

November 3, 2000

Mr. James M. Kenny, Chairman
BWR Owners Group
PPL, Inc.
2 North Ninth Street M/C A6-1
Allentown, PA 18101

SUBJECT: RISK-INFORMED PART 50 PILOT PROGRAM

Dear Mr. Kenny:

We have reviewed your letter dated October 9, 2000, in which you outlined the BWR Owners Group's (BWROG) plans for the Risk-Informed Part 50 (RIP 50) Option 2 pilot program. Based on this review, we offer the following comments.

The NRC's initial thoughts regarding the RIP 50 Option 2 pilot program were described in an October 19, 1999, letter from Samuel Collins to Ralph Beedle of the Nuclear Energy Institute (NEI). In this letter, we noted that the pilot plant program is an essential component of the RIP 50 Option 2 rulemaking process, addressing the viability of the proposed requirements and implementation guidance. Therefore, we are pleased that the BWROG has taken the initiative to participate in this important activity.

The NRC is currently reviewing guidance documents that NEI proposes be used for implementation of RIP 50 Option 2. These documents include NEI 00-02, "Probabilistic Risk Assessment Peer Review Process Guideline," and the draft of "Risk-Informed Categorization of Structures, Systems, and Components." The NRC's initial observations regarding these guidelines are given in letters from David Matthews to Ralph Beedle dated September 19 and September 26, 2000.

It is our understanding that the BWROG plans to use the NEI guidelines in your RIP 50 Option 2 pilot program, and that NEI will function as the focal point for our interaction with industry efforts. Since we plan to incorporate these guidelines into our rulemaking effort as an acceptable means to implement the RIP 50 Option 2 regulations, it is essential that pilot activities thoroughly exercise these guidelines, and that all parties understand lessons learned from this effort. We believe industry efforts coordinated through a single point of contact is the most effective way to accomplish this goal.

In our October 19, 1999, letter, we stated that the risk-informed categorization of plant equipment should be applied to a variety of plant systems, including mechanical, fluid, and electrical systems. We also stated our belief that the pilot program participants should identify candidate rules for exemptions. We noted that the scope of the RIP 50 Option 2 alternative rules could be affected by the scope of systems evaluated by the pilot program if we are unable to assess the impact of specific rule changes. Your proposal describes your intent to evaluate the low pressure core spray, standby gas treatment, and feedwater/condensate systems, but does not address the scope of affected special treatment rules. We will need to understand how the scope of systems and rules you propose will provide adequate information for the RIP 50 Option 2 rulemaking effort.

We plan to schedule a public meeting in the near future to discuss these specific issues and other pilot program topics. We plan to coordinate this meeting through NEI, and will seek the participation of the BWROG and other owners groups. As pilot program efforts proceed, we expect to have additional interactions, including site visits, with pilot program participants.

You should be aware of one significant concern we have regarding the BWROG pilot program proposal. Your letter discusses plans to request "generic exemptions" for all boiling water reactors in Phase 3 of your pilot program. It is not our intent to process such generic exemption requests. This issue was addressed in SECY-98-300, "Options for Risk-informed Revisions to 10 CFR Part 50, 'Domestic Licensing of Production and Utilization Facilities'," which stated:

The grant of limited exemptions to a limited number of plants for purposes of pilot testing does not pose any special problems but the repeated issuance of a large number of exemptions which, considered together, represent a fundamental alteration of the conceptual nature of the licensing basis, to more than a limited number of plants essentially constitutes a generic change to the regulatory requirements in Part 50. Such generic changes should be adopted through rulemaking, rather than the case-by-case approach inherent in the regulatory approach embodied in the issuance of exemptions.

More recently, we addressed the prospect of generic exemptions in SECY-00-0194, "Risk-Informing Special Treatment Requirements," stating "...that a generic exemption may not be consistent with agency policy because broadly applicable exemptions can preempt rulemaking." Therefore, we request that the BWROG reconsider its plans to request generic exemptions as part of its RIP 50 Option 2 pilot program.

Questions or comments regarding these issues can be directed to Joe Williams, who is the NRC Project Manager for the RIP 50 Option 2 pilot program. Mr. Williams may be reached at (301) 415-1470, or via email at jfw1@nrc.gov.

Sincerely,

/RA Stephen Dembek for/

Stuart A. Richards, Director
Project Directorate IV & Decommissioning
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Project No. 691

cc: See next page

We plan to schedule a public meeting in the near future to discuss these specific issues and other pilot program topics. We plan to coordinate this meeting through NEI, and will seek the participation of the BWROG and other owners groups. As pilot program efforts proceed, we expect to have additional interactions, including site visits, with pilot program participants.

