

Fuel Facility Stakeholders Meeting

October 19, 2022

Public Meeting With Nuclear Energy Institute
and Members from the Nuclear Fuel Facility Industry

Jonathan Rowley, Project Manager

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

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Meeting Category and Public Participation

This is an Observation Meeting. This is a meeting in which attendees will have an opportunity to observe the NRC performing its regulatory function or discussing regulatory issues. Attendees will have an opportunity to ask questions of the NRC staff or make comments about the issues discussed following the business portion of the meeting; however, the NRC is not actively soliciting comments towards regulatory decisions at this meeting.

Agenda – October 19, 2022

Topic	Time	Speakers
Introduction (Purpose, Rules for Meeting)	8:30 AM	Jonathan Rowley, Project Manager Division of Fuel Management (DFM)
Opening Remarks	8:35 AM	Shana Helton, Director Division of Fuel Management Office of Nuclear Material Safety and Safeguards (NMSS) U.S. Nuclear Regulatory Commission Janet Schlueter, Senior Advisor Nuclear Energy Institute (NEI)
Status of Action Items from May 2022 Meeting	8:40 AM	Jonathan Rowley, Project Manager, DFM
Integrated Schedule and Supplement Updates	8:45 AM	Jonathan Rowley, Project Manager, DFM
Radioactive Source Security and Accountability Rulemaking	9:30 AM	Andrew Carrera, Project Manager, DFM
Public Question and Answer	10:15 AM	
Break	10:20 AM	
Tracking of Enriched Uranium	10:30 AM	Mirabelle Shoemaker, International Safeguards Analyst, DFM
Perspectives on On-Site, Hybrid, and Remote Inspections	11:00 AM	Tom Vukovsky, Sr. Project Manager, Division of Fuel Facility Inspection Region II

Agenda – October 19, 2022 (cont.)

Topic	Time	Speakers
Public Question and Answer	12:00	
Lunch Break	12:05 PM	
Status of Smarter Licensing Program Division Instruction Status and Changes Industry Early Observations of Recent Licensing Actions	1:15 PM	Matthew Bartlett and Osiris Perez-Suirano, Fuel Facility Licensing Branch, DFM Janet Schlueter, NEI
Fuel Facility Business Line Budget Breakdown	2:15 PM	Matthew Bartlett, Fuel Facility Licensing Branch, DFM Michael Greenleaf, Division of Fuel Facility Inspection, RII
Public Question and Answer	3:15 PM	
Break	3:20 PM	
Introduction to Category II Inspection Program	3:30 PM	Dylannne Duvigneaud, Fuel Cycle Operations Engineer, DFM Michael Greenleaf, Division of Fuel Facility Inspection, RII
Status of Harmonization of Transportation Safety Requirements with International Atomic Energy Agency Standards	4:00PM	James Firth, Project Manager Division of Rulemaking, Environmental, and Financial Support, Office of Nuclear Material Safety and Safeguards
Public Q & A	4:30 PM	
Recap of Action Items for the Day	4:35 PM	Jonathan Rowley, DFM Janet Schlueter, NEI
Closing Remarks and Adjourn	4:40 PM	Shana Helton, DFM Janet Schlueter, NEI

Opening Remarks

Shana Helton, Director

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

Janet Schlueter, Senior Director

Fuel and Radiation Safety

Nuclear Energy Institute

Action Items from May 2022 Fuel Facility Stakeholders Public Meeting

Jonathan Rowley

Project Manager

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

Action Items – May 2022 Stakeholders Meeting

Action Item 1

The NRC and NEI/Industry shall exchange any meeting presentation materials at least one week prior to the scheduled meeting date.

NRC Staff Resolution

DFM developed new guidance for planning and conducting the bi-annual fuel facility stakeholders meeting. The guidance will ensure that information will be available to the public at least 7 days prior to the meetings. (*On-going Periodic Action*)

Action Item 2

The NRC staff was requested to place the corrected integrated schedule of regulatory activities chart on the NRC public website for the fuel facility stakeholders meeting.

NRC Staff Resolution

The website was updated on November 16, 2021, and on May 6, 2022. (*On-going Periodic Action*)

Action Item 3

NEI/Industry suggested that the integrated schedule of regulatory activities chart include the draft interim staff guidance (ISG) on security for facilities possessing Category II special nuclear material.

NRC Staff Resolution

The NRC staff concluded that the draft ISG did not warrant being on the integrated schedule chart and would not be included. The document was not associated with a public rulemaking and the document was not publicly available (Note: after the October 2021 meeting, it was determined that this action item was incorrectly captured. NEI/Industry did not ask that a security ISG be added to the integrated schedule as they do not believe that a draft ISG or final ISG is needed). (*Closed*)

Action Item 4

The NRC staff is to inquire how the industry was able to obtain two different versions of draft NUREG-2159.

NRC Staff Resolution

Additional discussion with NEI determined that the industry was reviewing the 2018 version of the draft NUREG. The staff confirmed that the 2021 version is in ADAMS and industry was able to review the latest version. (*Closed*)

Action Item 5

The NRC staff will consider the NEI/Industry suggestion of having a public meeting by the end of 2021 to discuss the tracking of higher enriched material.

NRC Staff Resolution

A public meeting on tracking of higher enriched material was held on December 14, 2021 [meeting notice(ML21335A329) and presentation materials (ML21344A149)]. (*Closed*)

Action Item 6

The NRC will work to make as many licensing division instructions publicly available as possible.

NRC Staff Resolution

The following four division instructions (DIs) are planned to be available by September 2022 after NRC staff has been trained and has implemented the DIs for a few months: Licensing Overview (LIC-FM-1), Acceptance Reviews (LIC-FM-2), Requests for Additional Information (LIC-FM-3), Safety Evaluation Reports (LIC-FM-4). (*Closed*)

Action Item 7

The NRC and NEI/Industry will work to have the dates for the 2022 Fuel Facility Stakeholders Public Meetings (Spring and Fall) set by the end of January 2022 to help assist all parties with planning and preparation.

NRC Staff Resolution

The date for the Spring 2022 meeting was set on December 28, 2021, and was set for May 17 and 18, 2022. (*On-going Periodic Action*)

Integrated Schedule Chart and Supplement Updates

Jonathan Rowley

Project Manager

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

Integrated Schedule Chart Updates

Regulatory Activity	Revised	2021												2022												2023												Comments											
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec												
Integrated Low-Level Radioactive Waste Disposal Rulemaking (SECY-20-0098) Irene Wu/Cardelia Maupin/Priya Yadav	10/3/2022																																						Developing proposed rule package.										
Part 73 - Enhanced Security of SNM (SECY-19-0095) Marshall Kohen/Irene Wu	10/3/2022																																						Preparing a notation vote paper with options (the Commission approved a one-year extension for the paper).										
Part 73 - Enhanced Weapons Rulemaking (SECY-18-0058) Stewart Schneider	9/15/2022																																						January 2022, the Commission issued SRM-SECY-18-0058 approving the final rule. The final rule is currently in the second phase of post-SRM production (Office of Management and Budget review). Final rule is expected to be published by the end of CY 2022.										
Part 73-Cyber Security Rulemaking (SECY-17-0099) Irene Wu/James Downs	10/3/2022																																						Awaiting Commission direction.										
Decommissioning Financial Assurance for Sealed and Unsealed Radioactive Material (PRM-30-66; NRC-2017-0159) - (SECY-19-0125) Greg Trussell/Cardelia Maupin	9/20/2022																																						The regulatory basis was published for a 60-day public comment period on April 28, 2022.										
Proposed Rulemaking - Alternatives to the Use of Credit Ratings (RIN 3150-AJ92) (SECY-16-0009, SECY-20-0056) Greg Trussell	9/20/2022																																						The proposed rule package was approved by the Commission on July 27, 2022. Secy signature on the federal register notice is on hold pending OMB approval of Information Collection estimated to happen in January 2023.										
Harmonization of Transportation Safety Requirements with International Atomic Energy Agency Standards (RIN 3150-AJ85; NRC-2016-0179) - Part 71 (SECY-16-0093 and SECY-20-0102) James Firth	10/3/2022																																						Proposed rule published on September 12, 2022. Public comment on the proposed rules and draft regulatory guide ends November 28, 2022.										
ANS 57.11 - Integrated Safety Assessment Standard TBD	10/5/2022																																						NMSS is reappointing new staff to lead the project due to staff turnover/promotion/hiring.										
Regulatory Information Conference Jonathan Rowley	10/3/2022																																						Presentations prepared for sessions of fuel cycle interest are available online.										
Smarter Licensing Effort Matt Bartlett	10/3/2022																																						Near- and Mid-Term recommendations resolved via the Division Instructions. Long-Term recommendations in process.										
NUREG-2159 - MC&A Guidance for SNM of Moderate Strategic Significance Suzanne Ani	9/23/2022																																						Final issuance in Federal Register: July 8, 2022										
Very Low Safety Significance Issues Stephen Koenick	10/3/2022																																						Guidance development and improvement continues as experience is gained.										
Parts 11, 25, and 95 - Increased Access Authorization Fees Emily Robbins	10/13/2022																																						Final rule was published July 28, 2022.										
Radioactive Source Security and Accountability Andrew Carrera/Anita Gray	10/3/2022																																						The staff intends to submit a draft proposed rule to the Commission for approval by December 2022. Assuming approval by the Commission, the NRC plans to publish the proposed rule in the Federal Register in early 2023.										
		■ = Final Rule/Final Guidance ■ = Final Report/Closure Memo ■ = Denied by Commission												■ = Public Interaction ■ = Pending Commission Action √ = Marks Issuance of SRM												■ = ANPR Development ■ = Guidance Development ■ = Pilot Program												■ = Issue Draft Guidance ■ = ANPR Issued ■ = Pre-rulemaking Activities											
		■ = Reg. Basis/Draft Guidance ■ = Implementation ■ = Scheduled Meeting √ = Site Visit												■ = Proposed Rule/DG Development ■ = Non-rulemaking/NRC Activities 1 = Marks Issuance of SECY A = ACRS Meeting																																			

