

Value of Preapplication Engagement



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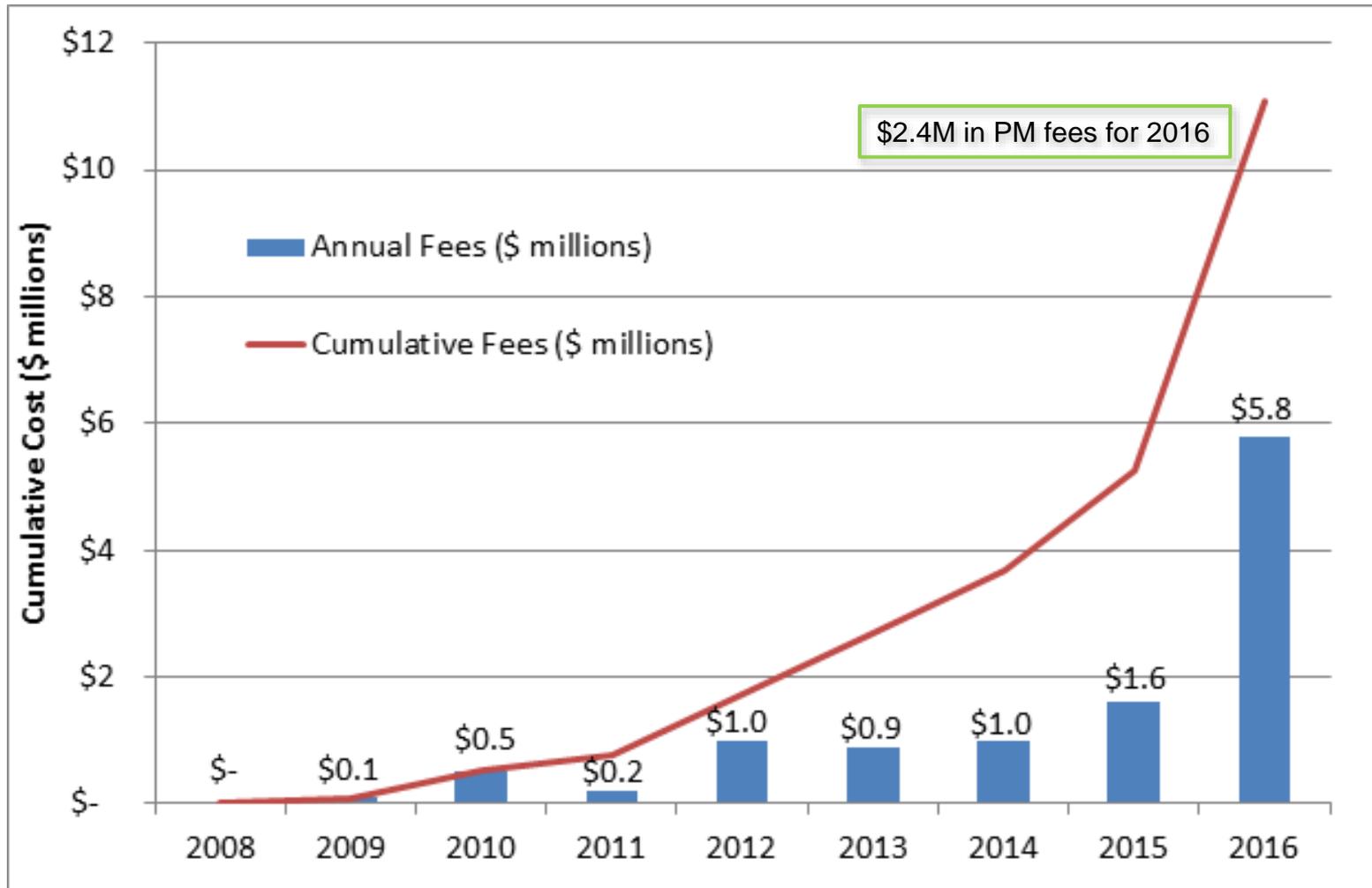
Topics

- Variable fee rule for small modular reactors (SMRs)
- NRC fees for NuScale
- Lessons learned on preapplication process
- Improving value of preapplication process

