

May 02, 2001

MEMORANDUM TO: William D. Beckner, Acting Chief  
Generic Issues, Environmental, Financial &  
Rulemaking Branch  
Division of Regulatory Improvement Programs, NRR

FROM: Timothy A. Reed, Sr. Reactor Systems Engineer/**RA**  
Generic Issues, Environmental, Financial &  
Rulemaking Branch  
Division of Regulatory Improvement Programs, NRR

SUBJECT: SUMMARY OF PUBLIC MEETING WITH THE NUCLEAR ENERGY  
INSTITUTE (NEI) TO DISCUSS THE STAFF'S COMMENTS ON NEI  
IMPLEMENTATION GUIDANCE THAT SUPPORTS RISK-INFORMING  
SPECIAL TREATMENT REQUIREMENTS

On April 25, 2001, NRC met with representatives of the Nuclear Energy Institute (NEI) and industry to discuss the staff's comments provided in letter dated April 4, 2001 (ADAMS accession # ML 010930049) on NEI 00-04, "Option 2 Implementation Guideline," and NEI 00-02, "Probabilistic Risk Assessment Peer Review Process Guideline." Attachment 1 provides a list of participants. Attachment 2 provides a meeting handout that discusses the objectives for the meeting.

There was constructive discussion of the staff's comments and NEI's proposed responses. The discussions centered on staff and industry expectations for the rulemaking with a focus on reaching a common understanding of those expectations regarding both the conceptual approach to Option 2 and specific outstanding issues. Overall, the staff and NEI agreed that there was a common understanding of expectations and that there are not any outstanding issues that would preclude the staff and industry from reaching agreement on the guidance documents. Both the staff and NEI agreed to develop additional information for a few outstanding issues. The staff and NEI made the following significant points during the discussion:

1. NEI requested that the staff provide additional information regarding the staff's objectives and technical basis for requesting that long-term containment integrity be considered within the context of defense-in-depth for Option 2. The staff agreed to further develop its basis regarding the long-term containment integrity issue to enable NEI to develop the associated NEI 00-04 guidance.
2. NEI commented that developing an Option 2 framework that accommodates both a "no prior review" approach (i.e., keeps Appendix T) and a "prior review approach" would be unnecessarily complex. NEI noted that its objective is to make NEI 00-04 consistent with Appendix T, which, in NEI's opinion, obviates the need for Appendix T. NEI commented that some limited staff review will be needed even if NEI 00-04 is used, in order to address questions concerning PRA quality. These questions concern the differences between the NEI peer review process and the proposed ASME standards and potential NRC endorsement of the proposed ASME standards. The staff agreed to consider NEI's comments as it proceeds with the rulemaking.

3. There was significant discussion regarding the consideration of risk achievement worth from common cause failure. Based on the additional input, the staff took an action to clarify its comments on the approach described on page 26 of NEI 00-04.
4. The categorization process described in NEI 00-04 does not currently support categorization of pressure boundary. NEI stated that licensees who want to include ISI or repair and replacement portions (i.e., ASME risk-informed code cases) of §50.55a within Option 2 would need to include a categorization process that addresses pressure boundary issues.
5. Regarding the rules that should be within the scope of Option 2, NEI agrees with the staff that it does not appear that the special treatment associated with 10 CFR 50.62 and 10 CFR 50.63 is required by the regulations and therefore changes to these “implementing requirements” should be subject to commitment management rather than §50.69. NEI believes that §50.72 and §50.73 should be within the scope of Option 2 and that GDCs 2, 3, and 4 should be removed from Option 2. NEI stated that all of 10 CFR 50.55a should be in Option 2, but noted that pursuing portions of §50.55a that deal with passive pressure boundary (i.e., ISI and repair and replacement) would require an Option 2 licensee to use a categorization process that addresses pressure boundary (see item 4 above). NEI stated that Part 54 should be addressed under Option 2 and the thought currently is that this can be done within §50.69. NEI stated that §50.48 (fire protection) should be within the scope of Option 2 indicating that special treatment requirements are imposed through the reference to Branch Technical Position APCS 9.5-1. The staff noted that fire protection license conditions allow licensees to make changes without prior staff approval and that rulemaking was not needed to address any special treatment specified in the branch technical position. NEI agreed to consider the staff feedback.
6. NEI indicated that they will (in response to comments 47 and 49) discuss the issue of design function versus design basis and the need to be “box specific” when using such terminology i.e., RISC-2 SSCs do not have design basis functions so it doesn’t make sense to discuss design function in that context. Regarding the use of “design function” for RISC-3 functionality, NEI agrees with the staff that it is the correct terminology to use in NEI 00-04 and §50.69.
7. Regarding the need to describe “high level elements” (for the treatment of SSCs) in NEI 00-04, NEI noted that there are currently no requirements to have programmatic descriptions for maintenance, configuration control or management and oversight for safety-related SSCs no matter their importance, and questioned the need to provide such programmatic descriptions for low safety significant (RISC-3) SSCs. NEI also noted that industry does not agree with some of the description that STPNOC has incorporated into STP FSAR section 13.7 to support its exemption. NEI took an action to identify aspects of the STPNOC exemption including the STPNOC FSAR description where NEI does not agree with the approach and provide this information to the staff. Additionally, NEI is looking at §50.71, §50.34, and the NRC-endorsed guidance in NEI 98-03 to determine what FSAR description should be provided to support Option 2.
8. Regarding the issue of selective implementation, NEI requested clarification of the meaning of the phrase “validate all categorization assumptions”. The staff and industry agreed that validation was not a good term to use, since the staff is really referring to processes such as peer review or use of standards as ways to “validate” the PRA that supports the categorization. The staff and industry agreed that use of the word “all” really means the important inputs and assumptions that affect the categorization process need to be maintained. The staff took an action to clarify its comments on the NEI guideline.

