

March 10, 2000

Mr. Douglas J. Walters
Nuclear Energy Institute
1776 I Street, NW., Suite 400
Washington, DC 20006-3708

SUBJECT: LICENSE RENEWAL ISSUE NO. 98-12, "CONSUMABLES"

Dear Mr. Walters:

Enclosure 1 is the staff's proposed resolution of the subject issue. Based on the December 8, 1999, meeting, as documented in the January 21, 2000, meeting summary (Enclosure 2), the staff concluded that the enclosed changes should be made to the draft "Standard Review Plan for the Review of License Renewal Applications for Nuclear Power Plants." It is expected that comparable changes will be made to NEI 95-10, "Industry Guidance for Implementing the Requirements of 10 CFR Part 54 - The License Renewal Rule." If there are any industry comments on the proposed resolution, we request that you document those comments within 30 days following your receipt of this letter to ensure a timely resolution of this issue. If you have any questions regarding this matter, please contact Stephen Koenick at 301-415-1239.

Sincerely,

/RA/

Christopher I. Grimes, Chief
License Renewal and Standardization Branch
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

Project 690

Enclosures: As stated

cc w/encl: See next page

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* See previous concurrence

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Proposed Changes to the SRP

Based on the discussion provided in the “Summary of December 8, 1999, Meeting on License Renewal Issue (LR) 98-12, ‘Consumables’,” dated January 21, 2000, the following should be added to Table 2.2-2, “Typical Structures, Components, and Commodity Groups, and 10 CFR 54.21(a)(1)(i) Determinations for Integrated Plant Assessment,” of the draft “Standard Review Plan for the Review of License Renewal Applications for Nuclear Power Plants.”

ITEM	CATEGORY	STRUCTURE, COMPONENT, OR COMMODITY GROUP	STRUCTURE, COMPONENT, OR COMMODITY GROUP MEETS 10 CFR 54.21(a)(1)(i) (YES/NO)
	Subcomponent	Packing, Gaskets, Components Seals, and O-rings	Yes ¹
	Subcomponent	Structural Sealants	Yes ²
	Consumable	Oil, Grease, and Component Filters	No ³
	Consumable	System Filters, Fire Extinguishers, Fire Hoses, and Air Packs	Yes ⁴

- 1 These subcomponents would not necessarily be called out explicitly in the scoping and screening procedures. Instead they would be implicitly addressed at the component level. The applicant will be able to exclude these subcomponents utilizing a clear basis such as the example of ASME Section III not being relied upon for pressure boundary.
- 2 These subcomponents would not necessarily be called out explicitly in the scoping and screening procedures. Instead they would be implicitly addressed at the component level. Structural sealants may perform functions without moving parts or change in configuration and they are not typically replaced. It is expected that the applicant’s structural aging management program will address these items with respect to an aging management review program on a plant specific basis.
- 3 For these commodities, the screening process would be expected to exclude these materials because they are short-lived and are periodically replaced.
- 4 These components may be excluded, on a plant-specific basis, from an aging management review under 10 CFR 54.21(a)(1)(ii) in that they are replaced on condition. The application should identify the standards that are relied on for replacement as part of the methodology description, for example, NFPA standards for fire protection equipment.

Enclosure 1

January 21, 2000

ORGANIZATION Nuclear Energy Institute (NEI)

SUBJECT: SUMMARY OF DECEMBER 8, 1999, MEETING ON LICENSE
RENEWAL ISSUE (LR) 98-12, "CONSUMABLES"

The Nuclear Regulatory Commission (NRC) met with the NEI on December 8, 1999, to discuss LR 98-12, "Consumables." The agenda for the meeting is provided in Attachment 1. Attendees are listed in Attachment 2.

Background

As part of an effort to more efficiently resolve generic issues involved with license renewal, the NRC staff is in the process of implementing a informal process for resolving generic issues. This process will be outlined in NRR Office Letter No. 805, "License Renewal Application Review Process." To resolve the generic issues in which there is disagreement between stakeholders and NRC, the NRC is implementing an appeals process in which stakeholders and NRC staff have successive management meetings in order to identify resolution paths for the issues. The meeting on December 8, 1999, was a trial appeals meeting. The NRC issued a staff position on "consumables" in a letter dated April 21, 1999. In a letter from D. Walters of NEI to C. Grimes of NRC dated July 30, 1999, NEI articulated several disagreements with the NRC staff position.

