Robin, is there anyone on the line
17 indicating that they would like to make a statement
18 regarding this question?

19 OPERATOR: I'm showing no question or
20 statement at this time.

21 MR. SMITH: Jim?

22 MR. O'DRISCOLL: Okay, I'll go through the
23 third and final question. What transformational
24 changes can be implemented in the Part 52 licensing
25 process which would improve effectiveness and

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 efficiency within the framework of reasonable assurance
2 of adequate protection of safety and security?

3 MR. SMITH: Please.

4 MR. PETERS: This is Gary Peters from
5 Framatome. Both 50 and 52, a transformational is a
6 powerful word, but what we've been talking about here
7 basically tweaks, all right. If we do everything that
8 we said, we get what, 2, 3, 5 percent improvement in
9 schedule and cost maybe at the best. So
10 transformational you need to think differently; what
11 would it take to cut the schedule in half, to cut the
12 cost in half of going through this entire process.
13 And in order to do a transformational change, I mean
14 you got to start on a blank piece of paper; what are
15 we going to do that provides the highest safety for
16 our plant designs and regulate that; what are we going
17 to do second, what are we going to do third. And then
18 when we get to half of our schedule and our total cost
19 budget, well the rest of that probably isn't as
20 important because we've already did the top ten things,
21 we're not going to get through Items 11 through 150
22 because we've done the most important things to ensure
23 the adequate protection of the public.

24 So, again, the transformational concept
25 is you got to start from a blank piece of paper; you

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 can't tweak tweak, it's not going to happen.

2 MR. SMITH: If you can, again, restate your
3 name and organization just so we can --

4 MR. PETERS: Gary Peters, Framatome.

5 MR. SMITH: Great, thanks.

6 MS. CUBBAGE: Amy Cabbage, NRO staff.

7 Gary, thank you for that comment. I wanted to also
8 note that just yesterday the president signed as 15
9 which is a bill that directs the NRC staff to take a
10 look at rulemaking for a so-called sheet of paper, what
11 some have called a Part 53; the intent of that would
12 be to facilitate non-LWR reviews in the future, building
13 on what we're doing now with the licensing modernization
14 project. So I think a lot of the transformational
15 changes are coming in those arenas and hopefully there
16 may be some things that can spill over and help the
17 LWR community as well.

18 So, I just wanted to make that point.

19 MR. SMITH: Great, thank you.

20 MS. AUGHTMAN: Hi, Amy Aughtman from
21 Southern. I'll just add to a couple items there. I
22 also echo Mr. Peter's comments about the need for
23 transformational change; Mike Tschiltz from NEI alluded
24 earlier that industry does have some items that we put
25 in a parking lot type approach. What we presented today

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 were things that we felt could be most expeditiously
2 addressed. And so while certainly appreciate wanting
3 to think bigger, broader, get things done quicker with
4 less cost, there's also a recognition on how much the
5 staff can bite off at once. And so to the extent there's
6 an appetite for bigger thoughts and taking those on,
7 I think we're also prepared to address some of those
8 at a future time. So again, we recognize there's a
9 balance in how much you can take on; and so from a scoping
10 perspective if there's additional dialog the staff
11 wants to have on that type of topic, we'll be happy
12 to support that.

13 MR. TSCHILTZ: So this is Mike Tschiltz
14 at NEI. I think we did touch on a couple of issues
15 that I would consider the transformational; the first
16 one's the level of detail in the application and the
17 level of detail is captured in Tier 1 which would shorten
18 the duration of NRC's reviews if the focus was on only
19 those things most important to safety and reasonable
20 assurance.

21 So that was one thing. The second thing
22 I think is transformation is the interpretation of Part
23 52 concerning the compliance with the licensing basis
24 during construction. So from my perspective that's
25 transational from a viability perspective for new

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 construction in that, I think the options that we are
2 proposing have no impact on safety whatsoever. There
3 are licensee programs that maintain plant
4 configuration, there's the ITAAC that verifies that
5 there's the NRC's 103 (g) decision that provides a number
6 of different opportunities for that flexibility. And
7 I'll note that operating plants that are in outages
8 make changes to their facility and submit license
9 amendments that aren't approved prior to them making
10 them during the outage, plants not operating, there's
11 no safety issue there. So a plant under construction
12 is in a similar circumstance; there's numerous
13 opportunities for NRC to, if there ever were a situation
14 where there would be concern for safety to interject
15 and regulate in that regard.

16 So those are the two things that we
17 discussed here that I would consider to be
18 transformational and the activities that we are
19 proposing.

20 MR. STOUT: This is Dan Stout, TVA. I'll
21 amplify a little bit on what Mike talked about in terms
22 of level of detail; just planting a thought that there's
23 the ability to have an application specific regulatory
24 engagement plan where you risk inform what an
25 application needs to look like in advance, and depending

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 upon the design there could be some hazards that are
2 NA, some accidents that are NA, like there could be
3 some accidents that require, they're unique and they
4 require lots of information, lots of level of detail
5 to address that. But I think if you start with the
6 4600-page standard review plan, there's a whole lot
7 of checklist items that are not necessarily an efficient
8 use of time by the applicant or the staff. And so if
9 we can somehow risk inform applications during the
10 application phase, documented in some kind of a
11 regulatory engagement plan that's application
12 specific, that industry can feel comfortable that an
13 application submitted with skinny sections in areas
14 that aren't important to safety won't get rejected.
15 Then there's savings to the applicant and there's
16 savings on the NRC side. At the same time, that
17 application better have lots of detail on areas that
18 are hazards or accidents that are unique to this
19 application. Having that alignment up front focuses
20 on what's important.

