

April 27, 2001

MEMORANDUM TO: Michael Lesar, Chief
Rules and Directives Branch
Division of Administrative Services
Office of Administration

FROM: Farouk Eltawila, Acting Director **/RA/**
Division of Systems Analysis and Regulatory Effectiveness
Office of Nuclear Regulatory Research

SUBJECT: PUBLIC MEETING NOTICE FOR "REDUCING UNNECESSARY
REGULATORY BURDEN WHILE MAINTAINING SAFETY
WORKSHOP AND COMMENTS"

Attached is the public meeting notice for "Reducing Unnecessary Regulatory Burden While Maintaining Safety Workshop." I would appreciate your arranging to have this published in the *Federal Register* as soon as possible. Please forward the comments you receive to William S. Raughley. Thank you.

Attachment: As stated (5 copies)

cc w/att.:
PMNS
JWermiel
RZimmerman
MEI-Zeftawy
FCameron

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NAME	WRaughley:mtb:mk	GLanik by JFlack	JFlack	WReckley	CCraig	SBlack
DATE	04/24/01*	04/24/01*	04/24/01*	04/24/01*	04/24/01*	/ /01
OFFICE	AC:SMSAB	DRAA	OGC	OGC	AD:DSARE	
NAME	JRosenthal	MCunningham	FCameron**	LChandler by FCameron	FEltawila	
DATE	04/26/01*	04/24/01*	04/24/01*	04/26/01*	04/27/01*	

**As revised, from facilitator perspective

(RES File Code) RES _____

10 CFR Part 50

Reducing Unnecessary Regulatory Burden While
Maintaining Safety Workshop and Comments.

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of public workshop and request for comments.

SUMMARY: Consistent with the Nuclear Regulatory Commission (NRC) Strategic Plan and the Energy and Water Appropriations Bill, 2000, the Commission has directed the staff to maintain plant safety and improve public confidence, but reduce unnecessary regulatory burden. Within this context, unnecessary regulatory burden is defined as regulatory requirements that do not aid the Commission in its mission to protect public health and safety. A workshop will be held to inform and solicit stakeholder input on activities associated with reducing unnecessary regulatory burden. Comments can be provided orally at the workshop, or in writing within 30 days following the workshop. The workshop will be a facilitated round table format with participants representing the broad spectrum of affected interests. There will also be opportunities for audience comments and questions. Although unnecessary burden reduction initiatives are ongoing agency-wide, this workshop will primarily focus on three areas: risk informing portions of 10 CFR Part 50, reforming outdated or paperwork oriented regulations, reviewing other regulatory requirements (e.g., technical specifications) for burden reduction opportunities. Depending on comments and discussions received during or following this workshop, other workshops may follow. This workshop will also entertain new technologies or techniques that could be used to reduce unnecessary regulatory burden and will provide the status of the licensing action information collection initiative. The NRC hopes to gain

widespread participation from (but not limited to) representatives from non-governmental organizations, industry, Federal agencies, State governments, local governments, international organizations, and private citizens. Following the workshop, the NRC staff plans to prepare a staff paper to the Commission to articulate stakeholder's interest, comments, and recommendations regarding this initiative.

DATES: The workshop will be held on May 31, 2001 – 8:30 a.m. to 5:00 p.m.
The comment period expires July 2, 2001.

ADDRESSES: The workshop will be held at NRC Headquarter Offices, Two White Flint, Auditorium, 11545 Rockville Pike, Rockville, Maryland, 20555-0001.
Written comments may be sent to: Chief, Rules and Directives Branch, U.S. Nuclear Regulatory Commission, Mail Stop T-06 D59, Washington, D.C., 20555-0001. Comments may be hand delivered to 11545 Rockville Pike, Rockville, Maryland, 20555-0001.

FOR FURTHER INFORMATION CONTACT: Francis X. Cameron, the facilitator of this workshop, Mail Stop O-15 D21, telephone (301) 415-1642; Internet: FXC@nrc.gov ; or William S. Raughley regarding comments, telephone (301) 415-7577; Internet: WSR@nrc.gov, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

For material related to the meeting, please contact U.S. NRC Public Affairs Office (301) 415-8200.

SUPPLEMENTARY INFORMATION:

Background

Consistent with the NRC Strategic Plan and the Energy and Water Appropriations Bill, 2000, NRC has several initiatives planned to reduce unnecessary regulatory burden on licensees. Although unnecessary burden reduction initiatives are agency-wide, this workshop will primarily focus on initiatives associated with the following three areas: (1) risk informing portions of 10 CFR Part 50, (2) reforming outdated or paperwork oriented regulations, and (3) seeking unnecessary burden reduction in other regulatory requirements (e.g., technical specifications). The workshop will also entertain new technologies or techniques which could be used to reduce unnecessary regulatory burden and provide a status on the information collection initiative for licensing actions.