Updates to Integrated Schedule Chart and Supplement

- Updated information
 - Fuel Facility Stakeholders Meeting
 - <https://www.nrc.gov/materials/fuel-cycle-fac/regs-guides-comm.html#cumeffects>
 - Integrated Schedule (Chart)
 - ADAMS Accession Number ML22287A053
 - Integrated Schedule Supplement
 - ADAMS Accession Number ML22287A054
 - Summary of changes to previously listed activities (May 2022 – October 2022)
 - ADAMS Accession Number ML22287A055

Radioactive Source Security and Accountability Rulemaking

Andrew Carrera
Project Manager
Division of Fuel Management
Office of Nuclear Material Safety and Safeguards

Key Messages



- Consistent with Commission's direction in SRM-SECY-17-0083, the staff is conducting a rulemaking to revise the radioactive source security and accountability (RSSA) regulations in 10 CFR
- The RSSA rulemaking would:
 - require safety and security equipment and facilities to be in place for all applicants before NRC would issue a license
 - license verification for licensees transferring category 3 quantities of radioactive material through the License Verification System (LVS) or by contacting the license-issuing authority for the licensee

Key Messages



- The rulemaking would affect applicants for a radioactive material license and licensees who transfer category 3 quantities of radioactive material.
- The rulemaking would address vulnerabilities identified by the 2016 Government Accountability Office report ([GAO-16-330](#)) regarding security and accountability of category 3 quantities of radioactive material.
- The staff intends to submit a draft proposed rule to the Commission for approval by December 2022. Assuming approval by the Commission, the NRC plans to publish the proposed rule in the *Federal Register* in early 2023.

RSSA Rulemaking Background



- [SRM-COMJMB-16-0001](#) – Directed NRC staff to evaluate the NRC regulations governing source protection and accountability for category 3 quantities of radioactive material
- [SECY-17-0083](#) – Recommended rulemaking to enhance the security and accountability of category 3 quantities of radioactive material
- [SRM-SECY-17-0083](#) – Approved to initiate rulemaking

Proposed RSSA Revisions: Safety and Security Equipment and Facilities



Requirements for safety and security equipment and facilities to be in place before NRC issues a license

- 10 CFR 30.33(a), 40.32(c), and 70.23(a)
- Help ensure the legitimacy of license applicants and their intent

Proposed RSSA Revisions: License Verification



Requirements for license verification for transfers of category 3 quantities of radioactive materials

- License Verification System (LVS) or by contacting the license-issuing authority
- 10 CFR 30.41(d), 40.51(d), and 70.42(d)
- Help address the concerns:
 - altering a valid license
 - use of counterfeit license

Proposed RSSA Revisions: License Verification (cont.)



- Provide new definition
- Provide new Appendix F to 10 CFR Part 30
- Revise recordkeeping requirements

Proposed RSSA Revisions: Other Changes



- Remove obsolete verification method
- Administrative, clarifying and conforming changes to various provisions in 10 CFR

Proposed RSSA Revisions: Guidance



- Website with frequently asked questions (FAQ) to provide guidance
 - Safety and security equipment and facilities requirements
 - License verification requirements
- Provide accelerated guidance update to licensees

Next Steps



- Submit RSSA proposed rule to Commission (December 2022)
- Publish in the *Federal Register* in 2023 (assuming approval by the Commission)
- Conduct further stakeholder engagements

Have Questions?

Please contact:

- Andrew Carrera, 301-415-1078, Andrew.Carrera@nrc.gov, or
- Anita Gray, 301-415-7036, Anita.Gray@nrc.gov.

Public Participation

At this time, the public is afforded an opportunity to ask questions and/or provide comments on the following topics:

- Status of Action Items from May 2022 Meeting
- Integrated Schedule and Supplement Updates
- Radioactive Source Security and Accountability Rulemaking

Tracking of Enriched Uranium: NRC update on the industry's request related to tracking foreign obligations of uranium enriched <10%

Mirabelle Shoemaker, International Safeguards Analyst

Material Control and Accounting Branch

Division of Security Operations

Office of Nuclear Security and Incident Response

Summary of Industry Requests on Reporting Foreign Obligations on LEU enriched <10%

- Industry has requested that the NRC expand the definition of E1 material to include all LEU enriched <10%.
- During June 22, 2022 public meeting, industry also expressed interest in combining E1 and E2 material under one material type code for all LEU.

Summary of NRC Actions Related to Industry's Request

- NRC held a public meeting in December 2021 to present the interagency recommendation for requesting prior approval (ML22003A048).
- NRC held a public meeting in June 2022 to receive industry comments and questions about tracking LEU enriched <10% (ML22264A295).
- During these public meeting, NRC presented the process for requesting one-time U.S. Government prior approval for assigning foreign obligations across E1 and E2 material types.

Status of U.S. Government Prior Approvals

- GNF-A submitted a request for one-time U.S. Government Prior Approval on June 30, 2022.
- U.S. Government confirmed prior approval on September 28, 2022 in letter to GNF-A (ML22259A200)

Process for Requesting One-Time Prior Approval from the U.S. Government

- **NRC-licensed facilities may submit written request to the NRC with the following information:**
 - Proposed date to exchange obligations
 - Quantities of the materials to be exchanged (element weight; isotope weight, if applicable)
 - Material type and associated obligation(s) of the materials to be exchanged
 - Chemical and physical form of the materials to be exchanged
 - Purpose for conducting the exchange
 - RIS code(s) to be involved in the proposed change
- **Written requests can be copied to Foreign.Obligations@nrc.gov.**
- **Other special requests related to NMMSS reports of any nature can be submitted to NMMSS@nnsa.doe.gov or NMMSS.Resource@nrc.gov.**

Inspector's Perspective on Hybrid Inspections

Division of Fuel Facility Inspection

Presented by: Tom Vukovsky,
Senior Fuel Facility Project Inspector
Division of Fuel Facility Inspection
Region II
U.S. Nuclear Regulatory Commission
Thomas.Vukovsky@nrc.gov



Phased Approach for this Assessment

Self Assessment of Covid related inspections conducted in 2021

Self-Assessment Report available at
ADAMS Accession No. [ML21158A231](#)

Phase B report [ML21294A368](#)

Phase B

(April 2021 – November 2021)

- Gather additional feedback internally and externally
- Expanded on best practices and challenges
- Developed recommendations for the routine implementation of inspection programs

Inspector Feedback

- Remote vs. on-site inspections
- Hybrid remote/on-site inspections

FFBL Responses to “I can see myself conducting more inspections fully or partially remotely if I am given that option during the normal implementation of my inspection program”



■ Neutral (2) ■ Disagree (3) ■ Strongly Disagree (6)

FFBL Responses to "Remote inspections were as effective as on-site inspections"



■ Disagree (1) ■ Strongly Disagree (10)

FFBL Responses to "Remote verification of equipment/facility condition and status were effective and could be continued"

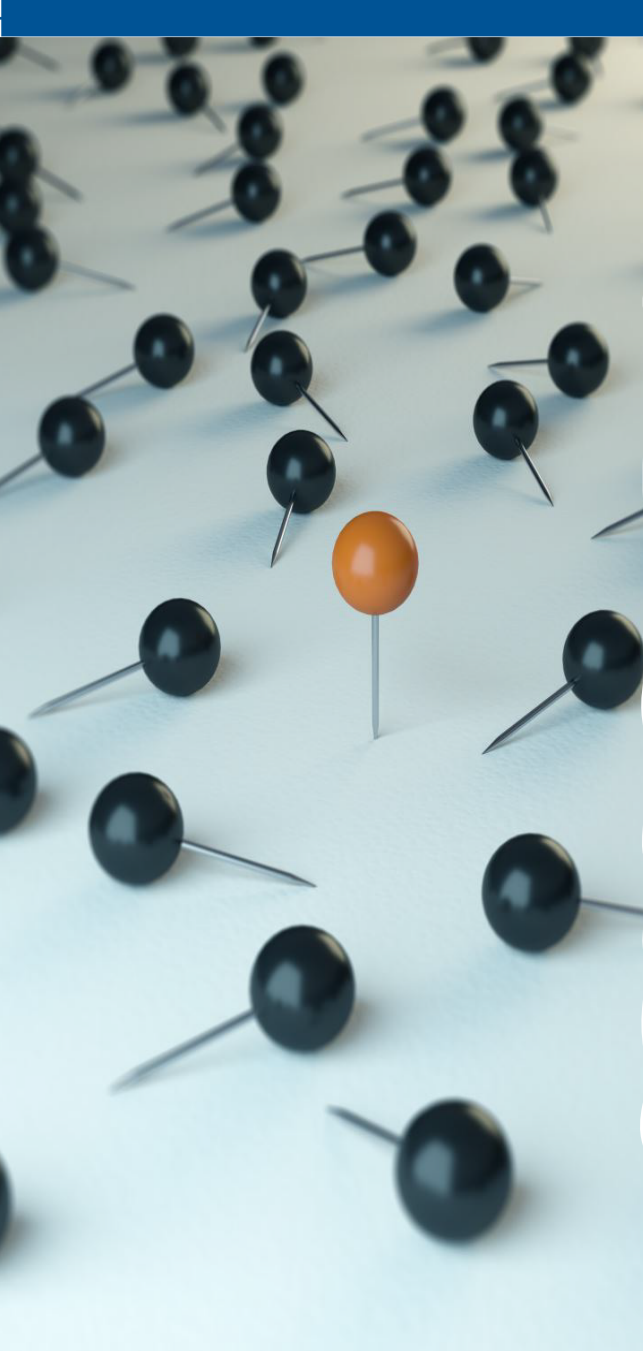


■ Neutral (1) ■ Disagree (1) ■ Strongly Disagree (9)

