

BWR OWNERS' GROUP

OPERATING PRINCIPLES

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BWR OWNERS' GROUP OPERATING PRINCIPLES

A. PURPOSE

The Operating Principles describe the implementation of the BWROG Charter. Guidelines for managing and conducting BWROG activities are herein documented to assure that these activities are undertaken in an efficient and orderly manner acceptable to all members.

B. CONDUCT OF MEETINGS

1. Executive Committee Meetings
 - a. Shall be held at least once a year.
 - b. May be scheduled at the request of five (5) Executive Committee members (special Executive Committee meetings in addition to the annual meeting).
 - c. Shall be attended by Executive Committee members, BWROG Chair/Vice Chair and any others as requested by Executive Oversight Committee (EOC) members.
2. Executive Oversight Committee (EOC) Meetings
 - a. Shall be held as often as deemed necessary.
 - b. Shall be attended by EOC members, BWROG Chair/Vice Chair, and others (e.g., GVH, Committee Chairs, etc.) as requested by individual EOC members. Only elected EOC members may vote.
3. General Committee Meetings
 - a. Shall be held on a frequency required for efficient administration of BWROG activities.
 - b. Shall be attended by Primary Representatives from voting and non-voting member utilities, BWROG officers, Committee Chairs, Program/Project Managers, and invited industry and working groups (EPRI, INPO, NEI, etc.).
4. Advisory Committee Meetings
 - a. Shall be held as determined by the BWROG Chair or may be requested by an Advisory Committee Member to the Chair.
 - b. Shall be attended by Advisory Committee members, BWROG Chair and Vice Chair. GVH Executive Director, utility sponsors of an issue and others (e.g., Committee Chair) may attend at the request of the Advisory Committee and the BWROG Chair.

5. Technical Committee Meetings

- a. Shall be held on a frequency required for timely completion of Committee activities, but shall not conflict with any scheduled BWROG General, EOC, or Executive meetings without prior approval of the BWROG Chair.
- b. Shall be attended by member participants, BWROG Project Managers, GVH technical representatives, and others as requested by the voting member participants and approved by the BWROG Chair.
- c. The participation of NRC, NEI, EPRI, INPO, or other external organizations, including PWR utilities that don't own/operate a BWR, in BWROG technical committee meetings is permitted only with the advance approval of the BWROG Chair.

6. Member Participation

- a. Designated committee members or alternates are expected to participate in BWROG activities, including planned meetings, telecons, surveys, and document review and approvals.
- b. Utilities not meeting established BWROG performance targets for meeting participation will be reported to the Executive Committee for review.
- c. All BWROG utility members are responsible for their own committee meeting Travel & Living (T&L) expenses, except as described in G.3.a, G.3.b, G.3.c and G.3.d.

7. Meeting Cancellation

Due to the considerations for all committee members to make advance travel plans, to make arrangements for time away from the normal workplace, and the need for advance booking of meeting space, every effort should be made to hold scheduled BWROG committee meetings at the agreed upon times and places. In the unusual circumstance where a Committee Chair believes that a planned meeting cannot meet its objectives due to low participation or some other circumstance, he may request that a meeting be canceled. Any requested meeting cancellation must be approved by the BWROG Chair.

8. NRC Meetings

- a. Shall be held on a frequency required for timely completion of Committee activities, but shall not conflict with any scheduled BWROG General, EOC, or Executive meetings without prior approval of BWROG Chair.
- b. The BWROG Chair, Vice-chair, cognizant committee Chair, cognizant Project Manager and the Primary Representatives shall be advised of meetings and telephone conferences with NRC staff related to Committee activities prior to occurrences. The BWROG Chair or Vice-Chair shall attend or waive their attendance for any official meetings between the BWROG and the NRC staff.
- c. Presentation materials for meetings with NRC must be approved in advance by the BWROG Chair, Vice-Chair, or designee. Copies of materials shall be provided to the BWROG Chair.

