

certified to OMB, in a letter dated August 14, 1992, that by unanimous vote the Commission had overridden the OMB's disapproval of the information collection request associated with this rule.

On August 21, 1992, OMB assigned the following new control number: 3150-0171, effective until August 31, 1995.

This new control number is only applicable to the sections in 10 CFR part 35 amended by this rule. Information collection authority for all other sections of 10 CFR part 35 remains under the existing general control number: 3150-0010.

List of Subjects in 10 CFR Part 35

Byproduct material, Criminal penalty, Drugs, Health facilities, Health professions, Incorporation by reference, Medical devices, Nuclear materials, Occupational safety and health, Radiation protection, Reporting and recordkeeping requirements.

Text of Final Regulations

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and 5 U.S.C. 552 and 553, the NRC is adopting the following amendments to 10 CFR part 35.

PART 35—MEDICAL USE OF BYPRODUCT MATERIAL

1. The authority citation for part 35 continues to read in part as follows:

Authority: Secs. 161, 68 Stat. 948, as amended (42 U.S.C. 2201); sec. 201, 68 Stat. 1242, as amended (42 U.S.C. 5841) * * *

2. In § 35.8, paragraph (b) is revised and paragraph (d) is added to read as follows:

§ 35.8 Information collection requirements: OMB approval.

(b) The approved information collection requirements contained in this part appear in §§ 35.12, 35.13, 35.14, 35.21, 35.22, 35.23, 35.27, 35.29, 35.31, 35.50, 35.51, 35.53, 35.59, 35.60, 35.61, 35.70, 35.80, 35.92, 35.204, 35.205, 35.310, 35.315, 35.404, 35.406, 35.410, 35.415, 35.606, 35.610, 35.615, 35.630, 35.632, 35.634, 35.636, 35.641, 35.643, 35.645, and 35.647.

(d) OMB has assigned control number 3150-0171 for the information collection requirements contained in §§ 35.32 and 35.33.

Dated at Rockville, Maryland, this 3d day of September 1992.

For the Nuclear Regulatory Commission.
 Samuel J. Chilk,
 Secretary of the Commission.
 [FR Doc. 92-21754 Filed 9-9-92; 8:45 am]
 BILLING CODE 7590-01-M

**10 CFR Part 50
 RIN 3150-AE12**

Minor Modifications to Nuclear Power Reactor Event Reporting Requirements

AGENCY: Nuclear Regulatory Commission.
ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) has amended its regulations to make minor modifications to the current nuclear power reactor event reporting requirements. The final rule applies to all nuclear power reactor licensees and deletes reporting requirements for some events that have been determined to be of little or no safety significance. The final rule reduces the industry's reporting burden and the NRC's response burden in event review and assessment.

EFFECTIVE DATE: October 13, 1992.

FOR FURTHER INFORMATION CONTACT: Raji Tripathi, Office for Analysis and Evaluation of Operational Data, U.S. Nuclear Regulatory Commission, Washington, DC 20555. Telephone (301) 492-4435.

SUPPLEMENTARY INFORMATION:

Background

The Commission is issuing a final rule that amends the nuclear power reactor event reporting requirements contained in 10 CFR 50.72, "Immediate Notification Requirements for Operating Nuclear Power Reactors," and 10 CFR 50.73, "Licensee Event Report System." The final rule is issued as part of the Commission's ongoing activities to improve its regulations. Specifically, this final rule amends 10 CFR 50.72 (b)(2)(ii) and 10 CFR 50.73 (a)(2)(iv). On June 28, 1992 (57 FR 28642), the Commission issued a proposed rule requesting public comments on these amendments.

Over the past several years, the NRC has increased its attention to event reporting issues to ensure uniformity, consistency, and completeness in reporting. In September 1991, the NRC's Office for Analysis and Evaluation of Operational Data (AEOD) issued for comment a draft NUREG-1022, Revision 1,¹ "Event Reporting Systems 10 CFR

50.72 and 10 CFR 50.73—Clarification of NRC Systems and Guidelines For Reporting." Following resolution of public comments, the NUREG will be issued in the final form. The NUREG will contain improved guidance for event reporting.

NRC's reviews of operating experience and the patterns of licensees' reporting of operating events since 1984 have indicated that reports on some of these events are not necessary for the NRC to perform its safety mission and that continued reporting of these events would not contribute useful information to the operating reactor events database. Additionally, these unnecessary reports would have continued to consume both the licensees' and the NRC's resources that could be better applied elsewhere. The NRC has determined that certain types of events, primarily those involving invalid engineered safety feature (ESF) actuations, are of little or no safety significance.

