



CUMULATIVE EFFECT OF REGULATION
FUEL CYCLE FACILITIES

Public Meeting
October 1, 2013

CATEGORY 2 MEETING

- The primary discussions are expected to be between the NRC and representatives of licensed fuel cycle facilities. Members of the public will be invited to participate in this meeting at designated points on the agenda.

REMINDER

- The information contained herein is for discussion purposes only and does not represent the final NRC position.
- We will not be discussing the merits of the regulatory activities during this meeting.

AGENDA

- Problem Statement
- Meeting Purpose
- CER Definition
- Status of CER
 - Agency
 - Fuel Facilities
 - Integrated Schedule
- Planning Considerations
- Path Forward
- Questions/Feedback

PROBLEM STATEMENT

The NRC's Fuel Cycle Program and the Fuel Cycle industry have limited resources; therefore, we want to ensure that we identify and focus these resources on regulatory activities that have appropriate connections to safety and security.

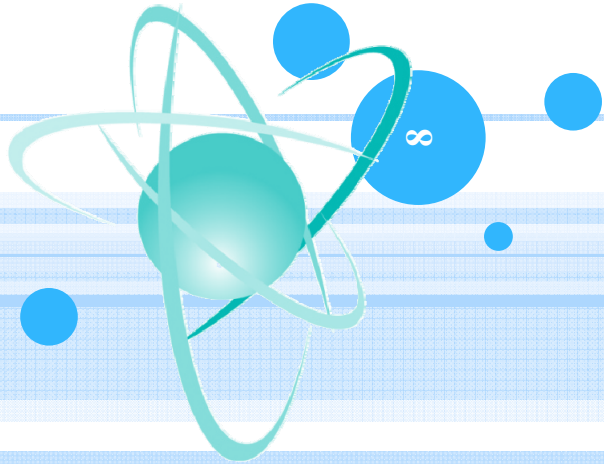
MEETING PURPOSE

- Highlight current agency actions on CER, including:
 - Case studies on the cost/accuracy of schedule estimates in regulatory analyses
 - Expansion of CER to other regulatory actions
 - CER template and prioritization initiative
- Present and discuss the proposed integrated schedule listing activities that contribute to CER
- Obtain feedback from the fuel cycle industry on the structure and use of the proposed schedule
- Discuss path forward for continuing to enhance effective communication on CER

CER DEFINITION

- “CER describes the challenges that licensees, or other impacted entities (such as States partners) face while implementing new regulatory positions, programs, or requirements. . . CER is an organizational effectiveness challenge that results from a licensee or impacted entity implementing a number of complex regulatory positions, programs, or requirements within a limited implementation period and with available resources . . . CER can potentially distract licensees or entity staff from executing other primary duties that ensure safety and security.” - SECY-12-0137 (ADAMS ML12223A162)
- Scope of CER for Fuel Cycle Facilities
 - For the fuel cycle industry, NMSS/FCSS is considering pre-implementation regulatory activities that contribute to CER as well as the implementation of regulatory activities. The integrated schedule lists several contributors to CER and will be used for discussion and decision making with both internal and external stakeholders.

AGENCY-LEVEL STATUS DISCUSSION



BACKGROUND

- SECY-12-0137, “Implementation of the Cumulative Effects of Regulation Process Changes,” dated October 5, 2012 (ADAMS Accession No. ML12223A162)
- SRM to SECY-12-0137 dated March 12, 2013 (ADAMS Accession No. ML13071A635)
 - Directed the staff to prepare a follow-on SECY in two years on the effectiveness of CER and any lessons learned
- Agency-level public meeting conducted on May 8, 2013
- Follow-on meeting conducted September 19, 2013
 - This presentation provides updates discussed during the September 2013 public meeting

CASE STUDIES - BACKGROUND

- Purpose: To investigate the accuracy of cost/schedule estimates in regulatory analyses
- Power reactors are interested in participating
 - Fuel cycle facilities are considering providing a partial case study

CASE STUDIES – INDUSTRY UPDATES

- Subject Regulatory Analyses:
 - NFPA 805 (10 CFR 50.48(c)): 5 units
 - Power Reactor Security Requirements (10 CFR part 73): 12 sites
 - Managing Fatigue, Subpart I (10 CFR part 26): 2 companies (7 units)
- Industry Next Steps:
 - Conduct interactions between NRC and volunteer sites to understand differences and methodologies in costs
 - Interactions necessary due to proprietary nature of the data
 - Draft a paper with detailed results and comparisons between NRC cost estimates and actual costs
- Industry Presentation on Case Studies from September 2013 available at ADAMS Accession No. ML13260A476