Inspection Examples:

- Westinghouse Dirty Dissolver
- 24-hour contaminated area at URENCO
- Honeywell PMA inspection August 2022
- Radiological postings





Inspection Key Messages:

- On-site inspections continue to be the most effective and preferred method of inspection
- Inspection Efficiencies:
 - Remote entrance/exit/debrief meetings
 - Use of electronic documents and e-rooms for inspection preparation
- IMC 2600 guidance updated to allow flexibilities in conducting inspections (i.e., remote, hybrid, in-office reviews of records), when appropriate

Public Participation

At this time, the public is afforded an opportunity to ask questions and/or provide comments on the following topics:

- Tracking of Enriched Uranium
- Perspectives on On-Site, Hybrid, and Remote Inspections

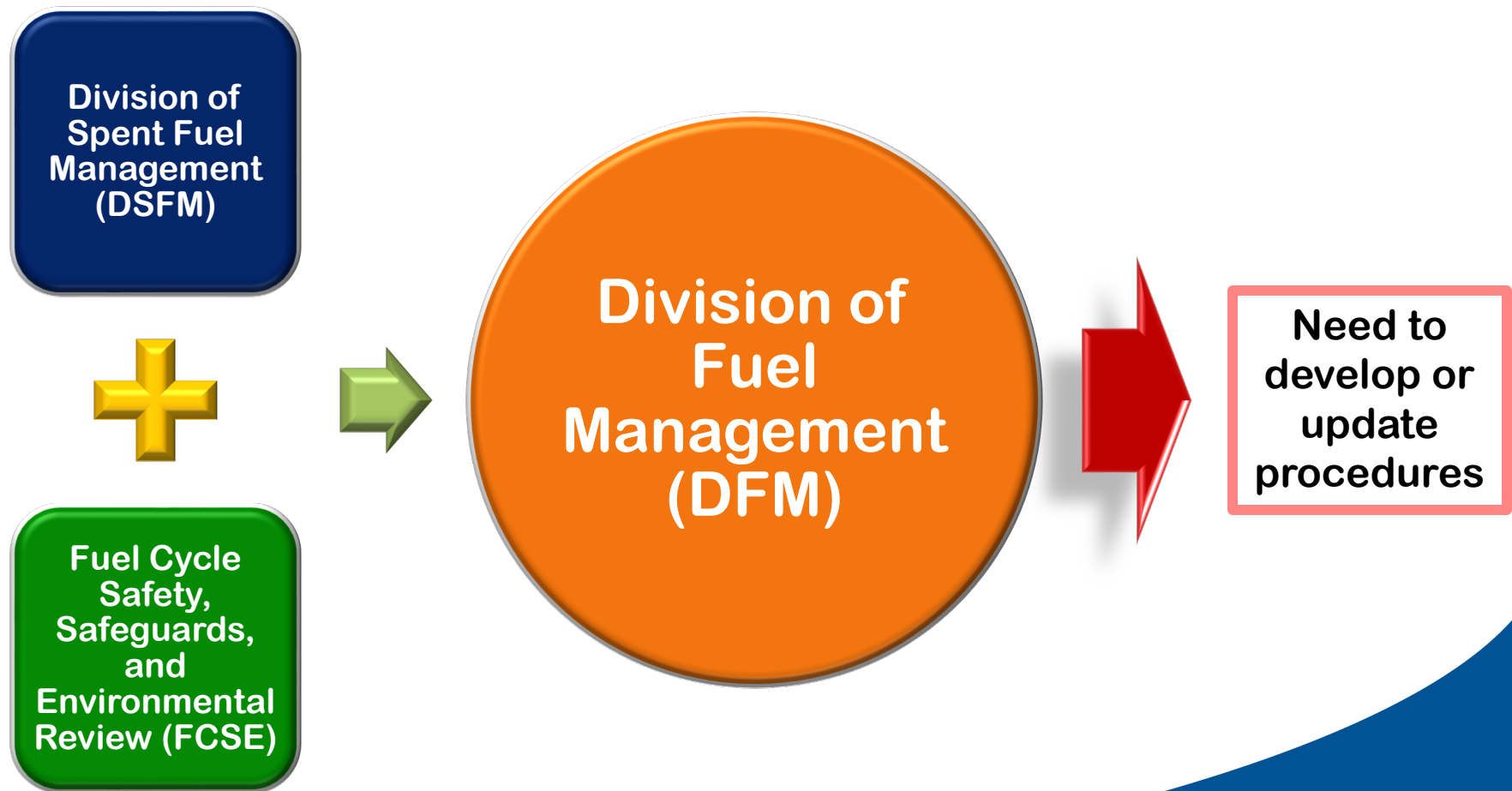
Division of Fuel Management Guidance Development

Osiris Siurano-Pérez

Project Manager

Fuel Facility Licensing Branch

Division Instructions



Division Instructions

- Guidance and recommendations considered and incorporated
 - FCSE Licensing Handbook
 - SFST DIs
 - Smarter Licensing Task Group Recommendations
 - Management Expectations on Licensing and Certification Process
 - General Accounting Office Report (GAO-20-362) Recommendations
 - Inspector General Report (OIG-21-A-08) Recommendations

Division Instructions

- Update of four DIs prioritized to include Smarter Licensing Recommendations
 - LIC-FM-1, “Overview and Expectations of the Certification and Licensing Process”
 - LIC-FM-2, “Acceptance Review Process”
 - LIC-FM-3, “Requests for Additional Information”
 - LIC-FM-4, “Safety Evaluation Reports”

Division Instructions

- LIC-FM-1, “Overview and Expectations of the Certification and Licensing Process”
 - Sample changes
 - Consider applicant’s schedule needs when developing a review schedule
 - Consider conducting pre-application meetings, site visits, and/or audits to better understand administrative and technical aspects of application.
 - Inform applicants about schedule delays or exceeding the level of effort provided in the acceptance letter.

Division Instructions

- LIC-FM-1: Current Status
 - Revision 0 issued for staff use/implementation December 23, 2021
 - Revision 1 released to public May 12, 2022
 - ADAMS Accession Number ML22130A659
 - Addresses 21 SLR recommendations (see Appendix C of DI)
 - 14 Near-term
 - 6 Mid-term
 - 1 Long-term

Division Instructions

- LIC-FM-2, “Acceptance Review Process”
 - Sample changes
 - Provide schedule milestones and estimated level of effort (hours) in the acceptance letter
 - Consider conducting post submittal meetings during the acceptance review to better understand administrative and technical aspects of application.
 - Issuance of observations during the acceptance review or in the acceptance letter.
 - ✓ Applicants have the option respond (or not) to observations
 - ✓ Observations are initial questions from the staff during the acceptance review
 - ✓ Observations may or may not go away during the detailed technical review
 - ✓ Observations may become RAIs

Division Instructions

- LIC-FM-2: Current Status
 - Revision 0 issued for staff use/implementation January 21, 2022
 - Revision 1 released to public June 30, 2022
 - ADAMS Accession Number ML22161B042
 - Addresses 15 SLR recommendations (see Appendix C of DI)
 - 10 Near-term
 - 5 Mid-term
 - 0 Long-term

Division Instruction

- LIC-FM-3, “Requests for Additional Information”
 - Sample changes
 - Offer opportunity to applicants to discuss draft requests for additional information (RAI) prior to issuance to confirm
 - ✓ understanding of request
 - ✓ Applicant’s level of effort needed to develop response
 - Option for conducting site visits (specially for major license amendments, renewals, and new applications)
 - Ensure consistent structure and clarity of RAIs:
 - ✓ Information needed
 - ✓ Justification
 - ✓ Regulatory requirement

Division Instructions

- LIC-FM-3: Current Status
 - Revision 0 issued for staff use/implementation January 31, 2022
 - Released to public July 27, 2022
 - ADAMS Accession Number ML22208A272
 - Addresses 8 SLR recommendations (see Appendix C of DI)
 - 6 Near-term
 - 2 Mid-term
 - 0 Long-term

Division Instructions

- LIC-FM-4, “Safety Evaluation Reports”
 - Sample changes
 - Use of job aids and templates for drafting SERs
 - Facilitate inspector involvement early in the licensing review process, where and when appropriate

Division Instructions

- LIC-FM-4: Current Status
 - Revision 0 issued for staff use/implementation March 23, 2022
 - Revision 1 released to public September 30, 2022
 - ADAMS Accession Number ML22273A029
 - Addresses 4 SLR recommendations (see Appendix C of DI)
 - 2 Near-term
 - 2 Mid-term
 - 0 Long-term

Division of Fuel Management

Other Guidance

Draft NUREG-2212, Standard Review Plan for Applications for 10 CFR Part 70 Licenses for Possession and Use of Special Nuclear Materials of Critical Mass but Not Subject to the Requirements in 10 CFR Part 70, Subpart H

- Manuscript completed September 21, 2022
- Authorized for publication September 26, 2022
 - Transmittal to Office of Administration for further processing and subsequent publication in *Federal Register* on October 4, 2022, for 60-day comment period
 - Expected by end of 2022
- Final document published by summer 2023

Division of Fuel Management Guidance Development

QUESTIONS/COMMENTS

Smarter Licensing Program

Matthew Bartlett, Senior Project Manager

Fuel Facility Licensing Branch

Division of Fuel Management

Office of Nuclear Material Safety and
Safeguards

Smarter Licensing Program

Background:

1. The smarter fuel cycle licensing program has been ongoing since 2019, see Charter - April 26, 2019, (ADAMS Accession No. [ML19115A016](#))
2. Several recommendations were identified and grouped as Near-Term, Mid-Term and Long-Term, based on the time for implementation, see Recommendations - April 30, 2020 (ADAMS Accession No. [ML20099F354](#))
3. The status of NRC implementation of the recommendations is documented in the May 18, 2022 Smarter Licensing One Pager ([ML22179A081](#))

Smarter Licensing Program

Accomplishments

1. Near- and Mid-Term recommendations are incorporated into the following NRC Division Instructions (DI):
 - LIC-FM-1 Licensing Overview ([ML22130A659](#)),
 - LIC-FM-2 Acceptance Review Process ([ML22161B042](#)),
 - LIC-FM-3 Requests for Additional Information ([ML22208A272](#)), and
 - LIC-FM-4 Safety Evaluation Reports ([ML22273A029](#)).
2. NRC completed staff training on the DIs prior to issuance.
3. Redacted versions of the DIs are publicly available.