To elaborate, the NRC Strategic Plan, Fiscal Year 2000 – Fiscal Year 2005 (Volume 2, Part I) and the companion document Strategic Plan Appendix (Volume 2, Part 2) explain NRC performance goals to: (1) maintain safety, protection of the environment, and common defense and security; (2) increase public confidence; (3) make NRC activities and decisions more effective, efficient, and realistic; (4) reduce unnecessary regulatory burden on licensees. Stakeholders generally include the public, licensees, other Federal Agencies, States, local governments, industry, the international community, non-government organizations and others. (The referenced documents and ADAMS references are available through the NRC website “www.nrc.gov/NRC/PUBLIC/meet.html” under “Nuclear Regulatory Research” or “RES.”) The Energy and Water Appropriations Bill, 2000, states in part that:

....The Committee directs the Commission to examine reforms to the scope of power reactor regulations that will promote a higher level of confidence that the

revised regulations, when issued, are consistent with the fundamental accountability of the Commission and that regulations which do not contribute to adequate protection are eliminated. The Committee directs that these efforts be completed no later than December 31, 2000.

In addition, the committee directs the Commission to review existing regulations to reform those that are outdated or paperwork oriented to a set of regulations that are performance based by 2004.

The NRC Strategic Plan and the Energy and Water Appropriations Bill, 2000 provide the framework for NRC initiatives to reduce the unnecessary regulatory burden on licensees. The NRC Strategic Plan defines the unnecessary regulatory burden for NRC licensees as requirements that go beyond what is necessary and sufficient for providing reasonable assurance that public health and safety, the environment, and the common defense and security will be protected. Consistent with the NRC Strategic Plan, the NRC is seeking stakeholder input to identify and discuss opportunities for reducing unnecessary regulatory burden while maintaining safety. By reducing unnecessary regulatory burden, both the NRC and licensee resources may be made available to more effectively focus on maintaining safety. During the past 30 years, an ever-increasing body of technical knowledge and operating experience has been accumulated that may allow for refinements and enhancement in NRC requirements that can reduce the unnecessary regulatory burden while assuring maintenance of safety. Not all the NRC requirements may have been updated to take into account these advances. The NRC believes that for some areas of NRC regulations and practices, the burden is not commensurate with the safety benefit.

Discussion

From the NRC's perspective the initiatives described below for reducing the unnecessary regulatory burden have common attributes: (1) the NRC Strategic Plan and the Energy and Water Appropriations Bill, 2000 provide the incentive and framework for these initiatives; (2) each initiative is planned to result in revisions to regulatory documents or plant technical specifications; (3) while each initiative is expected to result in the reduction of unnecessary regulatory burden, expected levels of safety will be maintained; and (4) the plans to reduce the unnecessary regulatory burden while maintaining safety need greater stakeholder involvement in, and understanding of, the goals of the overall initiative; the relative priorities of the initiatives including those initiatives that will result in the burden reductions with no safety impact; and the identification and prioritization of candidate changes within each initiative. Removal of unnecessary regulatory burden can only be to the extent it is feasible and cost effective. In addition, having involved the stakeholders, the overall plans, the milestones we intend to meet, and status should be communicated to the Commission periodically and made publicly available.

The staff plans to (1) hold a workshop to communicate to and obtain feedback from stakeholders regarding NRC plans for reducing unnecessary regulatory burden while maintaining safety and (2) provide an opportunity for written feedback after the meeting.

The enclosed workshop agenda is designed to provide the opportunity for meaningful stakeholder interaction and involvement and provide stakeholders with a foundation to provide written comments. The specific objectives are to: (1) provide an NRC management perspective of efforts to reduce unnecessary burden including the relationship between the individual efforts and the input needed from the stakeholders; (2) explain the NRC plans in the

areas of risk informing 10 CFR Part 50, reforming outdated and paperwork requirements, and reviewing other regulatory requirements; (3) share inputs received to date from stakeholders; (4) obtain broader participation and stakeholder input regarding the scope and relative priorities of these initiatives including new technologies; (5) provide context for identifying unrecognized opportunities and exploring concerns associated with unnecessary regulatory burden reductions; and (6) provide a foundation for stakeholders to provide detailed written comments on the agency's unnecessary burden reduction initiatives and specific questions.

The following summarizes unnecessary burden reduction initiatives that will be discussed at the workshop.

Risk Informing the Regulations

The staff has under way two initiatives for risk-informing 10 CFR Part 50, first described, and options defined in SECY-98-300, "Options for Risk-informed Revisions to 10 CFR Part 50, Domestic Licensing of Production and Utilization Facilities," dated December 23, 1998. In the first initiative (SECY-98-300, "Option 2") the staff is addressing risk-informed changes to the regulatory scope for structures, systems, and components in need of special treatment (e.g., quality assurance, environmental qualification). This initiative does not address changing the technical content of the special treatment requirements, the design of the plant or the design-basis accidents. In the second initiative (SECY-98-300, "Option 3") the staff is assessing the risk-significance of technical requirements associated with the special treatment requirements in 10 CFR Part 50. This work is closely linked and integrated with the effort under Option 2.