EXPANSION OF CER BEYOND RULEMAKING

- SRM-SECY-12-0137 contained direction that any expansion of CER should be considered in the broader context of the prioritization initiative
- Industry feedback at May 2013 public meeting
 - Recommended specific regulatory processes for expansion
 - Summary available in ADAMS under Accession No. ML13135A267

EXPANSION OF CER BEYOND RULEMAKING: UPDATES

- September 2013 meeting attendees discussed regulatory items that contribute to CER
- Attendees agreed to explore expansion of CER to a subset of regulatory actions:
 - Rules
 - Orders
 - Generic Letters
 - Bulletins

EXPANSION OF CER BEYOND RULEMAKING – NRC CONSIDERATION

- NRC could list actions in order of the need for CER consideration and focus on expanding CER to those activities of greatest need first

INDUSTRY’S DEVELOPMENT OF CER TEMPLATE: BACKGROUND

- May 2012 public meeting NEI stated that it was interested in developing a CER template for evaluating regulatory activities
- Industry’s proposal is outlined in the July 3, 2013, white paper developed by NEI (ADAMS Accession No. ML13199A152)
 - “Industry Paper on Addressing Cumulative Impact through Generic Prioritization and Plant-Level Integrated Schedules”

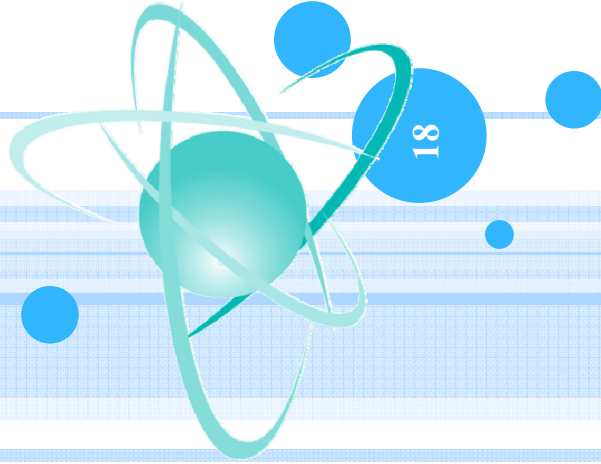
BACKGROUND ON PRIORITIZATION INITIATIVE

- SRM-COMGEA-12-0001/COMWDM-12-0002: “Proposed Initiative to Improve Nuclear Safety and Regulatory Efficiency,” dated February 6, 2013 (ADAMS Accession No. ML13037A541)
 - Focused on operating power reactors
- Provide to the Commission “approaches for allowing licensees to propose to the NRC a prioritization of the implementation of regulatory actions”
 - SECY due July 2014
- NRC staff believes prioritization could help ensure that NRC and industry maintain focus on the most safety significant issues first

UPDATE ON CER TEMPLATE AND PRIORITIZATION

- Industry's Presentation (Available at ADAMS Accession No. ML13260A478)
 - Industry is interested in piloting a process for operating reactors that could include:
 - Generic characterization
 - Plant-specific prioritization
 - Integrated schedule
 - September 2013 public meeting identified a need for follow-on public meetings for further discussion