Smarter Licensing Program

Status of Long-Term Recommendations:

- **Develop a standard review plan for reviews of greater than critical mass licensees/applicants**
(Draft will be issued for comment)
- **Capture and use lessons learned on major licensing actions**
(Incorporated into Division Instruction - LIC-FM-1, Section 2.24)
- **Formalized guidance on management turnover to facilitate smoother leadership transitions**
- **Create a roadmap for each type of license and major activity**
(Captured in multiple internal [fuel cycle desk guides](#))
- **Update NUREG-1520**
(Under consideration)
- **Develop a central repository of licensing basis documents**
(Tracked in Web Based Licensing)

Smarter Licensing Program

Next Steps

1. A status update will be published to the NRC public website at: <https://www.nrc.gov/materials/fuel-cycle-fac/regs-guides-comm.html#building>.
2. Consider issuing a close out memo for Smarter Licensing
3. Long-Term recommendations would continue to be worked (e.g., roadmap for major licensing actions, NUREG-1520 update, repository of licensing documents, etc.).

Smarter Licensing Program

QUESTIONS/COMMENTS

Current and Future Non-fee Billable Activities

Matthew Bartlett, Senior Project Manager
Fuel Facility Licensing Branch
Division of Fuel Management
Office of Nuclear Material Safety and Safeguards

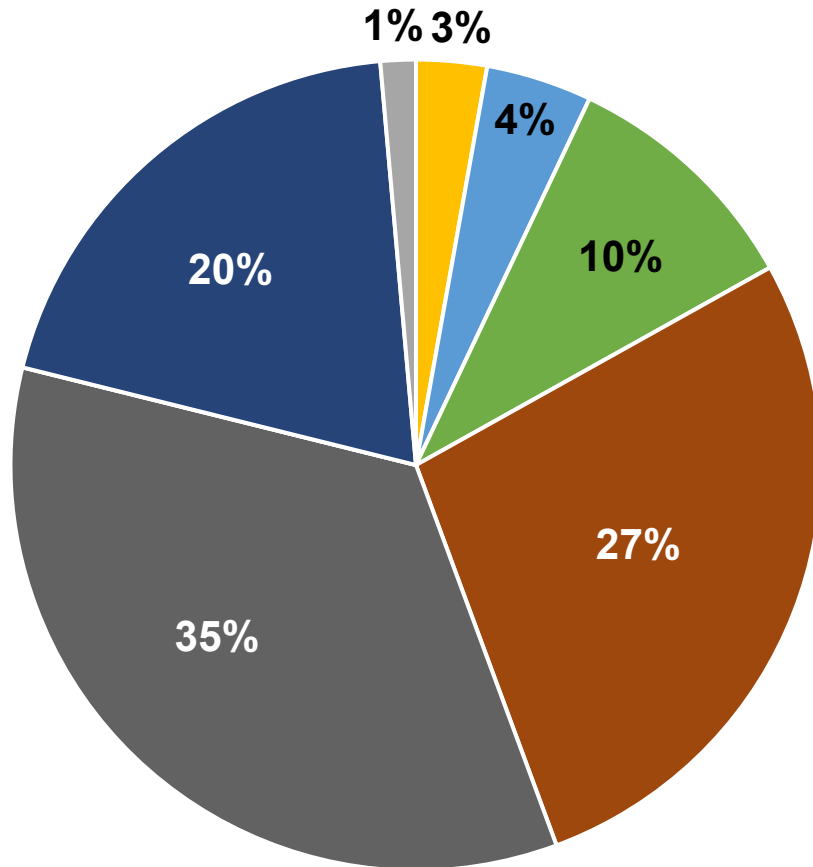
Budget vs. Utilization (FY2022)

Product Line	Total Budget (FTE)	Total Used (FTE)	Non-Billable (FTE)	Billable (FTE)
PL-1 Event Response	2.0	1.3	1.3	0.0
PL-2 Generic Homeland Security	3.0	2.0	2.0	0.0
PL-3 International Activities	7.0	5.9	5.9	0.0
PL-4 Licensing	19.5	20.9	12	8.9
PL-5 Oversight	24.5	24.8	15.1	9.7
PL-7 Rulemaking	0.0	2.1	2.1	0.0
PL-M Mission Support and Supervision	14.0	16.9	16.9	0.0
PL-N Training	1.0	0.8	0.8	0.0
TOTAL	71.0	74.7	56.1	18.6

Fiscal Year (FY) = October 2021-September 2022

FY2022 Budget

Business Line 38 - FY22 Budgeted Items by FTE



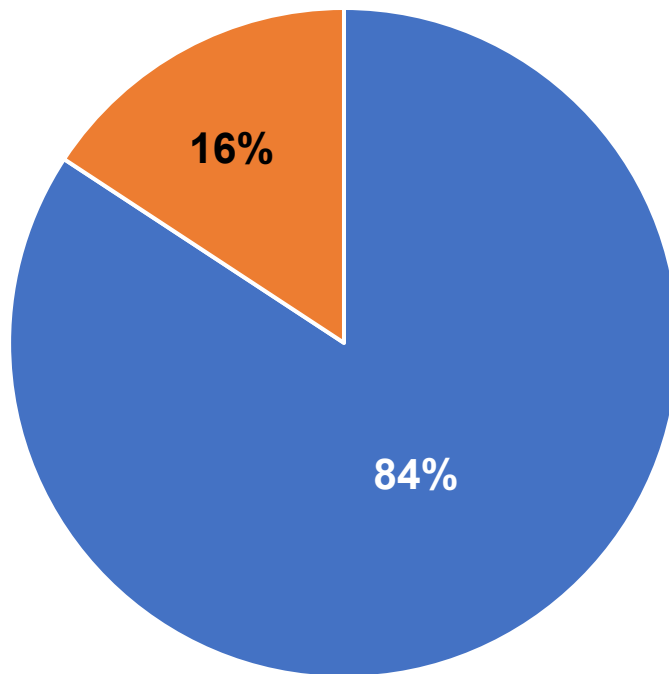
- PL-1 Event Response (2 - 1.3)*
- PL-2 Generic Homeland Security (3 - 2.1)*
- PL-3 International Activities (7 - 5.9)*
- PL-4 Licensing (19.5 - 20.8)*
- PL-5 Oversight (24.5 - 24.7)*
- PL-7 Rulemaking (0.0 - 2.2)*
- PL-M Mission Support and Supervision (14 - 16.8)*
- PL-N Training (1.0 - 0.8)*

*(Budgeted – Actual)

Budget vs. Utilization (FY2022)

Product Line 1 - Event Response

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
2.0	1.3	1.3	0

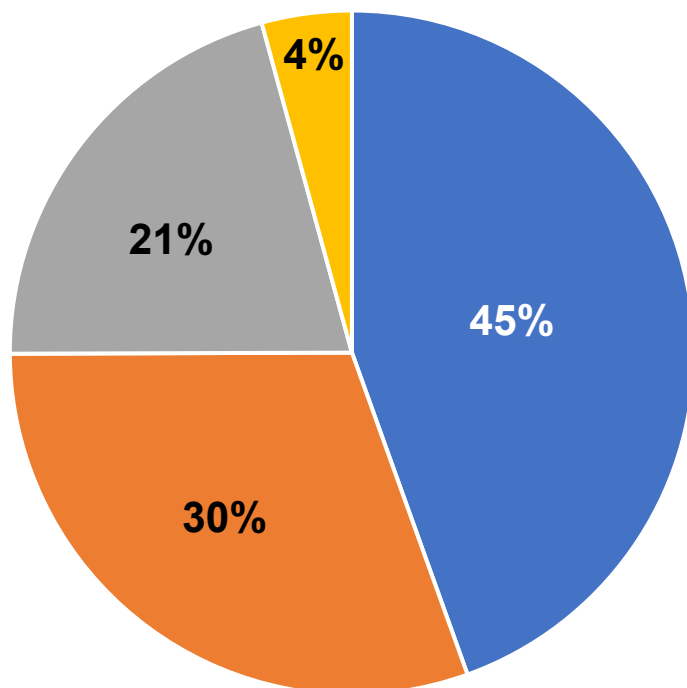


- HQ Event Response (1.1)
- RII Event Response (0.2)

Budget vs. Utilization (FY2022)