In SECY-99-264, "Proposed Staff Plan for Risk-Informing Technical Requirements in 10 CFR Part 50," dated November 8, 1999, the staff provided the original plan and schedule for

its work to risk-inform the technical requirements of 10 CFR Part 50 (Option 3). In SECY-00-0086, "Status Report on Risk-Informing the Technical Requirements of 10 CFR Part 50 (Option 3)," April 12, 2000, the staff provided a status report on Option 3 activities, including an initial version of the "framework" document (a document the staff is using to guide Option 3 activities). In SECY-00-0086, based on meetings with stakeholders and input from industry, 10 CFR 50.44 "Standards For Combustible Gas Control System In Light-Water-Cooled Power Reactors," and 10 CFR 50.46, "Acceptance Criteria For Emergency Cooling Systems For Light-Water Reactors," were listed as a high priority candidate regulations for evaluation under Option 3.

In SECY-00-0198, "Status Report on Study of Risk-Informed Changes to the Technical Requirements of 10 CFR Part 50 (Option 3) and Recommendations on Risk-Informed Changes to 10 CFR 50.44 (Combustible Gas Control)," September 14, 2000, the staff provided a status report focusing on the results of its feasibility study and recommendations to risk-inform 10 CFR 50.44, an updated framework document, and a short status of other Option 3 work underway. In SECY-00-0198, the staff indicated that work had been initiated to develop risk-informed alternatives to the current 10 CFR 50.46. More recently, the status of this work has been described noting the need for more stakeholder involvement in a memorandum to the Commission dated February 5, 2001 (Adams Accession Number ML010260032).

Risk-informed changes to 10 CFR 50.61, "Fracture Toughness Requirements for Protection Against PTS Events," are also under evaluation. The status and schedule for this work were reported in SECY-00-0140, "Reevaluation of the Pressurized Thermal Shock Rule (10 CFR 50.61) Screening Criterion," June 23, 2000.

The staff requested public comment on SECY-00-213, "Risk-Informed Regulation Implementation Plan," October 26, 2000, in a *Federal Register* Notice (65 FR 80473) on December 21, 2000. Input received from stakeholders and work done to date on Option 3 by

the staff are being considered in determining which regulations from 10 CFR Part 50 are candidates to be risk-informed. The staff-identified candidates identified to date are listed in Table A-2 in Attachment 1 to SECY-00-0198.

Unnecessary Burden Reduction While Maintaining Safety.

A trip report (Adams Accession Number ML003725832) summarizes a public meeting on June 14, 2000, between the NRC Office of Nuclear Regulatory Research (RES) and Commonwealth Edison (Com-Ed) to understand concerns with some regulations that it perceives to impose unnecessary regulatory burden. The trip report attachments include a list of items they consider to be unnecessary regulatory burden. Com-Ed explained that the list was illustrative but not exhaustive.

The NRC reviewed the list, and it appeared the items fell into four categories: (1) items that seem to be simple revisions to outdated or paperwork requirements of apparently little or no safety benefit; these items could be further grouped into outdated, redundant, collection, reporting, or paperwork-oriented-type regulations and are candidates to satisfy the Congressional request; (2) complex technical changes needing NRC resources and prioritizing in the budget and planning process; some of these items can be integrated into ongoing or planned initiatives such as risk informing 10 CFR 50.46; (3) items that are unlikely to be considered as part of current staff initiatives; (4) items already being processed for rulemaking.

Subsequently, the Industry Licensing Action Task Force provided a list of outdated or paperwork requirements it considered to be unnecessary regulatory burden that was similar to items in the Com-Ed list.

Resources have been assigned to develop a plan to evaluate outdated or paperwork requirements. However, rather than evaluating individual lists, the NRC believes that it would

be efficient to obtain an exhaustive list of candidate outdated or paperwork requirements considered to be unnecessary regulatory burden before evaluating changes to outdated or paperwork requirements. In addition, the NRC would like to hear from other stakeholders regarding the possible reduction of outdated and paperwork requirements.

Reviewing Other Regulatory Requirements

In addition to reviewing NRC regulations, the NRC staff is involved in various activities to assess other regulatory requirements and administrative processes to identify possible improvements in efficiency or reductions in unnecessary regulatory burden. The staff is currently reviewing its internal procedures and processes, various reporting or administrative requirements imposed on power reactor licensees, and is continuing with initiatives related to the content of technical specifications. Specific types of activities underway are discussed in “Summary of Meeting Held on February 7, 2001, Between the NRC Staff and Industry Licensing Action Task Force,” dated March 29, 2001 (Adams Accession Number ML010890109).