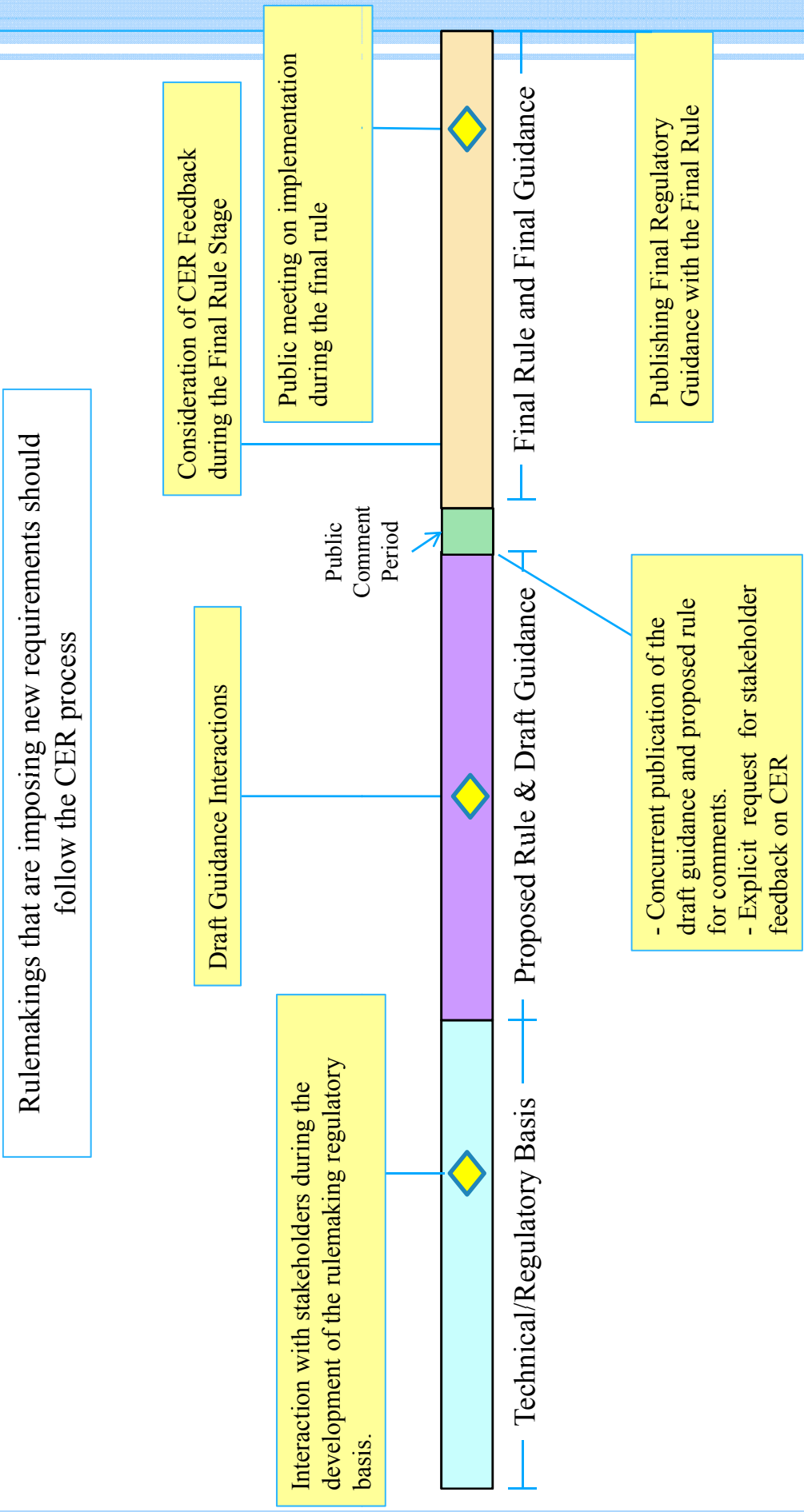
FCSS-LEVEL STATUS DISCUSSION



FCSS STATUS OF CER

- Implementing Agency Rulemaking CER Process
- Considering CER for Non-Rulemaking activities
- Developing an Integrated Schedule
 - Summary view of current regulatory activities
 - Benefits:
 - Planning and resource utilization
 - Assessing impact and prioritization of new work
 - Identifying Obstacles
 - Improving communication with external stakeholders
 - Basis for adjusting:
 - Schedules
 - Priorities
 - Work Activities
 - NRC Interactions

AGENCY RULEMAKING PROCESS WITH CER ENHANCEMENTS



- Legend
- ◆ NRC staff interaction with external stakeholders
 - Comment Period

RULEMAKING INTEGRATED SCHEDULE EXAMPLE

Fuel Cycle Facilities

Regulatory Activity	2013				2014				2015				2016				2017				2018							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Driver																												
Staff	Regulatory Basis				Proposed Rule/Draft Guidance				PC	Final Rule/Final Guidance																		
SRM	Regulatory Basis				Proposed Rule/Draft Guidance								PC	Final Rule and Final Guidance														
SRM	Regulatory Basis				Proposed Rule/Draft Guidance								PC	Final Rule and Final Guidance														
Inclus					Proposed & Direct Final Rule & Guidance																							
SRM	Proposed Rule/Draft Guidance								PC	Final Rule/Final Guide																		
SRM					Staff currently evaluating Commission Direction and will follow agency rulemaking process as appropriate.																							
Chemical Security Rulemaking					Planning to seek Commission Direction																							
Cyber Security					Waiting for Commission Direction																							
Reprocessing					Waiting for Commission Direction																							