Product Line 2 - Generic Homeland Security

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
3.0	2.0	2.0	0

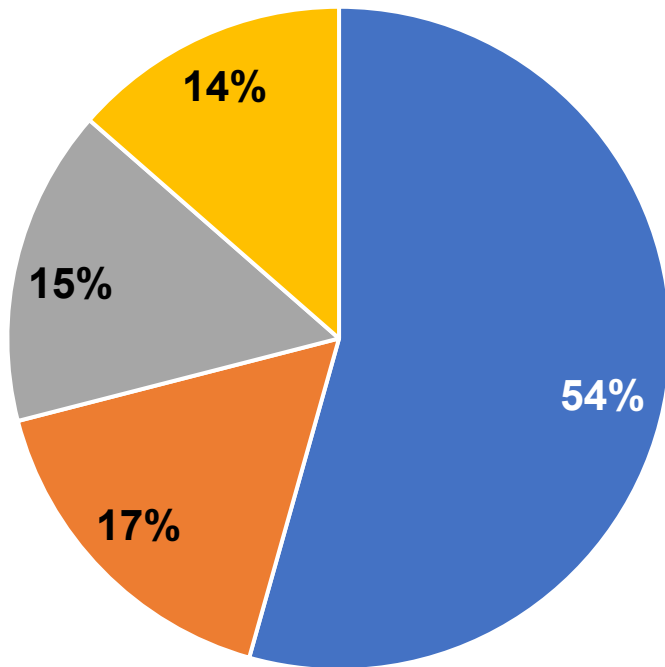


- Intelligence Liaison and Threat Assessment (0.9)
- International Safeguards (0.6)
- Physical Security (0.4)
- Other (0.1)

Budget vs. Utilization (FY2022)

Product Line 3 - International Activities

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
7.0	5.9	5.9	0

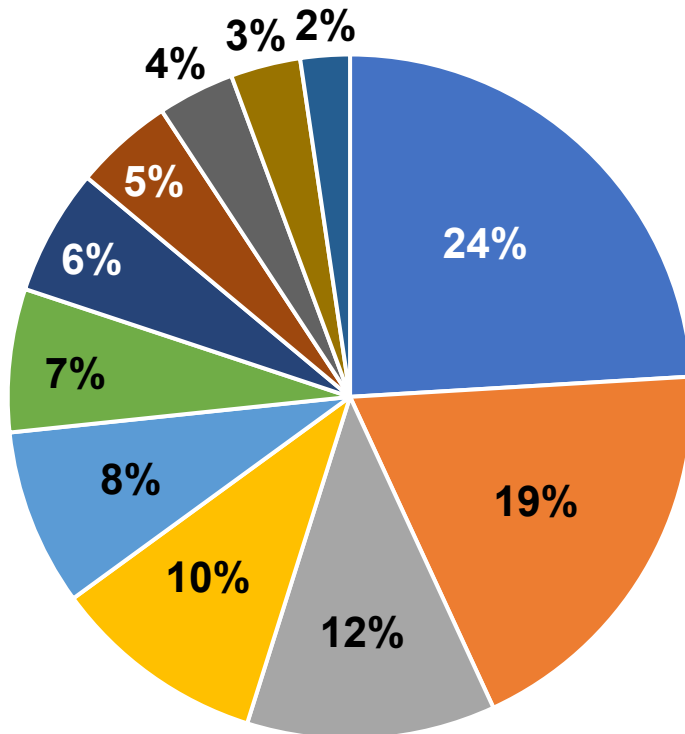


- Conventions and Treaties (3.2)
- International Liaison Activities (1)
- International Cooperation (0.9)
- Export-Import Licensing and Consultation (0.8)

Budget vs. Utilization (FY2022)

Product Line 4 - Licensing

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
19.5	20.9	12	8.9

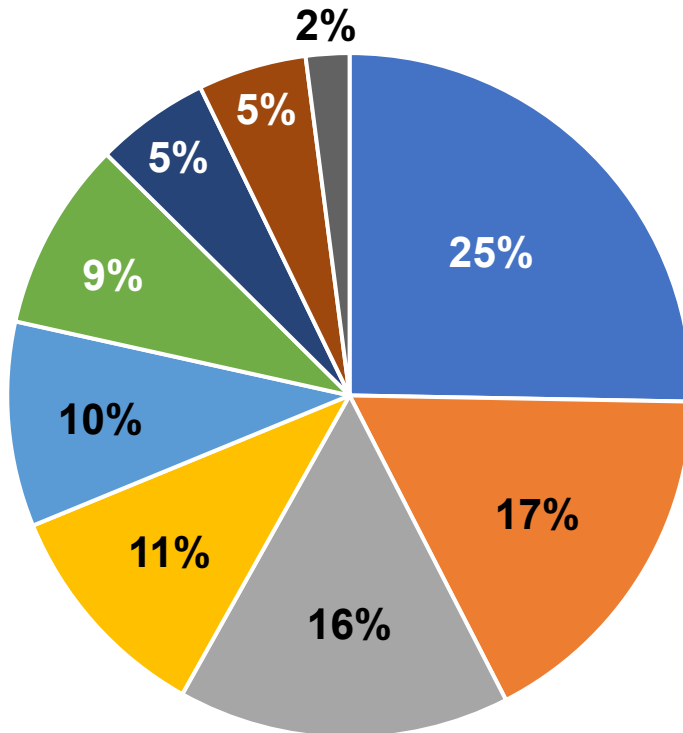


- Technical and Licensing Assistant (2.9)
- Legal Support (2.3)
- Training, Budget, Generic, etc. (1.4)
- Guidance and Knowledge Management (1.2)
- Material Control and Accounting (1)
- Security (0.8)
- Universities (0.7)
- Stakeholders Meeting (0.6)
- Information Security (0.4)
- Advisory Committee On Reactor Safeguards (0.4)
- Environmental (0.3)

Budget vs. Utilization (FY2022)

Product Line 5 - Oversight

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
24.5	24.8	15.1	9.7

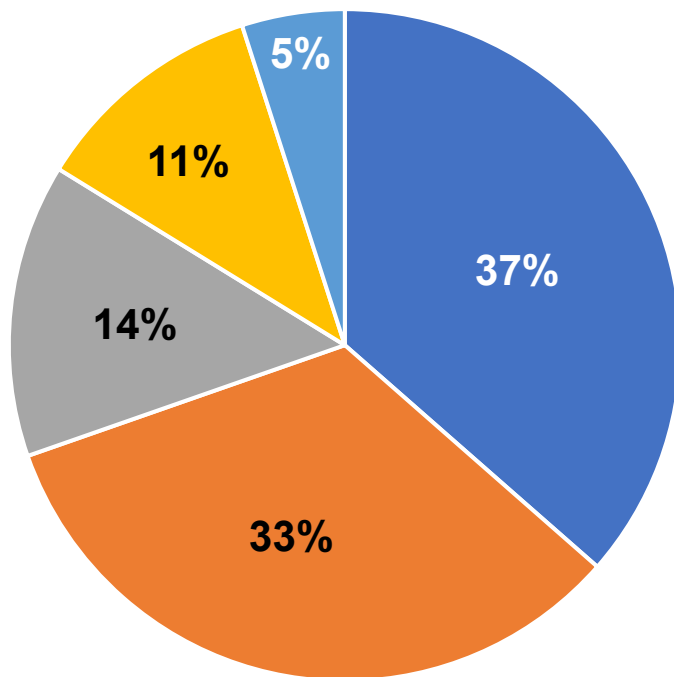


- Inspection Program Oversight (3.8)
- Office Tasks (2.6)
- Enforcement (2.4)
- Meetings (1.6)
- Technical Assistant (1.5)
- Other - Audits, Generic, etc. (1.3)
- Allegations (0.8)
- Guidance and Predures (0.8)
- Legal Support (0.3)

Budget vs. Utilization (FY2022)

Product Line 7 - Rulemaking

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
0.0	2.1	2.1	0.0

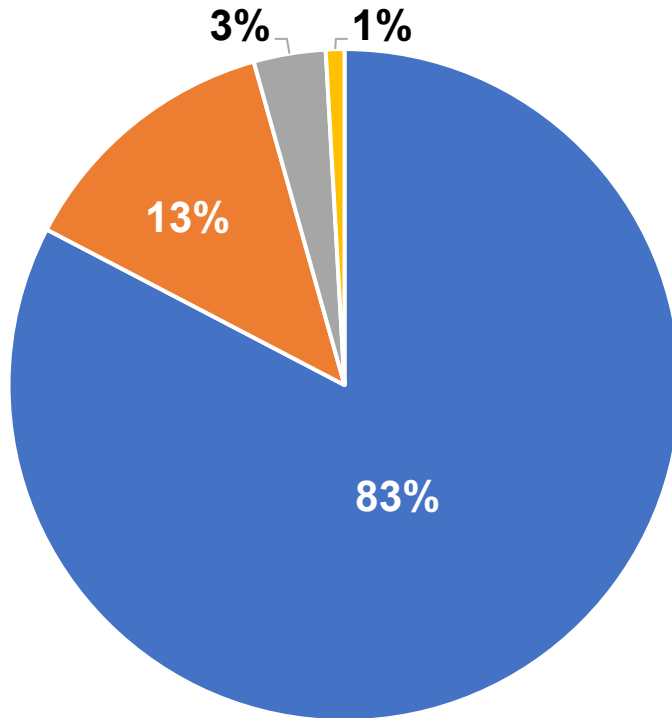


- Enhanced Security for SNM (0.8)
- Proposed Rules (0.7)
- Legal Support (0.3)
- Environmental (0.2)
- Cyber Security (0.1)

Budget vs. Utilization (FY2022)

Product Line M - Mission Support and Supervisors

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
14.0	16.9	16.9	0.0

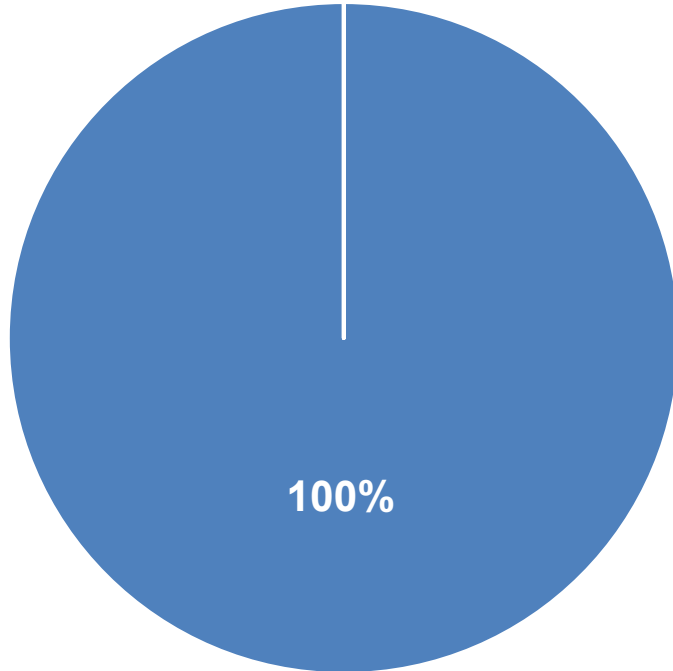


- Supervisory Support (13.9)
- Administrative Assistants (2.2)
- Staff Meetings (0.6)
- Time and Labor Reporting (0.2)

