November 21, 2006

MEMORANDUM FOR: Luis A. Reyes Executive Director for Operations

> Jesse L. Funches Chief Financial Officer

FROM: Annette L. Vietti-Cook, Secretary /RA/

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON STATUS OF NEW REACTOR ISSUES–COLS, 9:30 A.M. and 1:30 P.M., MONDAY, OCTOBER 16, 2006, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO PUBLIC ATTENDANCE)

The Commission was briefed by representatives of industry, the States of North Carolina and Florida, the Union of Concerned Scientists, the NRC staff, and the Atomic Safety Licensing Board Panel on the status of current activities related to new reactor design certification, Early Site Permits (ESPs) and anticipated Combined License (COL) Applications. The Commission emphasized standardization, high quality applications, and timely, high quality responses to requests for additional information as the way for industry to receive timely decisions from the NRC.

The staff's next update to the Commission on the progress of developing an inspection and oversight program for new reactor construction should discuss how the various components of construction oversight (e.g. vendor inspection, construction site inspection, inspection resource targeting, assessment of inspection finding significance, oversight program responses to findings, enforcement policy aspects, public accessibility and timeliness of inspection and assessment results) all work together in an integrated and coherent manner.

The Commission requests that the CFO and EDO prepare an impact analysis identifying what would be deferred if the NRC is under a continuing resolution at the FY 06 level beyond December 2006.

With regard to the performance-based rule, 10 CFR 20.1406, the staff should appropriately engage stakeholders to consider various improvement approaches such as rulemaking, issuing or modifying regulatory guidance, or endorsing stakeholder developed guidance.

The Commission provided further guidance to the staff on new reactor issues in its Staff Requirements Memorandum on SECY-06-0187, dated November 16, 2006.

cc: Chairman Klein Commissioner McGaffigan Commissioner Merrifield Commissioner Jaczko Commissioner Lyons ASLBP OGC OCA OIG OPA Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail) PDR