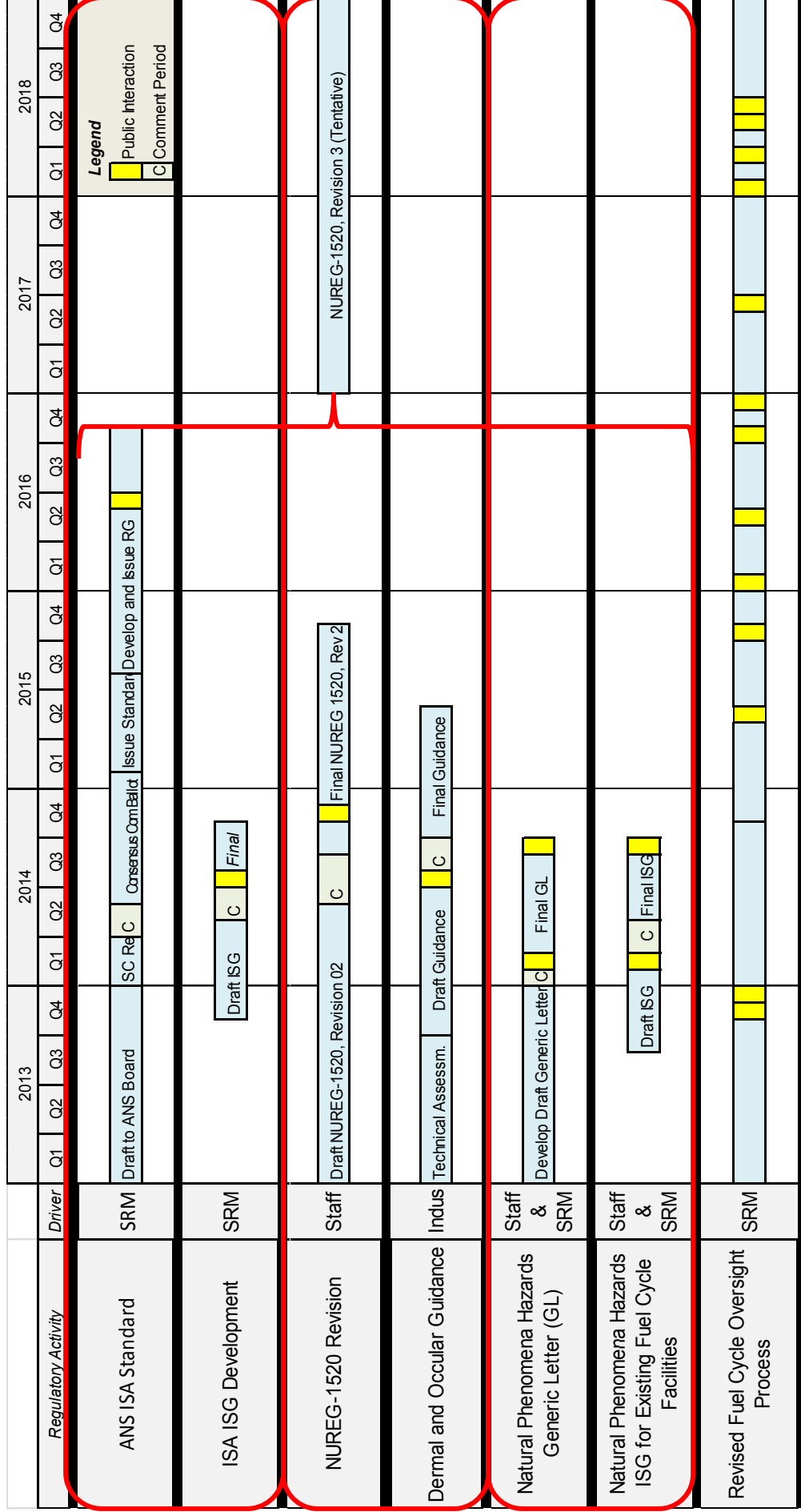
This chart is for discussion purposes only and is not indicative of actual due dates.