Budget vs. Utilization (FY2022)

Product Line N - Training

Budget (FTE)	Utilized (FTE)		
	Total	Non-Billable	Billable
1.0	0.8	0.8	0.0



■ Training Program (0.8)

Future Non-Billable Work in the Fuel Facilities Business Line

FY 2023-2024

- Guidance Updates and Assessment
 - Advanced Reactors
 - Accident Tolerant Fuel
 - NUREG-1520 – Standard Review Plan
 - NUREG-1748 - Environmental Review
 - NUREG-2212 - New Applications For Greater Than Critical Mass
 - Authorizing Official and Classified Networks
 - Staff Training and Qualifications
 - Construction Inspection Procedures for Two New Facilities
- Renew existing license for a university and pre-application engagement with one new university
- Operating Experience Review
- Rulemaking Activities
- Commission meetings and drop-in meetings

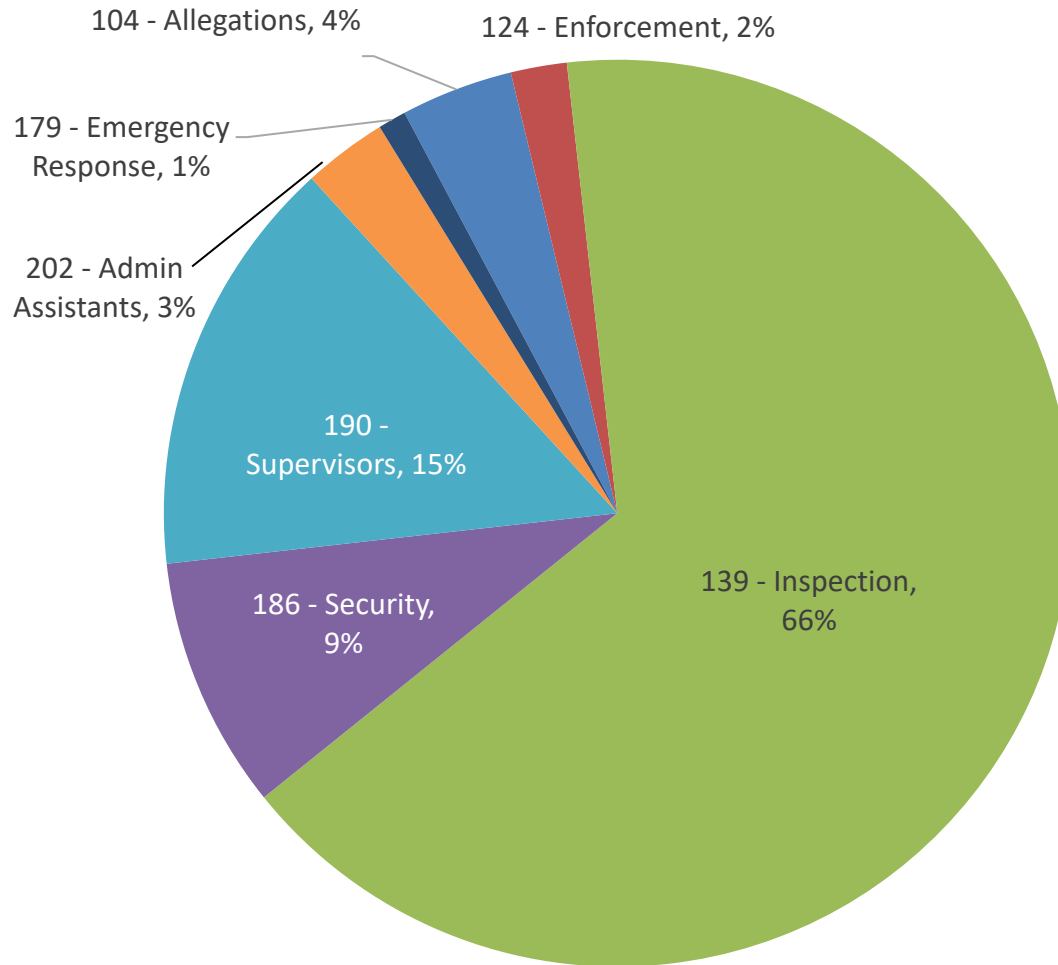
Current and Future Non-fee Billable Activities

QUESTIONS/COMMENTS

Regional Budget and Utilization

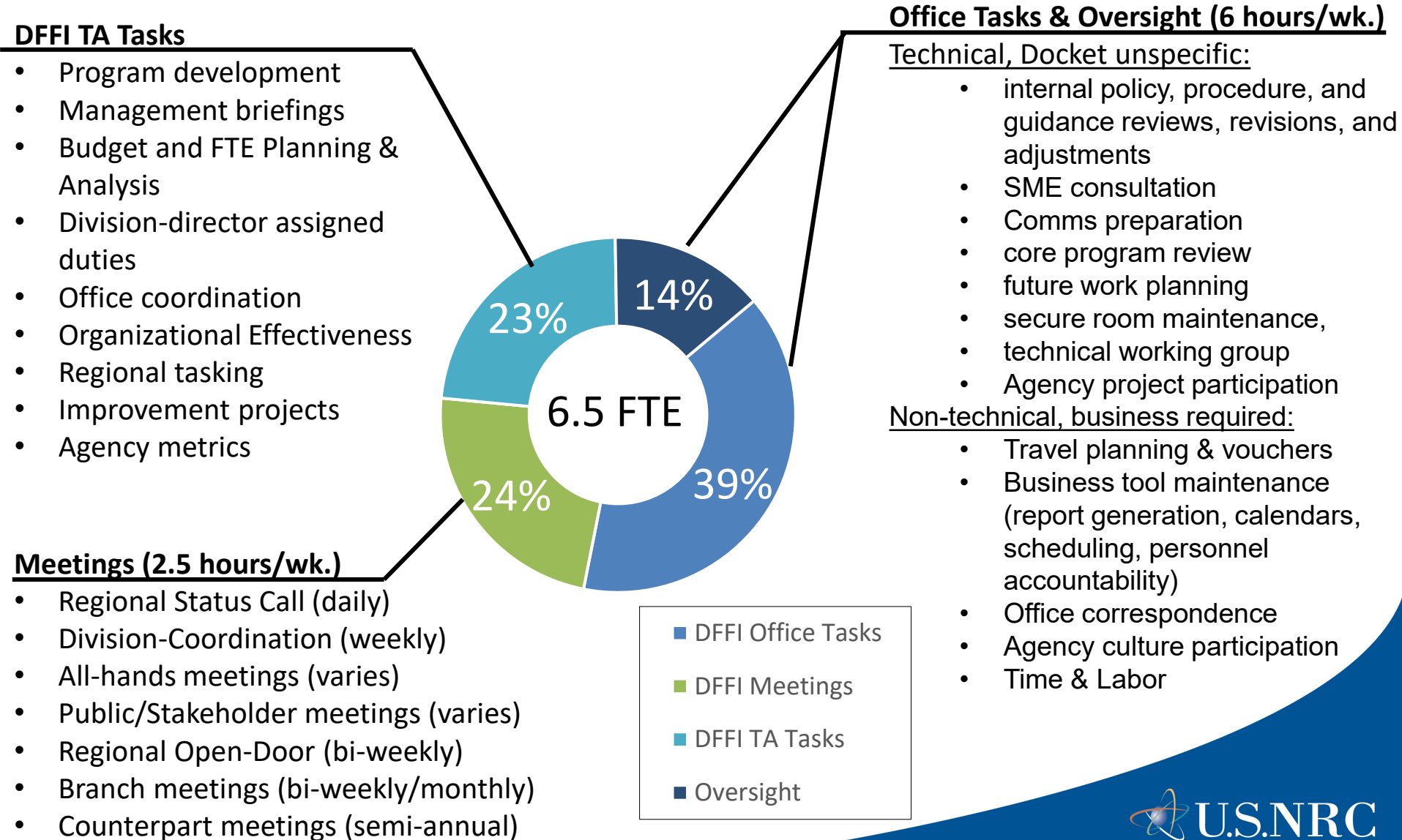
Michael Greenleaf, PhD
Technical Assistant
Division of Fuel Facility Inspection
Region II

