

March 24, 1998

MEMORANDUM TO: L. Joseph Callan  
Executive Director for Operations

FROM: John C. Hoyle /s/

SUBJECT: STAFF REQUIREMENTS: SECY-97-205 - INTEGRATION AND  
EVALUATION OF RESULTS FROM RECENT LESSONS-  
LEARNED REVIEWS

After carefully considering the various options presented in SECY-97-205 and the information provided at the December 17, 1997 Commission briefing on the issues addressed in the paper, the Commission approved only the short term actions proposed by the staff under Option 5 (as expanded by those portions of Options 1 and 2, as noted specifically below). As a result, the staff should take the following specific actions:

- initiate an expedited rulemaking to modify the language of 10 CFR 50.59, as described in Option 1, to clarify and simplify the current rule and to incorporate knowledge gained from risk insights, as appropriate. In order to establish realistic and safe limits allowing licensees to make changes under the rule without prior NRC approval, the staff should eliminate the de facto "zero increase" criteria and allow "minimal" increase in the probability of occurrence or consequences of an accident or malfunction of equipment, and "minimal" reduction in the margin of safety. The staff should evaluate for Commission consideration the advisability of allowing proposed changes that result in the creation of an accident or malfunction of a different type than previously evaluated that has "minimal" safety impact. The scope of this evaluation should include 50.92. This evaluation should be conducted expeditiously so that should the Commission decide upon review of staff's evaluation that rulemaking activity in this regard is appropriate, the rulemaking can be included in the above expedited rulemaking for 50.59. The staff should define "minimal" in a clear and practical manner, consistent with the intention that "minimal" is larger than "negligible" and substantially smaller than "significant". The staff should consider the work it has done in updating the Standard Review Plan (NUREG 0800) and, in a different context (severe accident), on draft Regulatory Guide 1.174 and Standard Review Plan Chapter 19 in formulating what constitutes a "minimal" change.

In addition, consistent with and concurrent with the rulemaking enhancement, the staff should continue to work with NEI to reconcile areas of disagreement with industry guidance (NEI 96-07), endorse those portions it considers to be appropriate, and report

---

SECY NOTE: This SRM and the Commission Voting Record will be made publicly available 5 working days after the date of this SRM. SECY 97-205 and the initial SRM on SECY-97-205 were made publicly available on October 2, 1997.

to the Commission any items which it recommends not be endorsed. The staff should reassess its position on acceptance limits on consequences and margin of safety, and report to the Commission on that matter.

The staff should be cognizant of 10 CFR 50.59-type language that may be found in other parts of the regulations, notably 10 CFR Parts 60, 72 and 76. The staff should consider, in parallel with proposing changes to 10 CFR 50.59, proposing changes to those other parts of the regulations at an appropriate time (as well as corresponding changes to the Enforcement Policy).

(EDO) (SECY Suspense: 7/10/98)

- develop regulatory guidance to enhance 10 CFR 50.71(e) to clarify the scope and methods needed to update Final Safety Analysis Reports (FSARs), consistent with the Commission guidance in the SRM for SECY-97-036, dated May 20, 1997. In this regard, safety and risk significance should be used to support the prioritization for incorporation of the information to be included in the updated FSARs and to aid in the removal or relocation of obsolete or unnecessary information. (If the staff determines that rulemaking is necessary to remove or relocate information from the updated FSAR, this should be included in a separate expedited rulemaking package.)

In formulating this guidance, the staff should bear in mind how the 50.59 process and the FSAR are used in licensing, in operating plant activities, and in decommissioning a reactor. The Commission recognizes that the staff is currently developing a draft Generic Letter on updated FSAR content and that NEI is developing draft industry guidance [NEI 98-03]. The staff should work with NEI to reconcile these documents. The staff should integrate policy decisions in this Generic Letter with the proposed rule change for 50.59.

(EDO) (SECY Suspense: 4/17/98)

- revise the Enforcement Policy as it relates to unreviewed safety questions, consistent with the changes made to 10 CFR 50.59, and exercise enforcement discretion pursuant to Section VII(B)(6) of the Enforcement Policy during the period prior to the rule change for those circumstances that are clearly not safety significant and do not pose regulatory concerns which warrant elevated attention. The staff should provide the Commission specifics regarding the nature and types of situations for which discretion will be considered.

(EDO) (SECY Suspense: 7/10/98)

Although the Commission did not provide a majority to initiate the long term recommendations within Option 5 that would have led to the development of much broader implementation of risk-informed decision making and oversight of NRC regulations from a risk perspective, the Commission believes that the steps outlined above are the necessary prerequisite to constructive engagement in the long term. The staff is requested to provide a status report on the effectiveness of these short-term activities and recommendations on whether to pursue more resource intensive and high-impact long term actions. Concurrently, the staff should

consider and make recommendations, as appropriate, regarding the “scope” of 50.59. The staff should continue to develop guidance regarding design basis issues, such as specifying the type of information to be considered as design-basis information (as discussed in Option 2).  
(EDO) (SECY Suspense: 2/26/99)

The staff should continue with the Commitment Management related actions (Short Term Action 4, from SECY-97-036).

cc: Chairman Jackson  
Commissioner Dicus  
Commissioner Diaz  
Commissioner McGaffigan  
OGC  
CIO  
CFO  
OCA  
OIG  
Office Directors, Regions, ACRS, ACNW, ASLBP (by E-Mail)  
PDR  
DCS