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FINAL REPLY:

Ralph E. Beedle
Nuclear Energy Institute (NEI)

TO:

Chairman Meserve

FOR SIGNATURE OF : ** PRI **

CRC NO: 01-0152

Chairman

DESC:

ROUTING:

Proposed Revisions to the Safety Goal Policy
Statement

Travers
Paperiello
Kane
Norry
Reiter
Craig
Burns/Cyr
Collins, NRR

DATE: 03/13/01

ASSIGNED TO: CONTACT:

RES

Thadani

SPECIAL INSTRUCTIONS OR REMARKS:

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**OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET**

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AUTHOR:	Ralph Beedle		
AFFILIATION:	NEI		
ADDRESSEE:	RICHARD MESERVE		
SUBJECT:	Concerns proposed revisions to the safety goal policy statement		
ACTION:	Signature of Chairman		
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NUCLEAR ENERGY INSTITUTE

Ralph E. Beedle

SENIOR VICE PRESIDENT AND
CHIEF NUCLEAR OFFICER,
NUCLEAR GENERATION

March 5, 2001

The Honorable Richard A. Meserve
Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Dear Chairman Meserve:

The staff has forwarded SECY-01-0009 to the Commission requesting approval of proposed revisions to the safety goal policy statement. The SECY contains major new additions to the policy that were not included in the previous version released for public comment and thus have not had the benefit of stakeholder interaction. We urge the Commission to seek further stakeholder interaction on this proposal for the following reasons:

Many of the positions in the policy statement were expected to be included in a revision to Regulatory Guide 1.174. However, the draft revision of this regulatory guide has not been made available for public comment. It is premature to codify these positions into the safety goal policy statement in advance of stakeholder interaction.

The proposed additions represent a level of implementation detail that goes beyond the intent of the safety goal policy statement. The policy is intended to serve as a high-level statement of "how safe is safe enough," and not as a vehicle for implementation details.

The proposed additions do not represent minor adjustments, but instead reflect controversial aspects of the implementation of risk-informed regulation that have not been fully vetted or finalized at this point, including (see enclosure for more detail):

- Cost benefit basis for regulations whose implementation is optional
- Use of subsidiary objectives in regulatory decisionmaking
- Treatment of uncertainties
- Quantification of defense in depth
- Use of conditional probabilities (implied) as a measure of defense in depth

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The Honorable Richard A. Meserve
March 5, 2001
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The safety goal policy statement is a critical element of the overall regulatory framework. As such, its final form has implications for several important regulatory initiatives, including risk-informed regulation and the promulgation of any new regulatory requirements. Again, we urge the commission to seek additional stakeholder interaction on the proposal in SECY-01-0009 prior to finalizing any revisions.

If you have any questions please contact me or have your staff contact Steve Floyd (202-739-8078, e-mail sdf@nei.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Beedle', with a stylized, flowing script.

Ralph E. Beedle

c: The Honorable Greta Joy Dicus, Commissioner, NRC
The Honorable Nils J. Diaz, Commissioner, NRC
The Honorable Edward McGaffigan Jr., Commissioner, NRC
The Honorable Jeffrey S. Merrifield, Commissioner, NRC
Dr. William D. Travers, Executive Director for Operations, NRC

Enclosure

Substantial revisions to the proposed final safety goal policy statement (SECY-01-0009) not requested by the Commission in their June 27, 2000, Staff Requirements Memo

- 1) The staff has included discussion that the backfit rule does not apply to new regulations whose implementation is optional. However, the staff does not include the Commission's direction from the January 19, 2001, staff requirements memo, as follows:

"However, a disciplined, meaningful, and scrutable process needs to be in place to justify any new requirements that are added as a result of the development of risk-informed alternative versions of regulations. Just as any burden reduction must be demonstrated to be of little or no safety significance, any new requirement should be justifiable on some cost-benefit basis."

- 2) The staff has added discussion implying that the safety goal subsidiary objectives should be used on an absolute basis, for individual plants, as a measure of adequate protection. The safety goals were not intended for plant-specific application, and, in fact, there are large margins to the quantitative health objectives for the vast majority of plants meeting the subsidiary objectives.
- 3) The staff has added considerable discussion on the treatment of uncertainty. This level of detail is not appropriate for a high level policy statement, and implies more rigorous treatment of uncertainty than may be necessary for many applications. Discussion of uncertainty is adequately treated now by NRC Regulatory Guide 1.174, and any additional guidance in this regard should be subject to appropriate review and comment opportunity prior to revising the Regulatory Guide.
- 4) The staff has added discussion of defense in depth that implies the need for a quantitative analysis of the individual elements of defense in depth. This approach is unnecessary for many applications, and other more practical methods exist. Particularly troubling is the new statement that "Decisions on the adequacy of or the necessity for elements of defense in depth should reflect risk insights gained through identification of the individual performance of each defense system in relation to overall performance" This implied use of conditional probabilities is reflective of the staff's proposed regulatory framework for Option 3, which would, in effect, establish new subsidiary objectives. It is premature, and inappropriate, to include this controversial approach in the Commission's safety goal policy statement.