Discussion

The meeting provided useful dialogue with consensus being reached in numerous areas. The result of the meeting is captured in this meeting summary. The outcome of this process is for the NRC staff to develop proposed guidance that will be incorporated into the working draft, "Standard Review Plan for the Review of License Renewal Applications for Nuclear Power Plants" (SRP). It would be expected that NEI would revise their industry document NEI 95-10, "Industry Guidance for Implementing the Requirements of 10 CFR Part 54 - The License Renewal Rule," accordingly. In order to ensure proper characterization of the dialogue between the stakeholders and staff, this meeting summary will be followed with a letter to interested stakeholder containing proposed guidance soliciting feedback. The meeting summary according to the agenda of the topics discussed at the meeting is as follows:

Enclosure 2

1. The need to categorize consumables as components, piece parts, or subcomponents.

LR 98-12, "Consumables," represented an attempt to categorize various components, subcomponents, piece parts and other materials that are typically replaced during routine maintenance and testing, or based on component performance. The NRC staff position divided the "consumables" into four categories. There was agreement that the four categories represented different types of material that need to be addressed differently for the purpose of license renewal. Category A, comprises packing, gaskets, component seals, and o-rings, represent subcomponents and specific guidance is addressed below in item 3.a. Category B, comprises structural sealants, represent subcomponents that are treated differently from Category A in that they are long-lived components and may serve a passive function. Specific guidance is addressed in item 3.b. Category C, comprises oil, grease, and component filters, represent consumables that are short-lived. Specific guidance is provided in item 3.c. Category D, comprises of system filters, fire extinguishers, fire hoses, and air packs, represent components that are routinely replaced on condition. Specific guidance is provided in item 3.d.

With respect to the need to categorize consumables there was a general consensus to not exclusively categorize consumables as components, piece parts, or subcomponents. However, from a process consideration the following was discussed.

The "consumable" would not be explicitly called out in the scoping and screening procedures. Instead it would be implicitly included at the component level, (i.e., if a valve is identified as being in scope, a seal would be in scope as a subcomponent of the valve). The consumable will be considered during the aging management review. The methodology for performing the aging management review of the various subcomponents is a procedure that is maintained onsite and is auditable. It is in this procedure, in which the applicant can provide justification for excluding the specific "consumable" from scope.

2. Reliance on performance or condition monitoring for generic exclusion.

There was mutual agreement between NRC and NEI that performance or condition monitoring cannot be used for generic exclusions, but this does not prevent it from being used for a site-specific justification.

3. Component Replacement Strategy or Aging Management Program

- a. Packing, Gaskets, Components Seals, and O-rings

For the purpose of addressing packing, gaskets, components seals, and o-rings during the review of a license renewal application, the reviewer should consider these items as subcomponents. These subcomponents would not be explicitly called out in the scoping and screening procedures. Instead they would be implicitly included at the component level, (i.e., if a valve is identified as being in scope, a seal would be in scope as a subcomponent of the valve). They will be considered during the aging management review. The methodology for performing the aging management review of the various subcomponents is a procedure that is maintained onsite and is auditable. For this category of "consumables" consistent with the staff position, the applicant will be able to exclude these components utilizing a clear basis such as the example identified in the NRC staff position of ASME Section III not being relied upon for pressure boundary.

This process of addressing this category of consumables during the aging management review should be summarized in the application during the methodology for conducting the aging management review.

b. Structural sealants

For the purpose of addressing structural sealants during the review of a license renewal application, the reviewer should consider these items as subcomponents. These subcomponents would not be explicitly called out in the scoping and screening procedures. Instead they would be implicitly included at the component level. They will be considered during the aging management review. The methodology for performing the aging management review of the various subcomponents is a procedure that is maintained onsite and is auditable. For this category of “consumables” consistent with the staff position, structural sealants may perform functions without moving parts or change in configuration and they are not typically replaced on condition. It is expected that the applicant’s structural aging management program will address these items with respect to an aging management review program on a plant specific basis.

This process of addressing this category of consumables during the aging management review should be summarized in the application during the methodology for conducting the aging management review.

c. Oil, Grease, and Component Filters

For the purpose of addressing oil, grease, and component filters during the review of a license renewal application, the reviewer should consider these other materials as consumables that are short-lived. For this category of “consumables” consistent with the staff position, this material can be excluded on the basis of being short-lived and periodically replaced.

