

U.S. NUCLEAR REGULATORY COMMISSION SUMMARY OF THE MARCH 27, 2024,
OBSERVATION PREAPPLICATION PUBLIC MEETING
WITH SMR, LLC (A HOLTEC INTERNATIONAL COMPANY)
TO DISCUSS THE STAFF INFORMATION NEEDS FOR THE TOPICAL REPORT ON THE
QUALITY ASSURANCE PROGRAM FOR HOLTEC INTERNATIONAL'S SMALL MODULAR
REACTOR DESIGN AND CONSTRUCTION

Meeting Summary

The U.S. Nuclear Regulatory Commission (NRC) held an observation public meeting on March 27, 2024, with SMR, LLC (SMR), a Holtec International Company (Holtec), to discuss the SMR (Holtec) proposed resolutions to the second round of information needs provided by the NRC staff related to the "Topical Report On the Quality Assurance Program for Holtec International's Small Modular Reactor (SMR) Design and Construction."^{1,2} The first round of information needs was provided to SMR (Holtec) on January 19, 2024, and discussed during the NRC public meeting held on January 26, 2024.^{3,4} The NRC staff provided the second round of information needs to SMR (Holtec) on March 14, 2024.⁵

This virtual observation preapplication meeting had attendees from SMR, (Holtec), the NRC staff, and members of the public. There was no closed session to discuss proprietary information.

No decisions or commitments were made during this meeting.

The following summarizes the discussion during the meeting:

- Following the introductions of both the NRC staff and SMR (Holtec), SMR (Holtec) provided further context to a statement NRC staff included in the meeting summary of the January 26, 2024, public meeting. SMR (Holtec) clarified that at this point, it cannot commit to Regulatory Guide (RG) 1.164, RG 1.231, and RG 1.234 without taking exceptions. The NRC staff reiterated that if SMR (Holtec) decides to commit to certain

¹ Letter from A. Brenner, "SMR, LLC – Submittal of Licensing Topical Report, "Quality Assurance Program for Holtec International's Small Modular Reactor Design and Construction," (Project No. 99902049)," dated September 28, 2023. (Agencywide Documents and Access Management System (ADAMS) Accession No. ML23271A008 part of ML23271A007).

² SMR, LLC, Enclosure 1: "Topical Report On The Quality Assurance Program for Holtec International's Small Modular Reactor (SMR) Design and Construction," dated September 15, 2023, (ML23271A009 part of ML23271A007).

³ U.S. NRC Staff Information Needs, "Information Needs Provided by the NRC Staff for the 1-26-24 Public Meeting with SMR, LLC a Holtec International Company to discuss the Quality Assurance Program Topical Report," dated January 19, 2024, (ML24022A077).

⁴ U.S. NRC Meeting Summary, "Enclosure 3 – 1-26-24 Meeting Summary of the Public Meeting with SMR, LLC (Holtec), to Discuss Information Needs – Quality Assurance Program Topical Report for the SMR (Holtec) Design," dated February 27, 2024 (ML24039A006).

⁵ U.S. NRC Staff Information Needs, "SMR HOLTEC, Quality Assurance Program Description Topical Report Revised Needs List," dated March 19, 2024, (ML24079A078).

RGs with exceptions, the NRC staff will include plant specific conformance requests within the safety evaluation.