21 Thanks.

22 MR. SMITH: Anyone else in the room?

23 Robin, is any indication on the phone of
24 any statements?

25 OPERATOR: I'm showing no statements on

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 the phone line at this time.

2 MR. SMITH: Okay. Jim, I'll turn it over
3 to you.

4 MR. O'DRISCOLL: Okay. It looks like
5 there's no more questions, so we're going to come to
6 the close. And I'll discuss next steps, so view the
7 next slide.

8 All right. As I stated previously, the
9 staff will consider the public's feedback from this
10 meeting when determining the scope of the regulatory
11 basis. We continue to identify the scope of the changes
12 to be included in the regulatory basis. We expect this
13 scoping work to be complete in late March 2019. We
14 intend to communicate a path forward to the Commission
15 in some venue soon after the scope is adequately
16 defined. We will then use that scope to develop a
17 regulatory basis; we expect this to be complete early
18 in the second quarter of Calendar Year 2020. We intend
19 to issue the draft and regulatory basis for public
20 comment and we also plan to hold additional stakeholder
21 meetings if there is interest.

22 Next slide.

23 So you can find information about this
24 rulemaking activity on regulations.gov. Please note
25 that if you search on regulations.gov on the docket

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 number NRC 2009-0196, you won't find anything right
2 now because there's no documents posted there, but
3 you'll see documents including the meeting slides.
4 This meeting summary will be there in about 30 days;
5 you'll be able to use that as your go-to, one-stop shop
6 to determine where we are with the rulemaking.

7 So --

8 MR. BROWN: Can I --?

9 MR. O'DRISCOLL: Sure.

10 MR. BROWN: So this is Fred Brown and I'm
11 going to do an unscripted, unplanned before Jim gets
12 to the closing of the meeting, administrative part.

13 I do want to thank everyone for their
14 participation today, both those in the room and those
15 on the phone. I appreciated actually all the comments;
16 I thought there was a lot of good input. I think that
17 the last thing that we talked about, the
18 transformational changes is an important one and I think
19 Mike kind of talked about how the industry has
20 structured their specific proposals to allow us to
21 consider the level of effort and the return on the
22 investment in proposing the expansion, the scope of
23 this approved rulemaking, because we do only get every
24 decade or so an opportunity to go back and look at these
25 rules.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 I actually think that the level of detail
2 combined with SRP, combined with SRP modernization
3 efforts that the staff are undertaking now is
4 potentially transformative and I recognize the interest
5 on changes during construction is potentially
6 transformative. I would actually argue that our
7 willingness to look at design certification renewal
8 is transformative for a design cert holder and what
9 they have to do.

10 I think that I would ask -- I heard the
11 offer that there are things that were considered but
12 felt like not achievable in the near term. I would
13 ask that those be put on the docket and sent to Jim
14 so that we can include them in our background. As we
15 go through our set -- and Trish is going to kill me
16 from a rulemaking perspective -- I'm not making a
17 commitment that we're going to evaluate everything in
18 a way to where it slows down our ability to move smartly,
19 but we may look at some ideas that felt really
20 transformative but really hard to the industry, and
21 we might conclude there's a reg basis that we can put
22 together pretty easily for that. So give us that
23 chance; go ahead and send us what you have. And the
24 same holds true for the other members of the public
25 that are listening today and are in attendance on the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 phone today; please send us what you have. And then
2 I'll now turn back over to Jim who will cover how to
3 do that and when.

4 MR. O'DRISCOLL: On Slide 21, thanks very
5 much. So if you need that information, which you will,
6 please contact me at that information there.

7 So we also appreciate your feedback on the
8 public meeting itself, so we want to make sure that
9 you're satisfied with today's meeting if you have any
10 suggestions or how we should make it more effective.

11 So that QR code is for your use. On your way out please
12 take the public meeting feedback forms on the sign-in
13 table; once you complete the form you can leave it with
14 us or mail it in. You can access a link on the online
15 -- to the online feedback form in the meeting details
16 for this meeting on the NRC's public meeting schedule
17 page. Alternatively, you can scan this QR code that
18 can bring you directly to the online feedback form.
19 It should be up in the notification system today. Also,
20 if not, you can try it again tomorrow; in a couple of
21 days it'll be working if it's not working now.

22 Also, if you didn't sign the attendance
23 list, I would appreciate it if you could do that before
24 you head out. Thank you for attending. Have a great
25 afternoon.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 MR. SMITH: Thank you, all. Robin, if we
2 can get a final count for the line, we'd appreciate
3 it.

4 OPERATOR: Yes, thank you. At this time
5 all phone lines can go ahead and disconnect. And thank
6 you for your participation.

7 MR. SMITH: Thank you, all. That's the
8 end of the meeting.

9 (Whereupon, the above-entitled matter went
10 off the record at 11:22 a.m.)

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701