NON-RULEMAKING ACTIVITIES

- FCSS is considering non-rulemaking activities that contribute to the CER
 - Guidance documents
 - Generic Communications
 - Program enhancements (e.g. RFCOP)
- An integrated schedule will be developed to consider the CER for non-rulemaking activities

NON-RULEMAKING ACTIVITIES INTEGRATED SCHEDULE

Fuel Cycle Facilities



This chart is for discussion purposes only and is not indicative of actual due dates.

EXAMPLES OF POSSIBLE ADJUSTMENTS

- ANS Standard and ISA ISG
 - Potentially delay development of ISA ISG standard until Draft ANS Standard is reviewed by the staff
- NUREG-1520 Revisions
 - Add Draft Dermal/Ocular Guidance to NUREG-1520.
 - Benefits:
 - Only one comment period
 - Concurrent public meetings
 - Wait until ANS Standard is issued before we start Revision 3 of NUREG-1520
- Natural Phenomena Hazards
 - Concurrent publication of the Generic Letter and associated guidance
 - Explicit request for stakeholder feedback on CER
 - Concurrent Workshops for both documents (GL and Guidance)
- RFCOP
 - Project Plan is publicly available and updated periodically (ML1216A230)
 - Staff will consider external factors including stakeholders interaction and resources
 - Public interactions during all phases of the RFCOP development
 - Public meetings
 - Workshops
 - Webinars
 - Teleconferences
 - Revisions to project plan

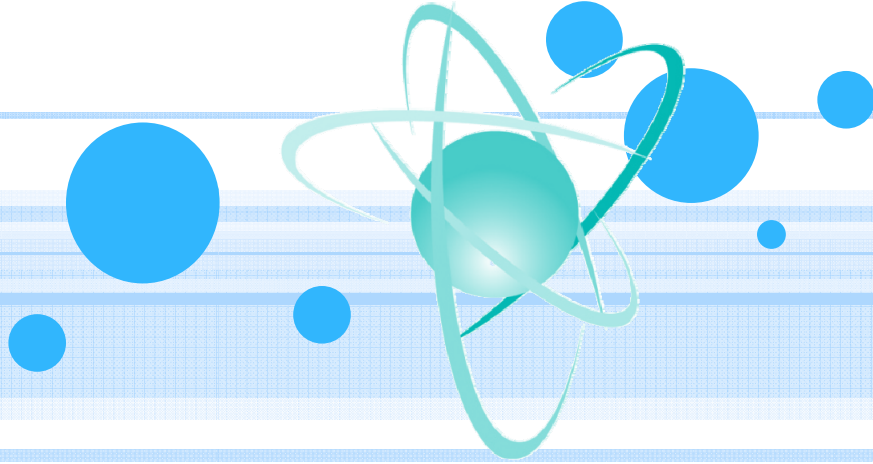
PLANNING CONSIDERATIONS

- Suggested Considerations
 - Safety significance
 - Security Considerations
 - Drivers for the Activity
 - SRMs
 - Governmental Interest
 - Events (e.g. Fukushima, 9/11)
 - Staff Initiated
 - Generic Implication
- Commission Policy Considerations
- Level of Effort
- Industry Interest
- Assessing Impact and Prioritizing New Work

PATH FORWARD

- Obtain industry feedback
- Populate an integrated schedule and make it publicly available
- Meet periodically with stakeholders
- Adjust schedule as needed based on internal and external drivers

QUESTIONS/FEEDBACK



LIST OF ACRONYMS

- ADAMS Agencywide Documents Access and Management System
- ANS American Nuclear Society
- CER Cumulative Effects of Regulations
- CFR Code of Federal Regulations
- FCSS Division of Fuel Cycle Safety and Safeguards
- GL Generic Letter
- ISA Integrated Safety Analysis
- ISG Interim Staff Guidance
- NEI Nuclear Energy Institute
- NFPA National Fire Protection Association
- NRC Nuclear Regulatory Commission
- NMSS Office of Nuclear Material Safety and Safeguards
- RFCOP Revised Fuel Cycle Oversight Process
- SRM Staff Requirements Memorandum