- SMR (Holtec) then presented its proposed solution to each of the NRC staff provided information needs. Note that the item numbering is based on the first round of information needs, and numbers are not consecutive because not all first round items required follow-up.
- For Information Need Item #2, SMR (Holtec) confirmed that the Executive Director has technical authority for design and engineering work for SMR, LLC.
- For Information Need Item #3, SMR (Holtec) plans to commit to compliance with all portions of 10 CFR 50.55 (f) which apply to a construction permit. SMR (Holtec) plans to reflect this in the revised version of the QAPD TR.
- For Information Need Item #4, SMR (Holtec) proposed to update its QAPD TR to provide additional clarity for the requirements for QA auditors to commit to NQA-1 2015, Part 1, Requirement 2 for QA auditors.
- For Information Need Item #7, the NRC staff requested that SMR (Holtec) add additional language to Section 3.4, "Design Verification," of the revised QAPD TR from Section 3.1, "Design Verification," of NEI 11-04A. Following the meeting, the NRC staff sent an email to SMR (Holtec) clarifying what additional language should be added to the revised QAPD TR and explaining the additional context the added sentence provides.⁶
- For Information Need Item #11, SMR (Holtec) agreed to update the QAPD TR to address the measures needed to establish the extent of conditions when measuring and test equipment is found to be out of calibration.
- For Information Need Item #13, SMR (Holtec) plans to revise the QAPD TR to include SRP 17.5, Section N, Items 5 and 6.
- For Information Need Item #15, SMR (Holtec) plans to update the QAPD TR to include that all personnel are required to identify conditions that are adverse to quality, as outlined in SRP 17.5, Section P, Item 4 and that the discussion involving reporting is intended to apply to conditions that are adverse to quality, not conformance.
- For Information Need Item #18, SMR (Holtec) plans to update its QAPD TR to include inspection activities in Subsection 1.18, "Audits," of its QAPD TR. SMR (Holtec).
- For information Need Item #19, the NRC staff requested that in its updated QAPD TR, SMR (Holtec) should reference Revision 5 of RG 1.189 instead of Revision 4 of RG 1.189, since Revision 5 fixed some administrative changes from Revision 4. SMR (Holtec) took no issue with this request and plans to reference Revision 5 of RG 1.189 in the updated version of its QAPD TR.

⁶ U.S. NRC Staff Email, "3-27-24 – Email to A. Brenner, SMR, LLC (Holtec) re: 3-27-24 Public Meeting to Discuss Information Needs for the SMR (Holtec) QAPD Topical Report (Project 99902049)," dated March 27, 2024, (ML24120A049).

- SMR (Holtec) stated that it is considering applying for a Limited Work Authorization (LWA). SMR (Holtec) asked if it should also include reference to the LWA within the QAPD TR. Currently the QAPD TR only states its intended usage is for a construction permit application under 10 CFR Part 50. The NRC staff stated that SMR (Holtec) should include, within the revised topical report (TR), that the QAPD TR would be applicable to the LWA it is considering applying for.
- SMR (Holtec) stated that it intends to submit a revised TR to address the information needs that the NRC staff provided.
- Several members of the public were present during the meeting, one of which provided the following comments and questions to the staff:
 - The member of the public stated that they thought that SMR (Holtec) choosing not to commit to certain RGs without requirements seemed coercive in nature. The NRC staff responded that this comment would be included in the meeting summary.
 - The member of the public asked the NRC staff to explain how the QAPD would maintain a firewall, or separation between the different organizational roles and responsibilities. The NRC staff responded that lessons learned from NUREG-1055, "Improving Quality and the Assurance of Quality in the Design and Construction of Nuclear Power Plants: A Report to Congress," ensure that organizational independence is maintained. Additionally, NRC staff confirm that the requirement of Criterion I to Appendix B to 10 CFR Part 50 is met during the review of the applicant's QAPD. Specifically, Appendix B requires that "persons and organizations performing quality assurance functions shall report to a management level so that the required authority and organizational freedom, including sufficient independence from cost and schedule when opposed to safety considerations, are provided."
 - The member of the public identified having difficulty accessing the meeting link. The NRC staff noted that this comment would be included in the meeting summary.
 - The member of the public wanted to know why SMR (Holtec) changed their design from the SMR-160 design to the SMR-300 design. The NRC staff responded that there will be a public meeting in May with SMR (Holtec), where the new SMR-300 design will be discussed.

The meeting was adjourned at 1:45 PM.