Valid ESF actuations are those actuations that result from "valid signals" or from intentional manual initiation, unless it is part of preplanned test. Valid signals are those signals that are initiated in response to actual plant conditions or parameters satisfying the requirements for ESF initiation.

Invalid actuations are by definition those that do not meet the criteria for being valid. Thus, invalid actuations include actuations that are not the result of valid signals and are not intentional manual actuations. Invalid actuations include instances where instrument drift, spurious signals, human error, or other invalid signals caused actuation of the ESF (e.g., jarring a cabinet, an error in use of jumpers of lifted leads, an error in actuation of switches or controls, equipment failure, or radio frequency interference).

NRC's evaluation of both the reported events since January 1984, when the existing rules first became effective, and the comments received during the Event Reporting Workshops conducted in Fall of 1990 identified needed improvements in the rules. The NRC determined that invalid actuation, isolation, or realignment of a limited set of ESFs including the systems, subsystems, or components [i.e., an invalid actuation, isolation, or realignment of only the reactor water clean-up (RWCU) system,

Nuclear Regulatory Commission, Washington, DC 20555. A copy is also available for inspection or copying for a fee at the NRC Public Document Room, 2120 L Street, NW., (Lower Level), Washington, DC 20565.

¹ Free single copy may be requested by writing to the Distribution and Mail Services Section, U.S.

the control room emergency ventilation (CREV) system, the reactor building ventilation system, the fuel building ventilation system, or the auxiliary building ventilation system, or their equivalent ventilation systems] are of little or no safety significance. However, these events are currently reportable under 10 CFR 50.72 (b)(2)(ii) and 10 CFR 50.73 (a)(2)(iv).

The final rules for the current event reporting regulations, 10 CFR 50.72 and 10 CFR 50.73 (48 FR 39039; August 29, 1983, and 48 FR 33850; July 28, 1983, respectively), stated that ESF systems, including the reactor protection system (RPS), are provided to mitigate the consequences of a significant event. Therefore, ESFs should (1) work properly when called upon and (2) should not be challenged frequently or unnecessarily. The Statements of Consideration for these final rules also stated that operation of an ESF as part of a pre-planned operational procedure or test need not be reported. The Commission noted that ESF actuations, including reactor trips, are frequently associated with significant plant transients and are indicative of events that are of safety significance. At that time, the Commission also required all ESF actuations, including the RPS actuations, whether manual or automatic, valid or invalid—except as noted, to be reported to the NRC by telephone within 4 hours of occurrence followed by a written Licensee Event Report (LER) within 30 days of the incident. This requirement on timeliness of reporting remains unchanged.

The reported information is used by the NRC in confirmation of the licensing bases, identification of precursors to severe core damage, identification of plant specific deficiencies, generic lessons, review of management control systems, and licensee performance assessment.

Discussion

The NRC has determined that some events that involve only invalid ESF actuations are of little or no safety significance. However, not all invalid ESF actuations are being exempted from reporting through this rule. The relaxations in event reporting requirements contained in the final rule apply only to a narrow, limited set of specifically defined invalid ESF actuations. These events include invalid actuation, isolation, or realignment of a limited set of ESFs including systems subsystems, or components (i.e., an invalid actuation, isolation, or realignment of only the RWCU system, or the CREV system, reactor building ventilation system, fuel building

ventilation system, auxiliary building ventilation system, or their equivalent ventilation systems). The actuation of the standby gas treatment system following an invalid actuation of the reactor building ventilation system is also exempted from reporting. In addition, the final rule excludes invalid actuations of these ESFs (or their equivalent systems) from signals that originated from non-ESF circuitry.

However, invalid actuations of other ESFs would continue to be reportable. For example, emergency core cooling system isolations/actuations; containment isolation valve closures that affect cooling systems, main steam flow, essential support systems, etc.; containment spray actuation; and residual heat removal system isolations (or systems designated by any other names but designed to fulfill the function similar to these systems and their equivalents), are still reportable. If an invalid ESF actuation reveals a defect in the system so that the system failed or would fail to perform its intended function, the event continues to be reportable under other requirements of 10 CFR 50.72 and 10 CFR 50.73. If a condition or deficiency has (1) an adverse impact on safety-related equipment and consequently on the ability to shut down the reactor and maintain it in a safe shutdown condition, (2) has a potential for significant radiological release or potential exposure to plant personnel or the general public, or (3) would compromise control room habitability, the event/discovery continues to be reportable.

Invalid ESF actuations that are excluded by this final rule, but occur as a part of a reportable event, continue to be described as part of the reportable event. These amendments are not intended to preclude submittal of a complete, accurate, and thorough description of an event that is otherwise reportable under 10 CFR 50.72 or 10 CFR 50.73. The Commission relaxed only the selected event reporting requirements specified in this final rule.

