

December 21, 1992

IN RESPONSE, PLEASE
REFER TO; M921207;
M921208A; AND
M921218C

MEMORANDUM FOR: James M. Taylor
Executive Director for Operations

William C. Parler
General Counsel

FROM: Samuel J. Chilk, Secretary \s\

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON LICENSE
RENEWAL RULEMAKING ISSUES, 9:30 A.M., MONDAY,
DECEMBER 7, 1992, COMMISSIONERS' CONFERENCE
ROOM, ONE WHITE FLINT NORTH, ROCKVILLE,
MARYLAND (OPEN TO PUBLIC ATTENDANCE)
and
BRIEFING ON LICENSE RENEWAL REGULATORY
GUIDANCE ISSUES, 9:30 A.M., TUESDAY, DECEMBER
8, 1992, COMMISSIONERS' CONFERENCE ROOM, ONE
WHITE FLINT NORTH, ROCKVILLE, MARYLAND (OPEN
TO PUBLIC ATTENDANCE)
and
BRIEFING ON LICENSE RENEWAL INDUSTRY
INITIATIVES AND RESOURCES, 2:00 P.M., FRIDAY,
DECEMBER 18, 1992, COMMISSIONERS' CONFERENCE
ROOM, ONE WHITE FLINT NORTH, ROCKVILLE,
MARYLAND (OPEN TO PUBLIC ATTENDANCE)

The Commission¹ was briefed by the NRC staff on license renewal rulemaking, regulatory guide, and resource allocation issues in the above listed series of meetings. Additionally, the B&W Owners Group (B&WOG) briefed the Commission during the December 18, 1992 meeting. The B&WOG was represented by:

Pat Beard, Senior VP, Nuclear Operations, Florida Power
Chairman, B&WOG Executive Committee

Tony McConnell, Director, B&WOG Generic License Renewal
Program

Hal Tucker, Senior VP, Nuclear, Duke Power

¹ Commissioner de Planque was on official travel and did not attend the briefings on December 7 and 8, 1992.

Jack DeVine, VP & Dir, Nuclear Operations, GPU Nuclear
Vice Chairman, B&WOG Executive Committee

Deb Staudinger, Coordinator, B&WOG Generic License
Renewal Program

The Commission emphasized the importance of having a stable regulatory process for considering license renewal applications. In this regard, the Commission noted the significant number of policy issues that have arisen in the implementation of Part 54, and the need for the prompt dedication of senior level management attention to resolving these issues. To accomplish this, the Commission endorsed the staff's recommendation to assemble a team of senior managers to review the license renewal rule and the agency's current approach to implementing this rule.

Specifically, the Commission is interested in having the senior management team review focus on, among others, the following issues:

1. an assessment of the significance of the issuance of a new or "renewed" (rather than an amended) license in determining what kind of review the NRC should conduct and what kind of substantive technical requirements should be imposed as a condition of the license renewal;
2. a review of the scope of the current definition of systems, structures and components (SSCs) important to license renewal, focusing on -- (i) options for greater harmonization of this definition with the scope of SSCs covered by the maintenance rule; and (ii) the staff's interpretation of the part of this definition extending to "[a]ll SSCs subject to operability requirements contained in the facility technical specifications limiting conditions for operation", and the options for how this criteria might be applied (e.g., limiting the focus to structures and components necessary to mitigate or prevent design basis events);
3. a review of the scope of the current definition of "age-related degradation unique to license renewal" (ARDULR) and, in particular -- (i) a review of the staff's approach to interpreting that part of the definition which states that ARDULR includes degradation " ...[w]hose effects were not explicitly identified and evaluated by the licensee for the period of extended operation and the evaluation found acceptable by the NRC ..." (see 10 CFR 54.3(2)); and (ii) an assessment of whether, and if so, to what extent, fatigue and environmental qualification constitute ARDULR;
4. an assessment of the relationship between the license

renewal process and the requirements of the maintenance rule, including recommendations on how the agency might achieve greater harmonization and integration of these two rules; the evaluation should specifically include an assessment of the merits of permitting reliance on the maintenance rule in a fashion that would obviate the need to undertake an analysis to identify all age-related degradation mechanisms for each structure or component necessary for the performance of a required function.

5. the resources (FTE and contractor support) expended in the last 2 fiscal years on the license renewal effort.
6. an assessment of the feasibility of developing methods to screen and select SSCs within the license renewal scope for what aging management is appropriate during the renewed license period. For example, such screening and selection might be based on the concept of short lived versus long lived SSCs. Short lived SSCs (seals, gaskets, batteries, etc.) either have proven and demonstrated inspection and replacement programs or could be addressed under the maintenance rule implementation. Long lived SSCs (vessels, steam generators, cables, reactor coolant boundaries, passive structures, etc.) would be addressed during the renewed license period.

With respect to each of the foregoing issues, together with any other issues identified by the senior management team, staff should present a comprehensive discussion of each such issue, including the staff's recommendation for how each such issue should be addressed and whether modifications to NRC regulations are necessary to permit the approach being recommended.

The senior management team should complete its review and submit its recommendations on the foregoing issues to the Commission for resolution by February 19, 1993. The Commission desires to be briefed on the recommendations of the senior management team before the end of February 1993.

(EDO)

(SECY Suspense:

2/19/93)

cc: The Chairman
Commissioner Rogers
Commissioner Curtiss
Commissioner Remick
Commissioner de Planque
OIG
Office Directors, Regions, ACRS, ACNW (via E-Mail)
OP, SDBU/CR, ASLBP (via FAX)

PDR - Advance
DCS - P1-24