



New Reactor Inspection Program

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Recent Accomplishments

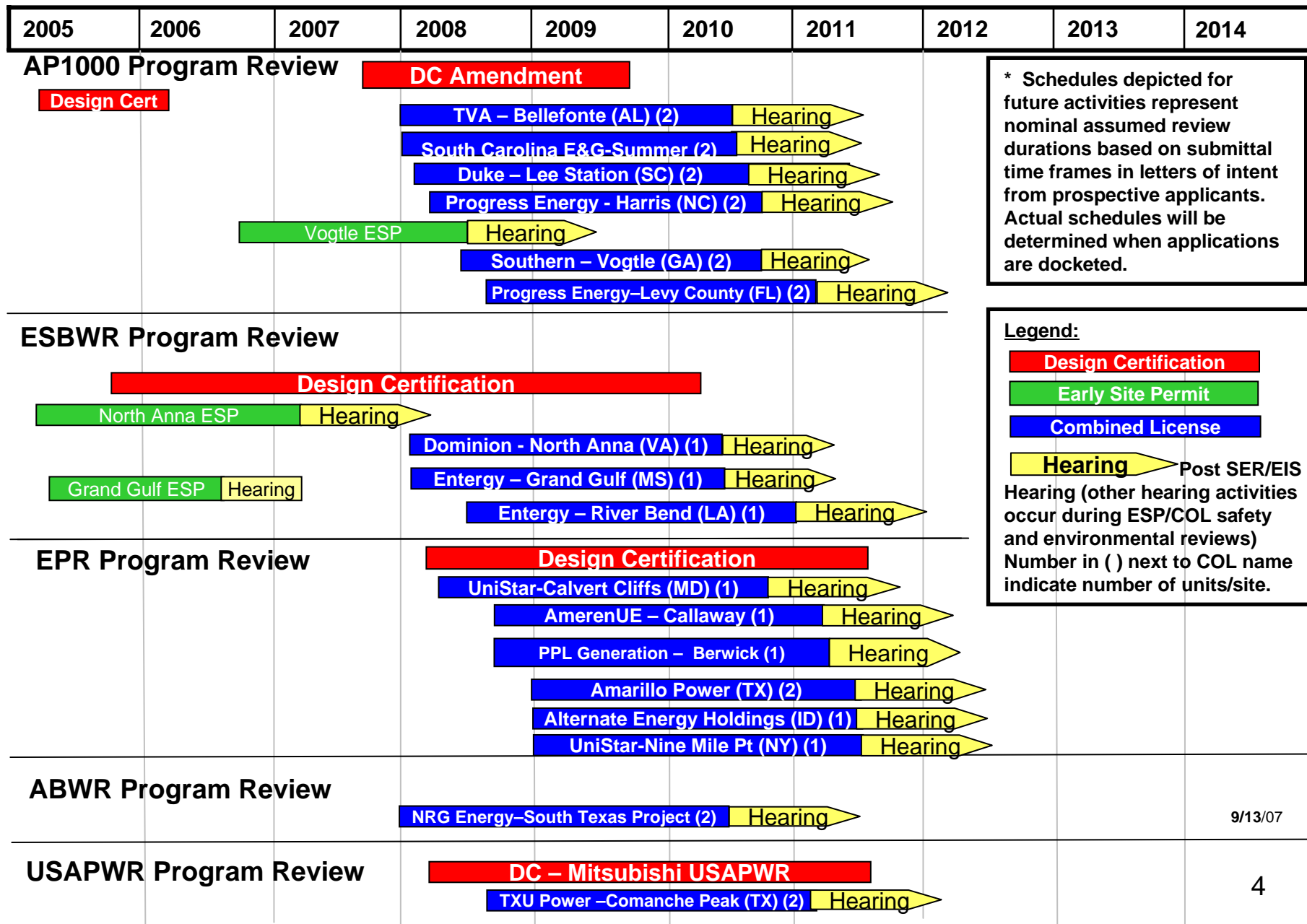
- Rules published: Part 52, Limited Work Authorization Rule, Aircraft Impact Assessments (proposed)
- COL applications submitted
- Safeguards protection orders issued
- Public outreach meetings held
- Technical support contracts awarded

Staffing

- 386 on board, 40 anticipated gains by January 2008. FY08 goal is 485
- Status of office consolidation:
 - 256 staff in TWFN 6th/7th floors
 - 113 staff on OWFN 7th floor
 - 12 staff OWFN 4th floor
 - Of these, 47 in conference rooms

New Reactor Licensing Applications (Site and Technology Selected)

An estimated schedule by Fiscal Year



* Schedules depicted for future activities represent nominal assumed review durations based on submittal time frames in letters of intent from prospective applicants. Actual schedules will be determined when applications are docketed.