Licensees are still required under 10 CFR part 50, appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," to address corrective actions for events or conditions that are adverse to quality whether the event is reportable or not. In addition, minimizing ESF actuations (such as RWCU isolations) to reduce operational radiation exposures associated with the investigation and recovery from the actuations, are consistent with ALARA requirements.

This rule excludes three categories of events from reporting.

(1) The first category excludes events in which an invalid ESF or RPS actuation occurs when the system is already properly removed from service if all requirements of plant procedures for removing equipment from service have been met. This includes required clearance documentation, equipment and control board tagging, and properly positioned valves and power supply breakers.

(2) The second category excludes events in which an invalid ESF or RPS actuation occurs after the safety function has already been completed. (e.g., an invalid containment isolation signal while the containment isolation valves are already closed, or an invalid actuation of the RPS when all rods are full inserted).

(3) The third category excludes events in which an invalid ESF actuation occurs that involves only a limited set of ESFs (i.e., when an invalid actuation, isolation, or realignment of only the RWCU system, or any of the following ventilation systems: CREV system, reactor building ventilation system, fuel building ventilation system, auxiliary building ventilation system, or their equivalent ventilation systems; occurs). Invalid actuations that involve other ESFs not specifically excluded, (e.g., emergency core cooling system isolations or actuations; containment isolation valve closures that affect cooling systems, main steam flow, essential support systems, etc.; containment spray actuation; residual heat removal system isolations, or their equivalent systems); continue to be reportable.

Licensees continue to be required to submit LERs if a deficiency or condition associated with any of the invalid ESF actuations of the RWCU or the CREV systems (or other equivalent ventilation systems) satisfies any reportability criteria under § 50.72 and § 50.73.

Impact of the Amendments on the Industry and Government Resources

Relaxing the requirement for reporting of certain types of ESF actuations reduces the industry's reporting burden and the NRC's response burden. This reduction is consistent with the objectives and the requirements of the Paperwork Reduction Act. These amendments have no impact on the NRC's ability to fulfill its mission to ensure public health and safety because the deleted reportability requirements have little or no safety significance.

It is estimated that the changes to the existing rules will result in about 150 (or

5-10 percent) fewer Licensee Event Reports each year. Similar reductions are expected in the number of prompt event notifications reportable under 10 CFR 50.72. Some respondents, in their comments on the proposed rule, dated June 28, 1992, submitted an estimate of approximately 15 percent reduction in their reporting burden.

Summary of Comments

The NRC received 19 comments—2 from individuals, 3 from industry-supported organizations, and 14 from utilities. Except for two respondents, all commenters welcomed the Commission's efforts to reduce the licensee burden and to save the agency's resources in event review and processing. The utilities and the industry-supported organizations expressed their desire for a broader relaxation to include all invalid ESF actuations from reporting.

Other comments from the respondents concerned the following: clarification of the definition of "invalid" actuations; examples of events being exempted from reporting; consideration of plant-specific situations; exemption from reporting of the actuation of the standby gas treatment system following an invalid actuation of the reactor building ventilation system; and possibly extending relaxation of invalid actuations/isolations of BWCU from reporting to include those of the chemical and volume control system in a pressurized water reactor. The Statement of Considerations for this final rule addresses most of these concerns. Other issues and clarifications concerning event reportability will be addressed in NUREG-1022, Revision 1. However, it is not practical to address a plant-specific situation unless it relates to a generic concern.

The Commission stresses that only certain specific invalid ESF actuations are being exempted from reporting through the present amendments. NUREG-1022, Revision 1 will contain specific examples and additional guidance on events which are presently reportable as well as those which are being exempted from reporting through these amendments. In the future, the Commission will give due consideration to other proposed relaxations from event reporting after the NRC staff has had an opportunity to reassess the data needs of the agency and performed safety assessments to justify initiating a separate general rulemaking. Until such time, all events not specifically exempted in these amendments continue to be reportable.

The two respondents who opposed the proposed amendments expressed

their concerns about eliminating the selected event reporting requirements. These commenters believe that the elimination of these event reporting requirements may adversely affect the NRC's information database and ultimately affect the agency's ability to carry out its mission to protect public health and safety. For many years, the NRC staff has been systematically reviewing information obtained from Licensee Event Reports. These assessments of reactor operational experience have included data on the types of events included in the three categories that the NRC is deleting from reporting. The staff's reviews and assessments of nearly 1000 reactor-years of operational experience have identified essentially no safety significance associated with the type of events included in the aforementioned three categories. The Commission has reviewed the scope of these amendments, and on the basis of the staff's assessment of the past reactor operational experience, has subsequently concluded with a reasonable confidence that relaxation from reporting of events in the three categories does not affect the agency's ability to protect public health and safety.