9. There was significant discussion regarding the management of licensing commitments for RISC-3 SSCs. NEI indicated that they understood the staff's comment and that they are currently revising NEI 99-04 to streamline the process of changing RISC-3 licensing commitments while assuring that commitments involving safety significant SSCs, technical requirements, or regulations not involved in Option 2 are not discarded.

10. Regarding the staff's comments on NEI 00-02, the industry would like the staff to provide a list of areas where the staff felt that NEI 00-02 was not adequate for Option 2 applications. This would help the pilot plants address the issues either as part of the categorization process or as part of the PRA review process. The staff agreed to provide the list. The staff noted that its comments stem from two issues: 1) subtler criteria that are vague (i.e., use of "may" and "should") and 2) lack of documentation for why a "grade" was given for a specific criteria. These two aspects of NEI 00-02 make it difficult for the staff to determine what was actually done for different parts of the PRA and what the peer review process found.

11. Regarding pilot activities, industry indicated that it was considering different approaches for performing pilot activities to support Option 2 that would not involve an exemption. NEI will provide additional information to the staff after it completes its assessments of any alternatives to exemptions. The pilot representatives expressed the importance of reaching agreement on NEI 00-04, and of understanding the staff's concerns regarding the peer reviews prior to initiating significant pilot activities to pilot NEI 00-04.

The staff and NEI agreed to address the issues discussed above on a time frame that would support submittal of NEI's formal responses to the staff's comments and its next revision of NEI 00-04 by the end of May 2001. This would enable the staff and industry to resolve the remaining issues by the end of June and for pilot activities (that are currently on hold awaiting agreement on NEI 00-04) to begin as soon as July 2001.

Attachment: As stated

process of changing RISC-3 licensing commitments while assuring that commitments involving safety significant SSCs, technical requirements, or regulations not involved in Option 2 are not discarded.

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11. Regarding pilot activities, industry indicated that it was considering different approaches for performing pilot activities to support Option 2 that would not involve an exemption. The pilot representatives expressed the importance of reaching agreement on NEI 00-04, and of understanding the staff's concerns (i.e., detail list discussed above in item 10) regarding the peer reviews prior to initiating significant pilot activities to pilot NEI 00-04.

The staff and NEI agreed to resolve the remaining issues on a time frame that would support submittal of NEI's formal responses to the staff's comments and its next revision of NEI 00-04 by the end of May 2001. This would enable the staff and industry to resolve the remaining issues by the end of June and for pilot activities (that are currently on hold awaiting agreement on NEI 00-04) to begin as soon as July 2001.

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**NRC//NEI RIP 50 Option 2 Meeting  
Comments on NEI 00-04  
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## NEI/NRC April 25 Meeting

### Preliminary remarks:

STP exemption review is getting close to completion as evidenced by the meeting yesterday between STPNOC and the NRC's Risk-Informed Licensing Panel. The positions discussed during that meeting provide insight into the staff's thinking for Option 2, since the principles and framework parameters are intended to be the same—in other words --making allowances for the differences between an exemption and a rulemaking—when the rubber meets the road, the staff expects that Option 2 licensees would be doing about the same activities as STP.

The staff and NEI need to reach a common understanding on the RIP50 Option regulatory framework and our expectations for implementation of that framework -- for the most part this means reaching agreement on NEI 00-04. This meeting can help achieve this objective.

So in simple terms we need to understand where we agree or disagree on the words in NEI 00-04, but more importantly where we agree/disagree on what the words mean. Where we disagree, we should try to understand the differences in terms of what the staff expects vs what NEI expects and document the differences. With this information, NRC management would give further thought to the Option 2 framework and its implementation and plan to meet with NEI management to achieve an alignment on expectations for Option 2.

Turning more specifically to the comment letter on NEI 00-04 issued on April 5, 2001, for comments, the staff will generally be able to clarify the comment during this meeting if needed. For the supporting "positions", hopefully this meeting will help identify the areas where clarification is needed, and if possible what possible approaches exist for addressing the issue.

For example—the staff's position regarding FSAR description is that NEI needs to incorporate guidance in NEI 00-04. The obvious question is what level of description is needed. Is it something very similar to the STP FSAR description or is it something less? What does NEI think it needs to be and why is that the right level of information to support the intended use? That type of information would be valuable for enabling the staff to consider different alternatives to further define the Option 2 framework.

Bottom line for today's meeting —we are trying to identify the issues that remain to be resolved for NEI 00-04 with possible alternative resolutions.

With that information, we can more clearly discuss the status of Option 2 with the Commission and provide a better estimate for the schedule and associated uncertainty to provide a proposed rulemaking to the Commission. We are currently scheduled to provide status information to the Commission in mid-May, along with the final SER for the STP exemption request, to support a Commission meeting on June 5.

### Meeting Objectives:

1. Identify the open issues/comments that require resolution for NRC staff and NEI to reach mutual agreement on NEI 00-04.
2. Clarify staff comments where needed.

3. Understand NEI concerns with staff positions and alternatives for addressing the issue (i.e., try to gain a clear understanding of where expectations are different)
4. Staff gain understanding of how NEI is addressing comments (where approach is already known)