You should be aware of one significant concern we have regarding the BWROG pilot program proposal. Your letter discusses plans to request "generic exemptions" for all boiling water reactors in Phase 3 of your pilot program. It is not our intent to process such generic exemption requests. This issue was addressed in SECY-98-300, "Options for Risk-informed Revisions to 10 CFR Part 50, 'Domestic Licensing of Production and Utilization Facilities'," which stated:

The grant of limited exemptions to a limited number of plants for purposes of pilot testing does not pose any special problems but the repeated issuance of a large number of exemptions which, considered together, represent a fundamental alteration of the conceptual nature of the licensing basis, to more than a limited number of plants essentially constitutes a generic change to the regulatory requirements in Part 50. Such generic changes should be adopted through rulemaking, rather than the case-by-case approach inherent in the regulatory approach embodied in the issuance of exemptions.

More recently, we addressed the prospect of generic exemptions in SECY-00-0194, "Risk-Informing Special Treatment Requirements," stating "...that a generic exemption may not be consistent with agency policy because broadly applicable exemptions can preempt rulemaking." Therefore, we request that the BWROG reconsider its plans to request generic exemptions as part of its RIP 50 Option 2 pilot program.

Questions or comments regarding these issues can be directed to Joe Williams, who is the NRC Project Manager for the RIP 50 Option 2 pilot program. Mr. Williams may be reached at (301) 415-1470, or via email at jfw1@nrc.gov.

Sincerely,
/RA Stephen Dembek for/
 Stuart A. Richards, Director
 Project Directorate IV & Decommissioning
 Division of Licensing Project Management
 Office of Nuclear Reactor Regulation

DISTRIBUTION:

Project No. 691

cc: See next page

PUBLIC
 PDIV-2 Reading
 SRichards (RidsNrrDlpmLpdiv)
 RidsNrrLAEPeyton
 RidsNrrPMRPulsifer
 RidsNrrPMJWilliams
 CCarpenter (RidsNrrDripRgeb)
 RidsOgcMailCenter
 RidsAcrsAcnwMailCenter
 SWest

Accession No. ML003766430

OFFICE	PDI-2/PM	PDIV-2/LA	PDIV/PM	RGEB	RGEB	PDIV-2/SC
NAME	RPulsifer	EPeyton	JWilliams	CCarpenter	SWest	SDembek
DATE	11/02/00	11/01/00	11/02/00	11/02/00	11/02/00	11/03/00

OFFICE	PDIV&D
NAME	SDembek for SRichards
DATE	11/03/00

cc:

Mr. H. Lewis Sumner
Southern Nuclear Company
40 Inverness Center Parkway
PO Box 1295
Birmingham, AL 35242

Mr. J. A. Gray, Jr., Vice Chairman
BWR Owners Group
New York Power Authority
123 Main Street
White Plains, NY 10601

Mr. Carl D. Terry
Vice President, Nuclear Engineering
Niagara Mohawk Power Corporation
Nine Mile Point - Station
OPS Bldg/2nd Floor
PO Box 63
Lycoming, NY 13093

Mr. James W. Langenbach
PECO Energy
965 Chesterbrook Blvd
MC 62C-3
Wayne, PA 19087

Mr. George T. Jones
PP&L, Inc.
MC A6-1
Two North Ninth Street
Allentown, PA 18101

Mr. James F. Klapproth
GE Nuclear Energy
M/C 706
175 Curtner Avenue
San Jose, CA 95125

Mr. John Kelly
New York Power Authority
14th Floor Mail Stop 14K
Centroplex Building
123 Main Street
White Plains, NY 10601

Mr. Ralph Beedle
Nuclear Energy Institute
1776 I Street, N.W.
Suite 400
Washington, DC 20006-3708

Mr. Thomas G. Hurst
GE Nuclear Energy
M/C 782
175 Curtner Avenue
San Jose, CA 95125

Mr. Stephen D. Floyd
Nuclear Energy Institute
1776 I Street, N.W.
Suite 400
Washington, DC 20006-3708

Mr. Thomas A. Green
GE Nuclear Energy
M/C 782
175 Curtner Avenue
San Jose, CA 95125

Mr. Biff Bradley
Nuclear Energy Institute
1776 I Street, N.W.
Suite 400
Washington, DC 20006-3708

Mr. William H. Bolke
COMED
1400 Opus Place, Suite 400
Downers Grove, IL 60515