Based on the input from the utilities, these amendments will reduce the industry's reporting burden by about 15 percent. The estimated savings of the NRC's response burden in event review and assessment is about 5-10 percent.

Environmental Impact: Categorical Exclusion

The NRC has determined that this final rule is the type of action described in categorical exclusions 10 CFR 51.22 (c)(3)(ii) and (iii). Therefore, neither an environmental impact statement nor an environmental assessment has been prepared for this final rule.

Paperwork Reduction Act Statement

This final rule amends information collection requirements that are subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.). These amendments were approved by the Office of Management and Budget approval numbers 3150-0011 and 3150-0104.

Because the rule will relax existing reporting requirements, public reporting burden of information is expected to be reduced. It is estimated that about 150 fewer Licensee Event Reports (NRC Form 366) and a similarly reduced number of prompt event notifications, made pursuant to 10 CFR 50.72, will be required each year. The resulting reduction in burden is estimated to

average 50 hours per licensee response, including the time required reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and reviewing the collection of information. Send comments regarding the estimated burden reduction or any other aspect of this collection of information, including suggestions for reducing this burden, to the Information and Records Management Branch (MNBB-7714), U.S. Nuclear Regulatory Commission, Washington, DC 20555; and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-3019, (3150-0011 and 3150-0104), Office of Management and Budget, Washington, DC 20503.

Regulatory Analysis

The Commission has prepared a regulatory analysis on this final rule. The analysis examines the costs and benefits of the alternatives considered by the Commission. The analysis is available for inspection in the NRC Public Document Room, 2120 L Street, NW., Lower Level, Washington, DC 20555. Single copies of the analysis may be obtained from: Raji Tripathi, Office for Analysis and Evaluation of Operational Data, U.S. Nuclear Regulatory Commission, Washington, DC 20555. Telephones (301) 492-4435.

Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980 (5 U.S.C. 605 (B)), the Commission certifies that this rule does not have a significant economic impact on a substantial number of small entities. The final rule affects only the event reporting requirements for operational nuclear power plants. The companies that own these plants do not fall within the scope of the definition of "small entities" set forth in the Regulatory Flexibility Act or the Small Business Size Standards set out in regulations issued by the Small Business Administration Act in 13 CFR part 121.

Backfit Analysis

As required by 10 CFR 50.109, the Commission has completed an assessment of the need for Backfit Analysis for this final rule. The proposed amendments include relaxations of certain existing requirements on reporting of information to the NRC. These changes neither impose additional reporting requirements nor require modifications to the facilities or their licenses.

Accordingly, the NRC has concluded that this final rule does not constitute a

backfit and, thus, a backfit analysis is not required.

List of Subjects in 10 CFR Part 50

Antitrust, Classified information, Criminal penalty, Fire prevention, Incorporation by reference, Intergovernmental relations, Nuclear power plants and reactors, Radiation protection, Reactor siting criteria, Reporting and recordkeeping.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1964, as amended, the Energy Reorganization Act of 1974, as amended, and 5 U.S.C. 552 and 553, the Commission is adopting the following amendments to 10 CFR part 50.