C. PROCESS DESCRIPTION

1. Identification of Potential Issues/Activities
 - a. Potential new BWROG issues/activities may be identified by any BWROG member utility. The utility Primary Representative or Executive Committee member shall forward via email the candidate issue to the BWROG Chair, Vice Chair, and BWROG Executive Director for consideration. The issue discussion should consider:
 - 1) Applicability (generic or non-generic)
 - 2) Regulatory driving force
 - 3) Reliability or availability improvement
 - 4) Cost-benefit of shared approach
 - 5) Public perception
 - 6) Expected products
 - 7) Expected duration
 - b. Issues to be considered by the BWROG may be either generic (applicable to the general BWR industry or a specific BWR product line or containment type) or non-generic (participation by individual utilities on a voluntary basis at the option of the utility).
2. Initial Review of Potential Issues/Activities
 - a. The BWROG Chair shall review proposed new issues and determine the classification as either generic or non-generic.
 - b. The BWROG Chair may authorize generic funds for an Ad Hoc Activity, an Industry Follow Activity, or a Specific Topic Investigation, in accordance with the charter.
3. Assessment of Potential Issues/Activities
 - a. The BWROG Chair will assess the potential issues/activities and may consult with the Potential Issues Review Team (PIRT) to determine appropriate BWROG actions. The Chair will consider one of the following actions:
 - 1) Ad Hoc Committee – effort where the Ad Hoc Committee is tasked with recommending the next course of action to define scope and cost if full technical committee funding is recommended. The work required to support the Ad Hoc Committee may be authorized by the BWROG Chair, or by the Primary Representatives.
 - 2) Existing Full Technical Committee – an existing BWROG activity. If the issue being considered falls within the scope of an existing activity, it may be assigned to the existing committee. If additional funding is required, the existing committee will prepare necessary funding requests and obtain approval.
 - 3) New Full Technical Committee – an activity, well enough defined in scope and cost to preclude Ad Hoc consideration may be directed to a new full committee.

- 4) The costs of activities, initially funded as Specific Topic Investigations or Ad Hoc Committees, will be absorbed by the approved full committee.
 - b. The BWROG Chair will consider the activity and if classification is unclear may consult with the Advisory Committee for concurrence.
- 4. Task Performance
 - a. Work on generic and non-generic issues will be managed by the assigned Technical Committee with progress monitored by the Primary Representatives. Changes to the generic workscope or funding beyond the approved amount may be approved by the BWROG Chair through a Project Change Request, if the total funding remains within the approved annual Generic Invoice Limit (GIL) and the approval limits of the BWROG Charter Appendix C.
- 5. Final Disposition of Issues/Activities
 - a. Transmittal of results, characterized as a BWROG product, outside the BWROG requires approval by the BWROG Chair. Transmittals to NRC additionally require General Committee approval in accordance with section E.3.
 - b. Technical Committees are disbanded upon completion of the authorized scope of work.
- 6. Issue Escalation Process
 - a. Issues identified by the NRC, utility management, GE Vernova Hitachi, committee members or others should be communicated to the applicable BWROG Committee Chair and Project Manager for resolution.
 - b. If an issue is not resolved satisfactorily, then the Project Manager should escalate the issue to the BWROG Chair and BWROG Executive Director.
 - c. The BWROG Chair and BWROG Executive Director will assist in resolution of issues and may choose to escalate issues to the Executive Chair or EOC as appropriate.

D. REVISIONS TO CHARTER/OPERATING PRINCIPLES

- 1. Charter
 - a. At the request of the BWROG Chair, proposed revisions may be reviewed by the EOC prior to forwarding to the Executive Committee for voting.
- 2. Operating Principles
 - a. At the request of the BWROG Chair, proposed revisions may be reviewed by the Advisory Committee prior to forwarding to the Primary Representatives for voting.