Proposed Information Collection Initiative

A *Federal Register* Notice (Adams Accession Number ML003771785) soliciting public comments on the proposed information collection was published on December 7, 2000. The purpose of the information collection initiative is to gather information from licensees regarding the impact of the NRC activities. As discussed in the *Federal Register* notice (FRN), the information gathered from the proposal would assist the Office of Nuclear Reactor Regulation (NRR) staff in allocating staff resources and measuring how the work the NRR staff completes contributes to the agency goals and meets the Government Performance and Results Act

(GPRA). Five different groups commented on the proposed initiative (Tennessee Valley Authority, Illinois Department of Nuclear Safety, Winston and Strawn, Hopkins and Sutter, and the Nuclear Energy Institute). Comments received from the public were generally not in favor of the proposed initiative. Based on the public comments, the staff believes that to proceed with the initiative as it was originally proposed in the FRN is not feasible and is not an effective use of NRC resources. Thus, the staff has explored other means of achieving the objectives and identified the following two options that will be discussed at the workshop:

Option 1 – The NRR Project Manager would indicate whether the amendment reduces: radiation dose, risk, outage time, increases safety, or is administrative.

Criteria/guidance would be developed to categorize the various amendments. At the end of the fiscal year, the staff would determine how many of the licensing actions fell into each category and make a rough estimate regarding cost savings.

Option 2 – Criteria would be developed to determine whether an amendment was a low, medium, or high savings to the licensee. The licensee would indicate which category the amendment falls into. The staff would need input from the industry to develop the criteria and would need individual licensees to categorize amendments upon submittal to the NRC.

New Technologies or Techniques

Advances in computational capability and data permit more realistic modeling of reactor behavior and may provide opportunities for reducing unnecessary burden while maintaining safety. Recent examples include revised source terms and current efforts to risk inform 10 CFR 50.44, 10 CFR 50.46, and 10 CFR 50.61. The NRC is interested in other opportunities.

Obtaining Broad Stakeholder Input

We are interested in stakeholder feedback on the priority of the candidates, to recommend what additional work should be in the scope of unnecessary burden reduction initiatives and to obtain general concerns. The feedback should consider factors such as potential safety benefit and stakeholder interest, as well as the agency's four performance goals. The stakeholders are encouraged to participate in the workshop discussion sessions and provide written comment.

The following questions will help to start each workshop discussion session as well as provide a format for comments:

1. What aspects of these initiatives interfere with the NRC ability to maintain safety or increase public confidence?
2. Will implementation of these initiatives improve regulatory efficiency, effectiveness, and realism?
3. Beyond this meeting and the request for comments, how can stakeholder participation in these initiatives be enhanced?
4. Which areas being pursued will not likely be fruitful to stakeholders, or otherwise have a negative impact on stakeholder needs?
5. Are ongoing and future activities to reduce unnecessary burden appropriately prioritized? Which activities should receive the highest priority and why?

6. Are there any other opportunities that have not been recognized or being pursued at this time. Identify: (a) the regulation or portion thereof that should be evaluated; (b) possible improvements to the regulations; (c) the basis for the proposed reduction including the potential impact on safety, public confidence, regulatory effectiveness and efficiency; and (d) the estimate dollar cost saving per year.

7. What advancements in technology would help NRC better meet its performance goal of reducing unnecessary burden on stakeholders?

8. What new areas of regulatory research may be warranted to advance technology that could better serve these initiatives?

Dated at Rockville, Maryland, this 27th day of APRIL 2001.

For the Nuclear Regulatory Commission

Original signed by: ***/RA/***

Farouk Eltawila, Acting Director
Division of Systems Analysis and Regulatory Effectiveness
Office of Nuclear Regulatory Research

TENTATIVE AGENDA

REDUCING UNNECESSARY REGULATORY BURDEN WHILE MAINTAINING SAFETY WORKSHOP

- 8:30–8:45 Welcome and Introduction
- 8:45–9:00 Meeting Objectives, Structure and Groundrules
- 9:00–9:15 Overview of NRC Initiative to Reduce Unnecessary Regulatory Burden
- 9:15–10:30 Risk Informing 10 CFR Part 50
Participants Discussion
- 10:30–10:45 Break
- 10:45–11:45 Paperwork Reduction and Obsolete Regulations
Participants Discussion
- 11:45–1:00 Lunch Break
- 1:00–1:45 Licensing Actions to Reduce Unnecessary Burden
Participants Discussion
- 1:45–3:15 Other NRC Initiatives Related to Unnecessary Burden Reduction
Participants Discussion
- 3:15–3:30 Break
- 3:30–4:30 Open discussion
- 4:30–4:45 Summary and Closure