Variable Fees for Small Modular Reactors

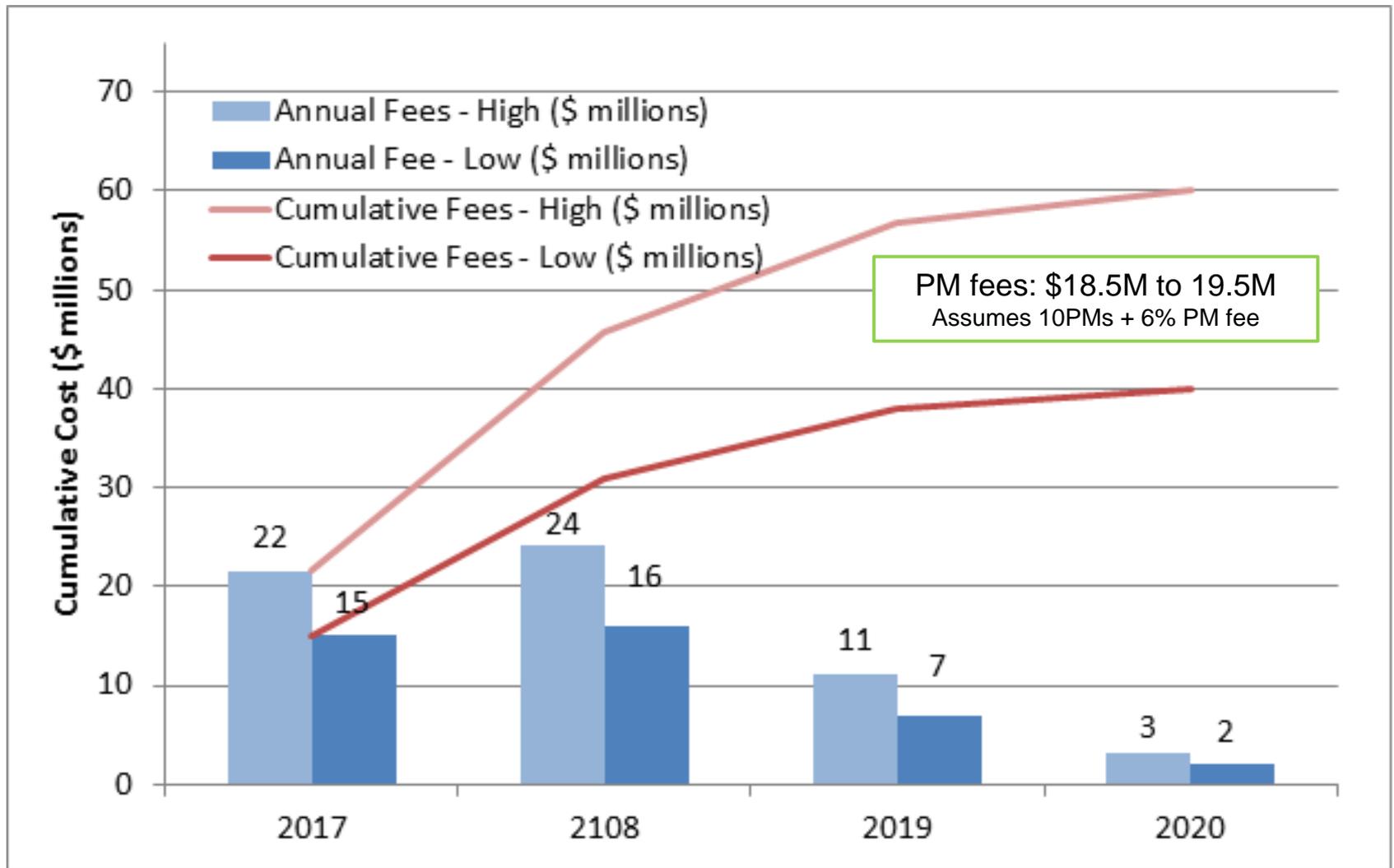
- Appreciate Commission addressing annual fees
- Particularly important for NuScale given relative size of reactor and number of reactors per plant
- Removed significant regulatory uncertainty for customers
- Revisit fee basis after operating experience gained

NRC Fees During Preapplication



Forecasted through the end of 2016

NRC Fee Projection—Review



Preapplication Lessons Learned

- Early engagement (2008 to mid-2015): value limited
 - feedback informal, limited, or not provided
 - key safety features
 - 12 white papers
 - 7 technical reports
 - gap analyses (2012 & 2014)
 - insufficient participation by management
 - better positioned to make lasting commitments
 - more likely to identify and resolve potential policy issues

Preapplication Lessons Learned

- Engagement close to submittal (mid-2015 to present): more valuable
 - began receiving formal feedback
 - gap analysis letters
 - design-specific review standard
 - increased participation by management
 - training for application reviewers
 - variance of outcomes from engagements too high (e.g., topical report page turns)

Increasing Value of Preapplication

- Need to move value-added earlier in process
- Design-specific review standard should be issued earlier
 - 18 months to two years prior to submittal
- NRC should formally address key safety features early
- Staff should review and comment on white papers, technical reports, and gap analysis
- Earlier and increased participation by management
 - better ability to make lasting commitments for NRC
- Key examples
 - licensed operators
 - emergency core cooling system

Summary

- Variable fee rule for small modular reactors a positive step forward
- Fees
 - better balance between safety review and PM fees
 - transparency and openness could be improved
- Preapplication experience shows that value is added commensurate with level of NRC engagement
- Preapplication period value could be increased by early NRC positions on key safety features, white papers, and technical reports



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