E. PRODUCTS AND DISTRIBUTION

1. The term “Technical Product” shall be reserved for items that are endorsed by a committee, add value to any member utility or solve a problem faced by two or more sites, make a recommendation, or require BWROG utility personnel time to create. Examples of such items are committee documents, reports, position papers, technical papers, and data analyses. The more general term “product” includes reference to any Technical Product as well as any administrative material required of the BWROG, such as Funding Requests, Meeting Notices, Conference Reports, and Product Release Announcements. Products are separate from presentations or correspondence, which are by nature intended for BWROG communication to external organizations.
2. All products resulting from BWROG activities shall be treated as proprietary to BWROG funding participants until determined to be non-proprietary. This includes products that contain information considered proprietary to GE Vernova Hitachi or a BWROG member utility. Primary Representatives from non-participating utilities, who may be provided copies of products by participating utilities for the purpose of external approval per paragraph E.3 below, shall ensure proper restrictive use of such products by their utility during such review, shall destroy such products following their review and vote, and may not distribute such products either internally or externally to their utility or other personnel or organizations.
3. All BWROG correspondence or products which are to be specifically provided to the NRC must be approved by the Primary Representatives prior to issuance. Such determination will be approved on a “one vote per utility basis”, independent of any utility’s participation in the activity that produced the product. The one exception is Technical Specification Task Force (TSTF) Travelers, which are approved for the BWROG Primary Representatives by the BWROG Licensing Committee Chair.
 - a. This review is for the expressed purpose of ensuring solely that the document does not adversely impact an individual utility’s licensing bases.
 - b. These correspondence or products should be provided for Committee Chair and BWROG Chair review at least four weeks before they are transmitted, and to the Primary Representatives for approval at least three weeks before they are to be transmitted to the NRC.
 - c. If this notice is provided by the BWROG Project Manager prior to the end of the period, Primary Representatives votes will be recorded as “Absent” on the transmittal if they do not vote by the end of the three-week period.
 - d. For Primary Representative approval of NRC correspondence, voting may be closed at the direction of the BWROG Chair any time after 5 business days if a majority of members have voted. The results of the vote would be based on a majority of the votes received.
 - e. If responses to the NRC do not allow a sufficient period for document preparation and approval (i.e., the allowed response period is 45 days or less), the BWROG Chair may authorize transmittal to the NRC if the Primary Representatives have at least a two-week review period but are unable to complete voting.
 - f. Copies of final documents shall be provided to the Primary Representatives of all BWROG members, BWROG Chair and Vice Chair, and cognizant Project Managers.

4. All BWROG correspondence or products which are to be specifically provided to an external organization other than the NRC (e.g., NEI, EPRI, INPO) must be approved by the BWROG Chair prior to issuance (This does not apply to committees where the committee Chair has been authorized by the BWROG Chair to approve specific submittals or types of submittals).
 - a. These correspondence or products should be provided for Committee Chair and BWROG Chair review at least four weeks before they are transmitted to the external organization.
 - b. Copies of final documents shall be provided to the Primary Representatives of all BWROG members, BWROG Chair and Vice Chair, and cognizant Project Managers.
5. Each product shall be marked "Draft" until approved as a final product by a majority of the Committee for internal products or a majority of all Primary Representatives for external products per E.3.
6. Primary Representatives should ensure that Technical Products are evaluated for use by each unit by entering the document into the appropriate site program for evaluating external recommendations.
7. All formal BWROG correspondence (internal) making a recommendation to utilities, which has safety-related or regulatory importance governing (1) plant operating procedures, (2) plant modifications and/or (3) interim actions committed to the NRC, shall be submitted to the BWROG Executives for approval prior to distribution, and upon Executive approval, shall be transmitted directly to the BWROG Executives with copies to the BWROG Primary Representatives.
8. Each member must formally endorse any BWROG product that will be sent to the NRC for it to be considered applicable to that member's plant.
9. BWROG members may distribute approved BWROG products to non-BWR plants under their ownership. This release authorization applies to funding participants only and covers all generic products and non-generic products where the member is a committee participant.
10. Release of full BWROG Technical Products to industry working groups (such as the PWROG) or an external organization (such as INPO, NEI, EPRI) must be approved by majority vote of all participating Primary Representatives. Excerpts of BWROG Technical Products and all other BWROG Product releases, presentations, and correspondence to these groups or organizations can be approved by the BWROG Chair.
11. Each member utility may allow INPO or NRC review of BWROG products that were developed by committees in which the utility was a participant. This review may only be conducted while INPO or NRC is on-site conducting an assessment, or controlled through the use of E-portals that allow review of a product without ability to copy, print, or otherwise retain the document. INPO is not permitted to copy or retain these BWROG products. NRC may not copy or retain the products either except in the case where the product has previously been transmitted officially from the BWROG to NRC.
12. Technical Products greater than 10 years from the year issued may be made available to any current BWROG member, including non-participating BWROG members of the associated activities, at their request. For example, starting in

2021 all Technical Products issued through 2010 can be made available if requested. This supersedes any late participation fee for purchasing past products.

F. FINANCIAL AUDIT

1. Financial Audits shall be performed at the discretion of the Primary Representatives but not less than once every three years.
2. Financial Audits shall be performed in accordance with the Audit Plan described in the BWROG Charter.