This process of addressing this category of consumables during the aging management review should be summarized in the application during the methodology for conducting the aging management review.

d. System Filters, Fire Extinguishers, Fire Hoses, and Air Packs

For the purpose of addressing system filters, fire extinguishers, fire hoses, and air packs during the review of a license renewal application, the reviewer should consider these items as components. For this category of “consumables” consistent with the staff position, these components may be excluded, on a plant-specific basis, from an aging management review under 10 CFR 54.21(a)(1)(ii) in that they are replaced on condition.

This process of addressing this category of consumables during the aging management review should be summarized in the application during the methodology for conducting the aging management review.

Conclusion

The proposed staff guidance will be developed based on the discussion above. This guidance will be incorporated into the SRP as it is revised. In accordance with the appeals process being developed, the interested stakeholders will have the opportunity to provide feedback to the proposed guidance. If notified, the specific disagreement with accompanying basis would be elevated to the next level of management. Without comment, the proposed guidance based on this meeting summary will represent resolution and closure of LR 98-12, "Consumables."

/RA/

Stephen S. Koenick, Project Manager
License Renewal and Standardization Branch
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

Project No. 690

Attachments: As stated

cc w/atts: See next page

Agenda for December 8, 1999, meeting on License Renewal Issue No. 98-12 (LR 98-12), “Consumables”

1. The need to categorize consumables as components, piece parts, or subcomponents.
2. Reliance on performance or condition monitoring for generic exclusion.

U.S. Nuclear Regulatory Commission, “Nuclear Power Plant License Renewal; Revisions,” *Federal Register*, Vol. 60, No. 88, Monday May 8, 1995, page 22478.

It is important to note, however, that the Commission has decided not to generically exclude passive structures and components that are replaced based on performance or condition from an aging management review. Absent the specific nature of the performance or condition replacement criteria and the fact that the Commission has determined that components with “passive” functions are not as readily monitorable as components with active functions, such generic exclusions is not appropriate. However, the Commission does not intend to preclude a license renewal applicant from providing site-specific justification in a license renewal application that a replacement program on the basis of performance or condition for a passive structure or component provides reasonable assurance that the intended function of the passive structure or component will be maintained in the period of extended operation.

3. Component Replacement Strategy or Aging Management Program
 - a. Packing, Gaskets, Components Seals, and O-rings
 - b. Structural sealants
 - c. Oil, Grease, and Component Filters
 - d. System Filters, Fire Extinguishers, Fire Hoses, and Air Packs

ATTENDANCE LIST
MEETING ON LICENSE RENEWAL ISSUE NO. 98-12 (LR 98-12), "CONSUMABLES"
DECEMBER 8, 1999

<u>NAME</u>	<u>ORGANIZATION</u>
BOB PRATO	NRC/NRR/DRIP/RLSB
JANICE MOORE	NRC/OGC
P.T. KUO	NRC/NRR/DRIP/RLSB
CHRIS GRIMES	NRC/NRR/DRIP/RLSB
GOUTAM BAGCHI	NRR/DE
BILL CORBIN	VIRGINIA POWER
FRED POLASKI	PECO-ENERGY
BERNIE VAN SANT	OMAHA PUBLIC POWER
JOHN RYCYNA	CONSTELLATION NUCLEAR SERVICES
DOUG WALTERS	NEI
STEVE HALE	FPL
STEPHEN KOENICK	NRC/NRR/DRIP.RLSB
JAKE ZIMMERMAN	NRC/NRR/DRIP/RLSB
STEVE HOFFMAN	NRC/NRR/DRIP/RLSB
LYNN CONNOR	DSA
KAMAL MANOLY	NRC/NRR/DE/EMEB
HANS ASHAR	NRC/NRR/DE/EMEB
WILLIAM BURTON	NRC/NRR/DRIP/RLSB
MELVIN FRANK	SCIENTECH/NUSIS
MICHAEL SEMMLER	DUKE ENERGY
HAI-BAH WANG	NRC/NRR/DRIP/RLSB
NANCY CHAPMAN	SERCH/BECHTEL
JIT VORA	NRC/RES/DET/MEB

NUCLEAR ENERGY INSTITUTE

Project No. 690

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