General DFFI Expenditure by Product

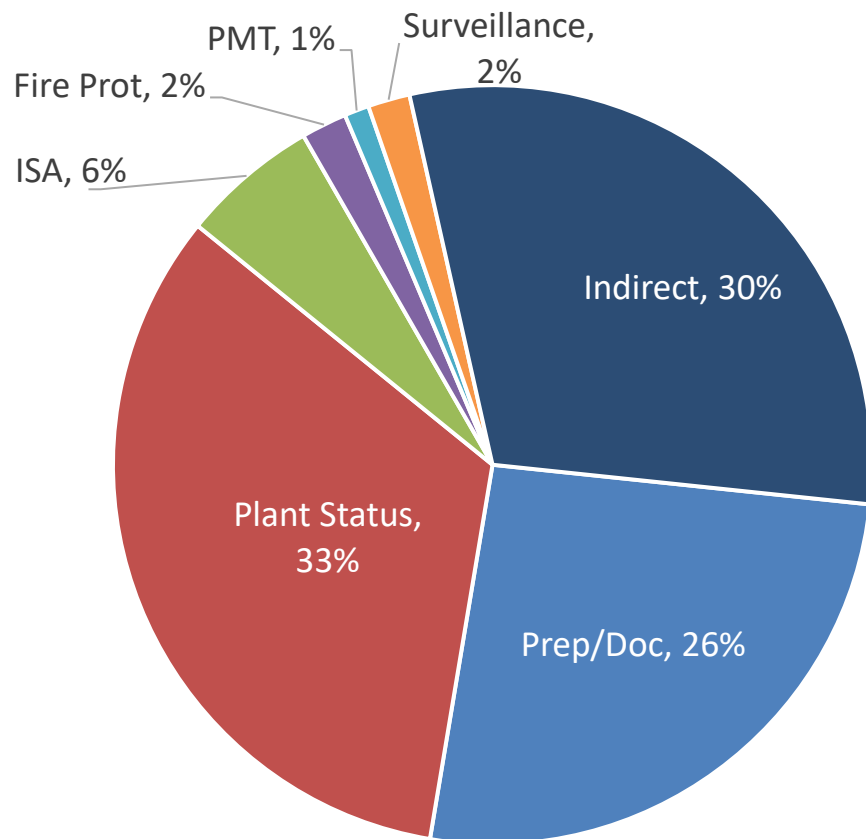


Business Line	Product Line	Product	Description
38	1	179	Emergency Response
38	5	104	Allegations
38	5	124	Enforcement
38	5	139	Inspection
38	5	186	Security
38	M	190	Supervisors
38	M	202	Admin Assistants

Inspection Product – Non-Fee-Billable Breakdown



Resident Inspector Expenditure

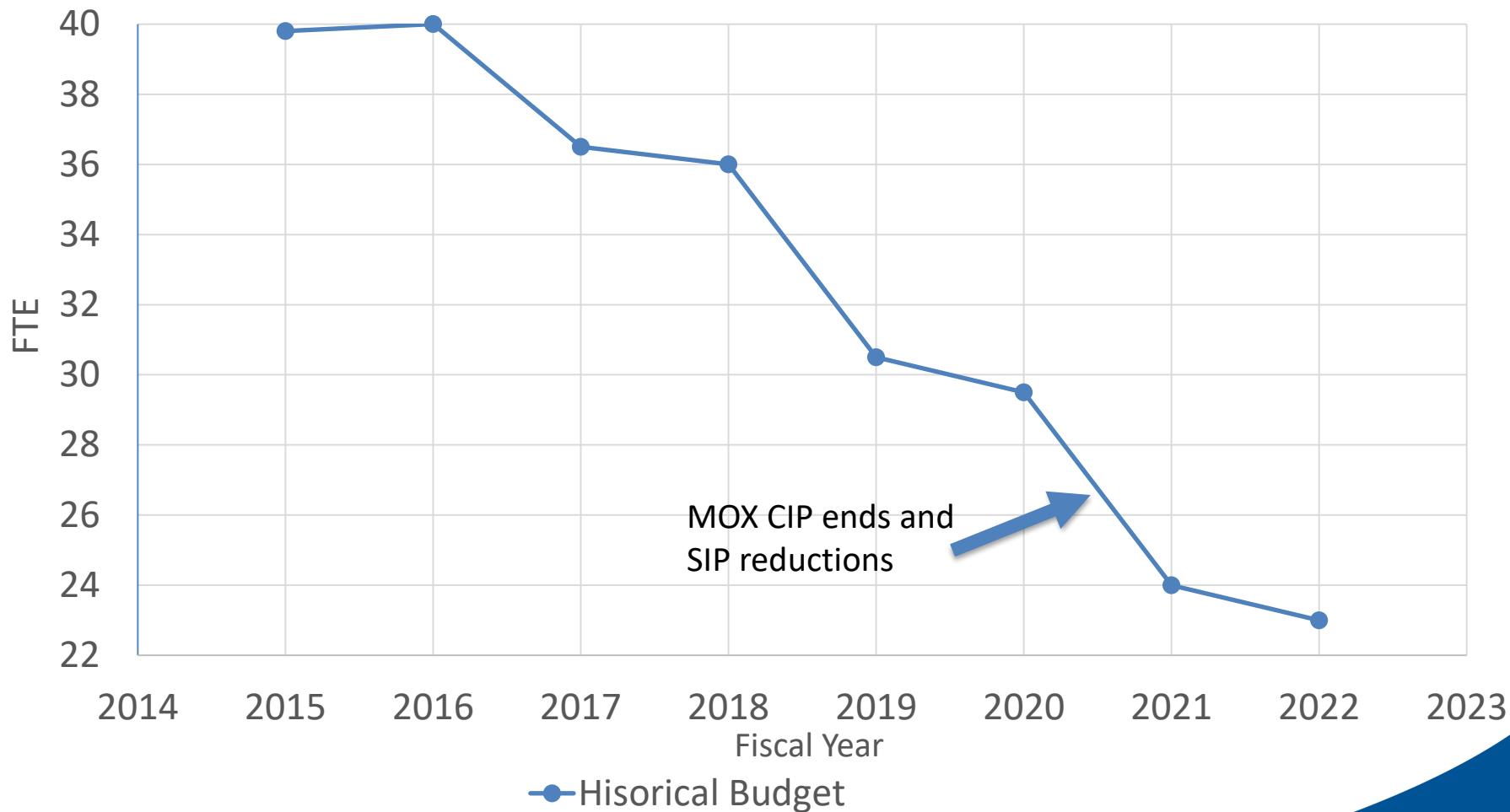


Per 10 CFR 170.12, fees will be assessed to recover full cost for each resident inspector and senior resident inspector assigned to a specific plant.

Indirect Activities:

- all training attendance technical and non-technical
- management or supervisory activities
- plant-or specific performance reviews and assessments
- evaluations and incident investigations
- all other indirect time not related to specific inspections
 - Meetings
 - KM
 - Internal Assessments
 - Etc.

Region II Budget - Fuels (Historical Perspective)



Looking Ahead

Hiring & Training

New hires to meet long term strategic needs

New Facilities

Potential new facilities in various stages of licensing and construction



New Technologies

Potential changes to existing facilities

Public Participation

At this time, the public is afforded an opportunity to ask questions and/or provide comments on the following topics:

- Status of Smarter Licensing Program
- Division Instruction Status
- Fuel Facility Business Line Budget Breakdown

Development of the Core Inspection Program for Category II Fuel Facilities

DyLanne Duvigneaud

Inspection and Oversight Branch

Division of Fuel Management

Background

The current fuel cycle inspection program, as established in IMC 2600, is applicable to Category I and Category III facilities.

New fuel cycle facilities are in various stages of the pre-licensing and licensing process, and existing fuel facilities are exploring changes to their licenses – that require authorization to possess different types and quantities of special nuclear material.

The possession of the types and quantities of special nuclear material that are being explored, are designated as Category II (Cat II) in accordance with the regulations in 10 CFR Part 73 and Part 74. Therefore, the current inspection program needs to be expanded to include the requirements for Cat II facilities.

Development Plan

- All fuel cycle Inspection Manual Chapters (IMCs) and Inspection Procedures (IPs) will be reviewed for Category II applicability and revised, as necessary.
- The most revisions are expected for certain inspection guidance documents:
 - IMC 2600 Appendix B “NRC Core Inspection Requirements”
 - *Proposed* New column added to IMC 2600 Appendix B
 - IPs for the MC&A and physical security functional areas
- The Category II fuel facility core inspection program is scheduled to be complete by Spring 2023.

Procedures Applicable to Cat II Facilities (Complete)

Procedure Number	Title
IP 88015	Nuclear Criticality Safety
IP 88030	Radiation Protection
IP 88050	Emergency Preparedness
IP 88055	Fire Protection (Annual)
IP 81815	Authorization for Access to National Security Information (NSI) and Restricted Data (RD)
IP 85408	Recordkeeping Program

Procedure Number	Title
IP 88020	Operational Safety
IP 88045	Effluent Control and Environmental Protection
IP 88051	Evaluation of Exercises and Drills
IP 88070	Plant Modifications
IP 85407	Assessment Program
IP 86740	Inspection of Transportation Activities

Procedures Applicable to Cat II Facilities (In Process)

Procedure Number	Title
IP 85203	Management Structure and Controls
IP 85207	Measurement Systems
IP 85211	Inventory Program
IP 81810	Protection of Safeguards Information
IP 81335	Physical Protection of Shipments of Special Nuclear Material of Moderate Strategic Significance (SNM-MSS)

Procedure Number	Title
IP 85205	Item Control Program
IP 85209	Measurement Control Program
IP 85213	Resolution Program
IP 81820	Physical Protection Facility Approval and Safeguarding of National Security Information and Restricted Data
IP 81421	Fixed Site Physical Protection of Special Nuclear Material of Moderate Strategic Significance

Procedures Applicable to Cat II Facilities (In Process)

Procedure Number	Title
IMC 2600	Fuel Cycle Facility Operational Safety and Safeguards Inspection Program
IMC 2600 App B	NRC Core Inspection Requirements... Tables 1 & 2
IMC 0616	Fuel Cycle Safety and Safeguards Inspection Reports

Procedure Number	Title
IMC 2600 App A	Guidance for Conducting Fuel Cycle Inspections Fuel Cycle Facility Terminology
IMC 2683	Material Control and Accounting