G. FUNDING

1. Each member utility shall submit a Standing Purchase Order to the BWROG Executive Director in accordance with Section I, covering their membership fee for a minimum period of one year. The Standing Purchase Order shall give authorization for invoicing of activity expenses based upon the participating vote of the participating utility members on such activity. GVH's membership in the BWROG via cost-sharing is defined in BWROG Charter Section VII.C.
2. Any generic activity applicable to the general industry and approved by the members shall be funded by all utility members of the BWROG.
3. Any non-generic activity shall be funded by two or more utilities voting to participate in that activity. Members of a non-generic activity may accept a member utility as a non-paying member when participation of that utility is deemed to be disproportionately in the interest of the paying members by a majority vote of the paying members. The request for consideration for a non-paying member will be explicitly addressed in any request for funding or, if already funded, as a committee matter vote, and their continued status will also be explicitly addressed in any subsequent funding requests to ensure their status remains valid and acceptable to the paying members. Expectations for participation and contributions by the non-paying member shall be established and captured in the voting process. The non-paying member: (a) Shall participate in and contribute to the committee as established in the up-front agreement. (b) Shall not have voting privileges on committee matters, except as provided under Section E.3 of the BWROG Operating Principles. (c) Shall be entitled to committee products as approved in the voting process.
4. If the Committee work scope will require unusually high levels of the Chair's time and travel expense, the Committee may propose some compensation for the utility providing the Chair in recognition of these expenses in the funding request. The funding request shall include justification for the requested compensation.
5. T&L reimbursement of \$1.8K per instance shall be included in all Technical Committee (and other applicable BWROG activities) funding requests to reimburse the Committee Chair's utility (or, when the Chair is unavailable, the Vice Chair's or a designated representative's utility) for attending meetings (e.g., BWROG General Meetings & Executive Meetings, Industry Meetings, etc.) as a representative of BWROG. This policy does not include reimbursement of expenses to attend Committee Meetings that are regular duties of a utility member representative, except in the case where a Committee Chair is also a Prime Rep and has to present a funding request at the General Meeting.

- a. The BWROG Chair may approve exceptions to the flat fee reimbursement on a case-by-case basis.
 - b. Committee Chairs (or designated representatives) shall make travel arrangements and obtain approval of expenses in accordance with their utility's policies and procedures.
6. Funding requests for each BWROG activity that requires travel for peer reviews, benchmarks, assist visits, etc., shall include utility member T&L reimbursement of \$1.8K. Funding requests for each BWROG activity that requires international travel, etc., shall include the actual amount for reimbursement of participant's total business related travel expenses.
7. Committee Funding for meeting costs includes business meals and events for all attendees and guests.
8. Funding requests for each BWROG activity shall include the estimated charges for paid resources, including but not limited to subcontractors, GVH technical support and GVH PMO support. Depending on the project scope, other applicable costs including but not limited to material, equipment, facility rentals, etc. may also be included in the estimated cost. A contingency funding margin shall be limited to 20% of the estimated cost of the activity based on risk assessment.
9. Organizations/Entities that are not eligible for BWROG membership in accordance with the BWROG Charter requirements, may purchase BWROG products by paying a fee no less than 300% of the product's per-share development cost. Fees are calculated by BWROG PMO and presented to the Advisory Committee for approval by the BWROG Chair
10. Funds from yearly International/Conditional membership fees will be disbursed to all full members. Funds from the sale of BWROG products will be disbursed as credit to all members that funded the activity based on each members' shares and whether the activity was generic or non-generic.
11. The credits to BWROG voting member utilities shall be distributed by GVH in the next billing period after payment is received by GVH. An exception could occur if the total disbursement exceeds total T&M costs for the billing period resulting in a credit invoice to the member utility.
12. If a member, who has previously voted to participate in an activity, wishes to terminate its participation, written notification (email notification is acceptable) must be provided to all other participating members, the BWROG Chair, the BWROG Executive Director, and the Committee Project Manager. Participation will be terminated at the end of the currently approved funding period.

Billing will commence upon authorization of activities by the BWROG member utilities and will be issued on a monthly or quarterly basis during the duration of the activities in which they are participating.

Supporting documents for the invoices will consist of the billing statement and the breakdown of the charges. Details, such as expense accounts, subcontract invoices and labor vouchers, will not be provided with invoices with the understanding that such details will be available at the BWROG financial audit of the Program. This procedure also applies to any member and/or members who join a program late and for which catch-up billing is issued.

13. When a new participant joins an activity, resulting in a reduction of the pro-rata share, such reduction will be credited to each participant.
14. All BWROG utility members are responsible for their own committee meeting Travel & Living (T&L) expenses, except as described in G.3.a, G.3.b, G.3.c, and G.3.d.
15. Each voting utility member will be responsible for a pro-rata share of the BWROG Operations budget. These generic expenses shall be collected in six (6) separate projects: 1. Ops Support (PMO support, General Meetings, Executive Meetings, meeting resources, etc.), 2. Specific Topic, 3. Industry Follow, 4. Ad Hoc Committee, 5. Potential Issues Review Team (PIRT), and 6. BWROG Chair and Vice Chair expenses). Cost shares for all these generic activities shall be based on the cost-share formula described in the BWROG Charter.