Legend:

- Design Certification
- Early Site Permit
- Combined License
- Hearing Post SER/EIS Hearing (other hearing activities occur during ESP/COL safety and environmental reviews)

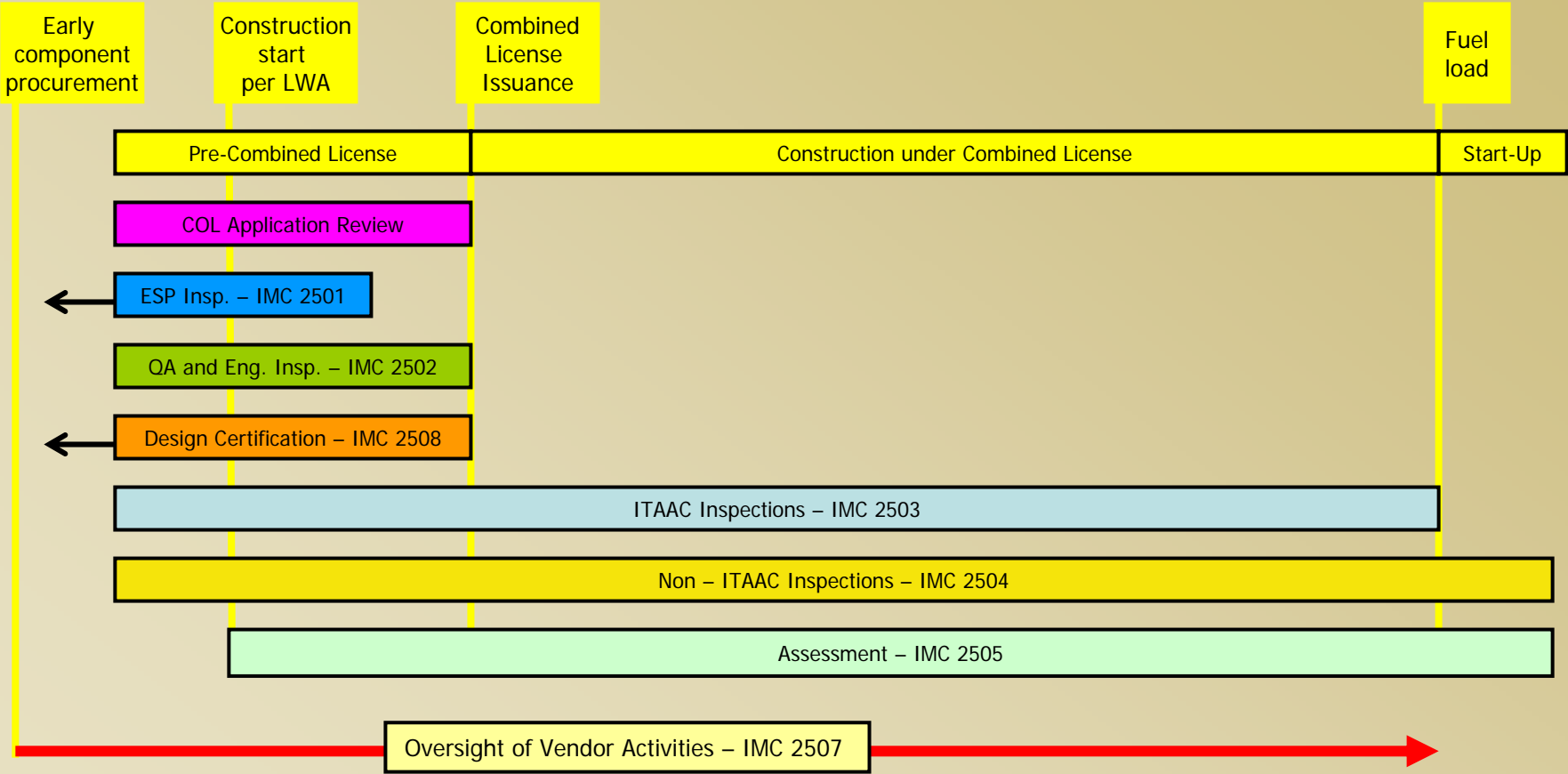
Number in () next to COL name indicate number of units/site.

