

June 28, 2000

MEMORANDUM TO: William D. Travers
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS - SECY-00-0116 - INDUSTRY
INITIATIVES IN THE REGULATORY PROCESS

This is to advise you that the Commission has not objected to issuing the proposed guidelines for including industry initiatives in the regulatory process for public comment, as described in SECY-00-0116, subject to the following comments.

The staff should revise the guidelines to require that the Commission be informed of the staff's approval or rejection of an industry initiative.

In Attachment B to SECY-00-0116, the last paragraph of the section titled "Type 1 Industry Initiative Examples" should be revised to read:

An example of a Type 1b industry initiative is the NEI guidelines that have been provided to licensees to address shutdown risks. This risk-significant issue is not explicitly required by existing regulations. The staff, **using an older version of NUREG/BR-0058 which did not allow any credit for industry initiatives**, found this issue to be valid for backfitting as a safety enhancement pursuant to 10 CFR 50.109. The rulemaking was discontinued since the Commission concluded that existing industry practices provide an adequate level of safety. **The Commission also directed that NUREG/BR-0058 be updated to permit appropriate credit for industry initiatives.** No enforcement would presently be appropriate.

In the event that significant negative public comments are received on the proposed guidelines, the staff should provide the final version of the guidelines to the Commission for review prior to issuance.

cc: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield
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CFO
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