Construction Inspection Program Development

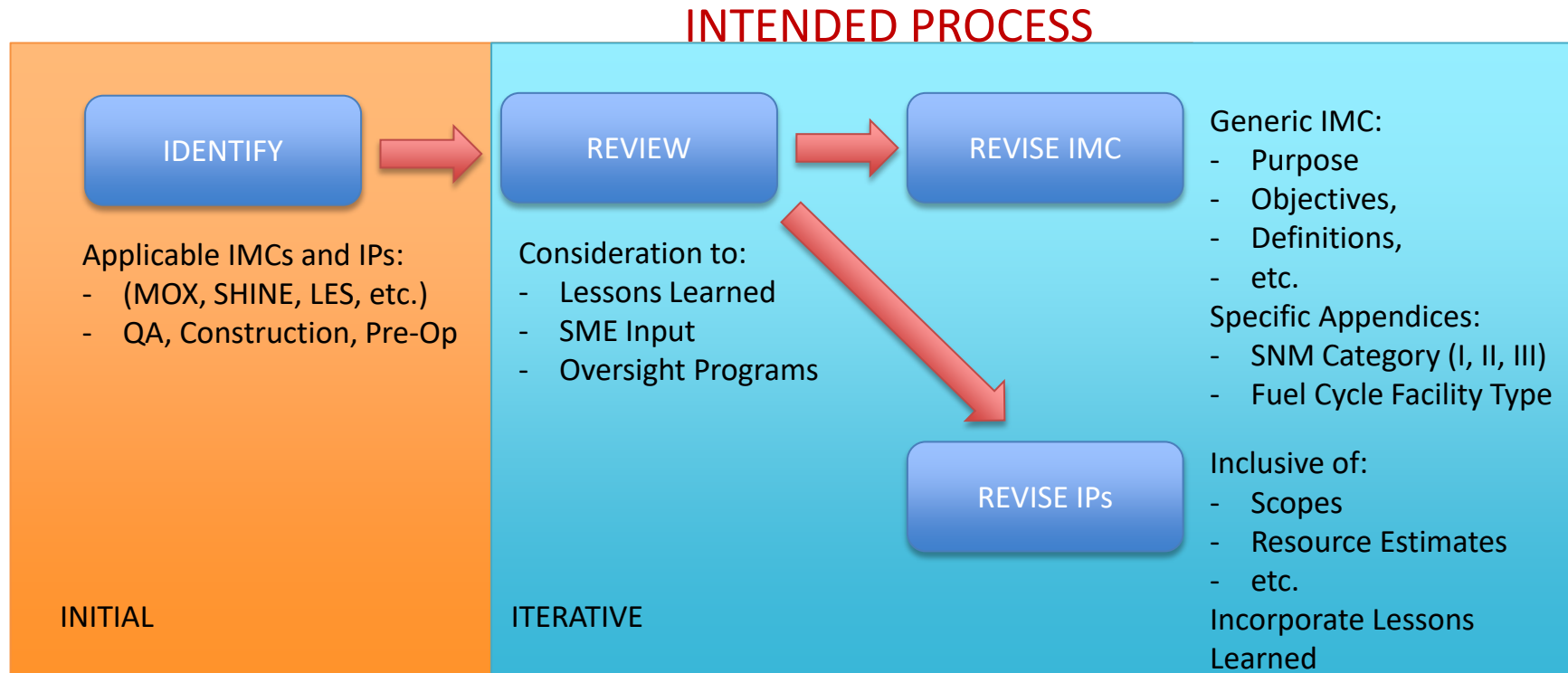
Michael Greenleaf, PhD

Technical Assistant

Division of Fuel Facility Inspection (DFFI)

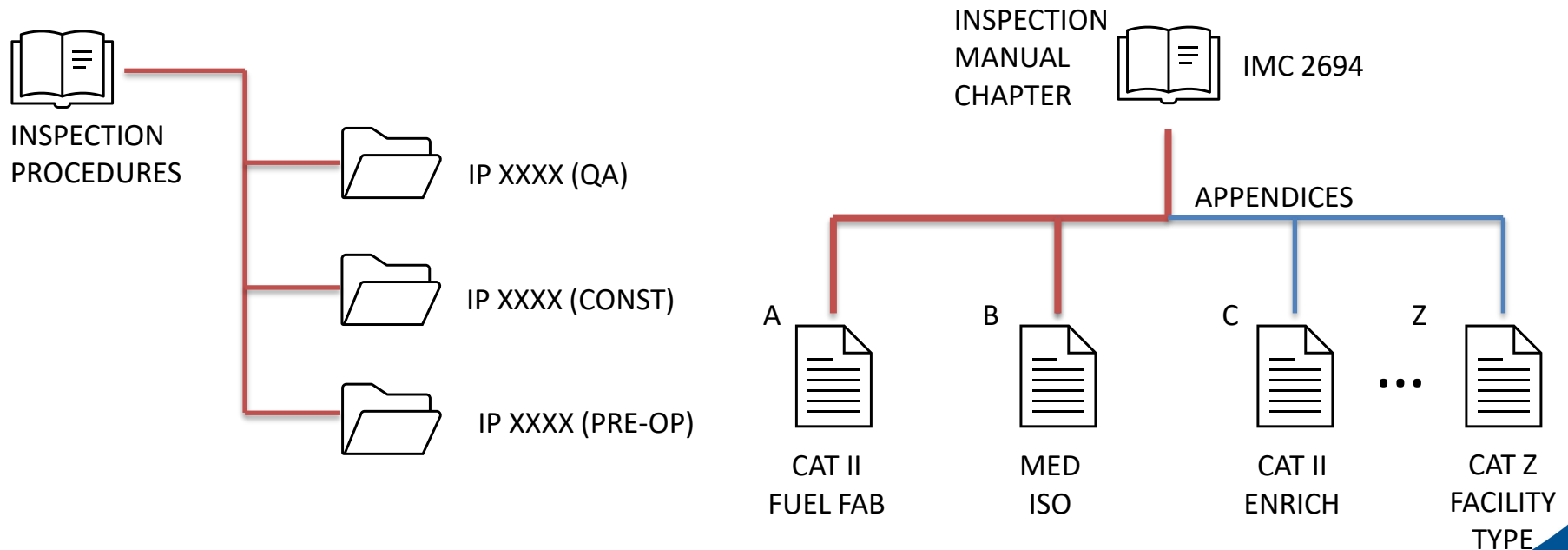
US NRC Region II

Construction Inspection Program Development



Construction Inspection Program Development

CURRENT STATUS



Questions/Feedback



Proposed Rule: Harmonization of Transportation Safety Requirements with International Atomic Energy Agency Standards (Status)

James Firth, Project Manager

Division of Rulemaking, Environmental, and Financial
Support

Office of Nuclear Material Safety and Safeguards

Part 71: Rulemaking Purpose and Types of Changes

- Harmonize the NRC's regulations with those of the International Atomic Energy Agency
 - International Atomic Energy Agency Safety Standards Regulations (2012 and 2018 Editions)
- Harmonize the NRC's regulations with changes made in a concurrent U.S. Department of Transportation rulemaking
- Make other NRC-initiated changes

International Atomic Energy Agency Harmonization

- Fissile material exemptions
 - Revise insolation requirements for package evaluations
 - Revise units for insolation for normal conditions of transport
 - Include insolation for Hypothetical Accident Conditions
 - Include Definition for Radiation Level
 - Delete Low Specific Activity-III Leaching Test*
 - Include New Definition for Surface Contaminated Object*
 - Revise Uranium Hexafluoride Package Requirements
 - Include Evaluation of Aging Mechanisms and a Maintenance Program
 - Revise Transitional Arrangements*
 - Include Head Space for Liquid Expansion*
 - Revise Tables Containing A_1 and A_2 Values and Exempt Material Activity and Consignment Limits*
- * Changes to harmonize with U.S. Department of Transportation and International Atomic Energy Agency

Part 71: NRC-Initiated Changes

- Biennial quality assurance reporting (§ 71.106)
- Remove Type A limits from general license requirements (§§ 71.22, 71.23)
- Revise the determination of the mass limits containing mixed quantities of fissile material when uranium-233 is present (§ 71.22)
- Revise compatibility category designations for quality assurance requirements (Subpart H)
- Remove duplicative reporting (§ 71.95)
- Revise the definition of *Low Specific Activity (LSA) Material* (§ 71.4)
- Remove references to irradiated reactor fuel in the advance notification requirements (§ 71.97)

Part 71 Proposed Rule: Status

- Publication Notes
 - Published September 12, 2022
 - 75-day comment period
 - Comment period closes: November 28, 2022
 - Proposed rule
 - Draft regulatory guide
 - Comment period closes: November 14, 2022
 - Information Collection
 - Public meeting scheduled for October 26, 2022

Proposed Rule and Related Documents

- **Regulations.gov Docket: NRC-2016-0179**
 - <https://www.regulations.gov/docket/NRC-2016-0179>
- **Proposed Rule**
 - Citation: 87 FR 55708 (September 12, 2022)
 - Regulations.gov:
 - <https://www.regulations.gov/document/NRC-2016-0179-0072>
 - Govinfo.gov:
 - <https://www.govinfo.gov/content/pkg/FR-2022-09-12/pdf/2022-18520.pdf>

Related Documents

- **Supporting & Related Material**
 - Draft Regulatory Analysis ([ML22209A039](#))
 - Draft Environmental Assessment ([ML22209A045](#))
- **Guidance Document**
 - Draft Regulatory Guide DG-7011, “Standard Format and Content of Part 71 Applications for Approval of Packages for Radioactive Material” ([ML22223A085](#))

Questions?

Public Participation

At this time, the public is afforded an opportunity to ask questions and/or provide comments on the following topics:

- Introduction to Category II Inspection Program
- Harmonization of Transportation Safety Requirements with IAEA Standards

Recap of Action Items

Jonathan Rowley, Project Manager

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

Closing Remarks

Shana Helton, Director

Division of Fuel Management

Office of Nuclear Material Safety and Safeguards

Janet Schlueter, Senior Director

Fuel and Radiation Safety

Nuclear Energy Institute