Objectives

- Ensure that plants are constructed in accordance with approved designs and safety regulations
- Determine operational readiness
- Communicate results to all stakeholders
- Ensure effective transition to Reactor Oversight Program

NRC CONSTRUCTION OVERSIGHT HAS MULTIPLE COMPONENTS

Oversight will assure plants are constructed as designed.



Completed Milestones

- Pre-COL/DC audit program developed and six audits completed
- Enhanced vendor inspection program established and six inspections conducted
- ITAAC sampling methodology endorsed by ACRS

Completed Milestones

(continued)

- Key international relationships established
- Construction experience program developed

Current Areas of Focus

- Quality Assurance
- Vendor Oversight
- Program Development

Pre-Application Audits

- Support agency's acceptance review by:
 - Verifying acceptability of an applicant's QA program used in the development of a COL/DC application
 - Assessing the completeness of a proposed COL/DC application

Oversight of First-of-a-Kind Engineering

- NRC review necessary to finalize design and develop procurement and construction documents
- Inspection results will:
 - Inform the ITAAC closure verification process
 - Verify that design acceptance criteria have been appropriately implemented in the design

Vendor Inspection Program Enhancements

- Built upon existing vendor inspection program and coordinated with NRR
- Increase inspection frequency and scope
 - Verify QA program implementation
 - Detect possible fraudulent parts or materials

Vendor Inspection Program Enhancements

(continued)

- Support ITAAC closure verification
- Expand international cooperation in vendor oversight
- Clarify oversight and improve interface with third party industry audits

Ongoing ITAAC Activities

- ITAAC closure letter templates and verification process
- ITAAC inspection and closure resource requirements
- New Reactor Inspection Program IT Infrastructure

Construction Assessment Process Guiding Principles

- Well defined
- Designed for a construction environment
- Timely communication and resolution of identified issues
- Transparency, predictability, scrutability
- Public availability of inspection information

Construction Assessment Process Future Work

- Define criteria and process for assessing the effectiveness of licensee's corrective action program
- Define thresholds for agency response
- Define periodicity and content of agency assessments

Construction Assessment Process Future Work (continued)

- Clarify aspects of the allegation program, including applicability of NRC process and scope of employee protection
- Integrate enforcement policy with assessment process

Construction and Operational Experience Program

- Program Goals:
 - Use construction experience gained from both international and domestic projects for NRC reviews and inspections
 - Provide insights to stakeholders

Construction and Operational Experience Program

(continued)

- Element of existing agency OpE program
- Near-term activities include guidance development, training, and agreements sharing construction experience

External Stakeholder Interaction

- Numerous public meetings and workshops held in FY07
- New reactor inspection program briefings at all NRO public outreach activities
- Visits to proposed new reactor sites and module fabricators
- Current information on public web site

International Bilateral Cooperation

- Interaction with counterparts in several areas, including:
 - Multi-national vendor inspections with Korean and French regulators
 - Sharing information with United Kingdom regarding ESBWR and AP1000

International Bilateral Cooperation

(continued)

- Discussions with Japan regarding foreign vendor oversight
- Sharing construction and vendor experience with Finland (STUK)
- NRC inspector rotation at STUK and Olkiluoto 3

Conclusions

- The staff is effectively conducting pre-application audit activities and vendor inspections, supporting application reviews, coordinating with international partners, and carrying out construction inspection program development activities

Conclusions

(continued)

- Project plans for the development of key program areas, such as assessment and ITAAC closure include opportunity for stakeholder involvement
- Timely stakeholder support for and involvement in program development is necessary for success

Acronyms

ACRS: Advisory Committee on
Reactor Safeguards

COL: Combined License

DC: Design Certification

DOE: US Department of Energy

ESBWR: Economic Simplified
Boiling Water Reactor

ESP: Early Site Permit

IMC: Inspection Manual Chapter

IT: Information Technology

Acronyms (continued)

ITAAC: Inspections, Tests, Analyses, and Acceptance Criteria

LWA: Limited Work Authorization

NRO: Office of New Reactors

NRR: Office of Nuclear Reactor Regulation

OpE: Operating Experience

QA: Quality Assurance

STUK: Radiation and Nuclear Safety Authority (Finland)