H. LATE PARTICIPATION/DROP

If a member, who has previously voted to participate in an activity, wishes to terminate its participation, written notification (email notification is acceptable) must be provided to all other participating members, the BWROG Chair, the BWROG Executive Director, and the Committee Project Manager. Participation will be terminated at the end of the currently approved funding period.

Because late participation (i.e., voting “yes” to join an activity after the activity has begun) provides a utility with both technical and financial advantages (i.e., the initial participants assume an increased burden and risk prior to the addition of participants), a late entry penalty will be imposed for non-generic BWROG activities as follows:

1. Once a committee has been funded at the fiscal year start with the identified Technical Product or a PCR approved to fund the Technical Product, there will be a “late join” penalty of 25% of a pro-rata share. If a Technical Product is in process (multi-year), the cost basis begins with the starting year of the Technical Product.
2. If a member, who has not previously participated in the committee when it wrote a specific Technical Product, wishes to only buy-in to the Technical Product, they may do so by paying a penalty of 25% of the pro-rata share. Exceptions apply if the activity (i.e. Technical Product) is greater than 10 years old (refer to Section E).
3. There will be no penalty assessed when a BWROG decision is made to convert a non-generic activity to a generic activity, independent of the length of time the activity had been classified as non-generic and independent of whether conditions 1 or 2 above have been met.
4. All late participation penalty payments will be credited equally amongst the activity’s initial participants for non-generic activities or credited in accordance with the cost-sharing formula described in the BWROG Charter for generic activities.
5. Late participation fee waivers must be approved by a majority of the participating utility Primary Representatives.

I. PROPOSAL/PURCHASE ORDER SUBMITTAL

1. GVH shall issue proposals to all member utilities no later than October 31 for the following year's membership.
2. Each utility shall issue an annual Purchase Order to the contractor no later than 60 days from the date of the commercial proposal or December 31, whichever is later.
3. Member utilities that have not submitted Purchase Orders to GVH by the due date will be referred to their respective Executive Committee representative, Executive Point of Contact when pertaining to an International/Conditional Member, for support.
4. There will be no late Purchase Order financial penalty assessed as GVH has agreed to work with its field representatives and any delinquent utility for prompt issuance of the Purchase Order.
5. Member utilities that have not submitted Purchase Orders to GVH by January 31 will be referred to the Executive Oversight Committee (EOC) for information only.
6. Member utilities that have not submitted Purchase Orders to GVH by March 31 will be referred to the Executive Committee for action and may be considered for suspension of membership from the BWROG.

J. SELF ASSESSMENT

1. A self-assessment of the BWROG should be conducted approximately every two years.
2. The BWROG Chair will designate the Lead Assessor and the Self-Assessment Team. If available, preference should be given to designating the BWROG Vice Chair as the Lead Assessor.

Appendix A
BWROG-GVH RELATIONSHIP: INDUSTRY COMMUNICATION

As the reactor vendor for the BWROG, GVH Energy (GVH) is responsible for industry communication on matters that involve GVH nuclear products and services. As partners, the BWROG and GVH agree that it is in the best interests of both parties to have the BWROG review GVH-issued industry communications, prior to formal issue, whenever possible. As such, GVH agrees that when time is available, and when it does not conflict with other contractual agreements, GVH will provide the BWROG the opportunity to review and comment on the following draft GVH-issued industry communications prior to these being issued:

1. Rapid Information Communication Service Information Letters (RICSIL).
2. Service Information Letters (SIL).
3. 10CFR Part 21 Communications that affect two or more US BWRs.

When possible, GVH will provide at least a 5-day review period for BWROG review prior to reaching the end of the evaluation period limit established in 10 CFR 21.

The BWROG agrees that they will identify appropriate reviewers (BWROG Review Team) and will provide timely comments on documents provided by GVH for BWROG review. The BWROG agrees not to distribute provided GVH information beyond the BWROG Review Team distribution when requested by GVH due to inclusion of GVH Company Private information or when GVH provides information on an open (incomplete) Part 21 evaluation. While GVH will consider all BWROG comments provided on these draft documents, GVH remains responsible for the contents of any final industry communication.