PART 50—DOMESTIC LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

1. The authority citation for Part 50 is revised to read as follows:

Authority: Secs. 102, 103, 104, 105, 161, 182, 183, 186, 189, 68 Stat. 936, 937, 938, 948, 953, 954, 955, 956, as amended, sec. 234, 83 Stat. 1244, as amended [42 U.S.C. 2132, 2133, 2134, 2135, 2201, 2232, 2233, 2236, 2239, 2282]; sec. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 50.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 50.10 also issued under sec. 101, 185 68 Stat. 936, 955, as amended (42 U.S.C. 2131, 2235); sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.13, 50.34(dd), and 50.103 also issued under sec. 108, 68 Stat. 939, as amended (42 U.S.C. 2138). Sections 50.23, 50.35, 50.65, and 50.56 also issued under sec. 185, 68 Stat. 955 (42 U.S.C. 2235). Sections 50.33a, 50.55a, and Appendix Q also issued under sec. 102, Pub. L. 91-190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.34 and 50.54 also issued under sec. 204, 88 Stat. 1245 (42 U.S.C. 5844). Sections 50.58, 50.91, and 50.92 also issued under Pub. L. 97-415, 96 Stat. 2073 (42 U.S.C. 2239). Section 50.78 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Sections 50.80-50.81 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Appendix F also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273); § 50.5, 50.46(a) and (b), and 50.54(c) are issued under sec. 161b, 68 Stat. 948, as amended (42 U.S.C. 2201(b)); § 50.5, 50.7(a), 50.10(a)-(c), 50.34(a) and (e), 50.44(a)-(c), 50.46(a) and (b), 50.47(b), 50.48(a), (c), (d), and (e), 50.49(a), 50.54(a), (i), (j)(1), (l)-(n), (p), (q), (t), (v), and (y), 50.55(f), 50.55a(a), (c)-(e), (g), and (h), 50.59(c), 50.60(a), 50.62(b), 50.64(b), 50.65, and 50.80(a) and (b) are issued under sec. 161i, 68 Stat. 949, as amended (42 U.S.C. 2201(i)); and § 50.9(d), (h), and (j), 50.54(w), (z), (bb), (cc), and (dd), 50.55(e), 50.59(b), 50.61(b), 50.62(b), 50.70(a), 50.71(a)-(c) and (e), 50.72(a), 50.73(a) and (b), 50.74, 50.78, and 50.90 are issued under sec. 161a, 68 Stat. 950, as amended (42 U.S.C. 2201(o)).

2. In § 50.72, paragraph (b)(2)(ii) is revised to read as follows:

§ 50.72 Immediate notification requirements for operating nuclear power reactors.

(b) Non-emergency Events. . . .
 (2) Four-hour reports. . . .
 (ii) Any event or condition that results in a manual or automatic actuation of any engineered safety feature (ESF), including the reactor protection system (RPS), except when:

- (A) The actuation results from and is part of a pre-planned sequence during testing or reactor operation;
- (B) The actuation is invalid and:
 - (1) Occurs while the system is properly removed from service;
 - (2) Occurs after the safety function has been already completed; or
 - (3) Involves only the following specific ESPs or their equivalent systems:
 - (i) Reactor water clean-up system;
 - (ii) Control room emergency ventilation system;
 - (iii) Reactor building ventilation system;
 - (iv) Fuel building ventilation system;
- or
- (v) Auxiliary building ventilation system.

3. In § 50.73, paragraph (a)(2)(iv) is revised to read as follows:

§ 50.73 Licensee event report system.

- (a) Reportable events. . . .
- (2) The licensee shall report:
- (iv) Any event or condition that resulted in a manual or automatic actuation of any engineered safety feature (ESF), including the reactor protection system (RPS), except when:
 - (A) The actuation resulted from and was part of a pre-planned sequence during testing or reactor operation;
 - (B) The actuation was invalid and:
 - (1) Occurred while the system was properly removed from service;
 - (2) Occurred after the safety function had been already completed; or
 - (3) Involved only the following specific ESPs or their equivalent systems:
 - (i) Reactor water clean-up system;
 - (ii) Control room-emergency ventilation system;
 - (iii) Reactor building ventilation system;
 - (iv) Fuel building ventilation system;
 - or
 - (v) Auxiliary building ventilation system.

Dated at Rockville, MD, this 27th day of August, 1992.

For the Nuclear Regulatory Commission,
 James M. Taylor,
 Executive Director for Operations.
 [FR Doc. 92-21750 Filed 9-9-92; 8:45 am]
 BILLING CODE 7580-01-M

FEDERAL RESERVE SYSTEM

12 CFR Part 225

[Regulation Y; Docket No. R-0706]

RIN 7100-AB09

Bank Holding Companies and Change in Bank Control

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is amending its Regulation Y to augment the list of permissible nonbanking activities for bank holding companies to include the provision of full service securities brokerage under certain conditions; and the provision of financial advisory services under certain conditions. The Board has by order previously approved these activities. Applications by bank holding companies to engage in activities included on the Regulation Y list of permissible nonbanking activities may be processed by the Reserve Banks under expedited procedures pursuant to delegated authority.

EFFECTIVE DATE: September 10, 1992.

FOR FURTHER INFORMATION CONTACT: Scott G. Alvarez, Associate General Counsel (202/452-3583), or Thomas M. Corsi, Senior Attorney (202/452-3275), Legal Division; For the hearing impaired only, Telecommunications Device for the Deaf (TDD), Dorothea Thompson (202/452-3544).

SUPPLEMENTARY INFORMATION:

Background

The Bank Holding Company Act of 1956, as amended (the "BHC Act"), generally prohibits a bank holding company from engaging in nonbanking activities or acquiring voting securities of any company that is not a bank. Section 4(c)(8) of the BHC Act provides an exception to this prohibition where the Board determines after notice and opportunity for hearing that the activities being conducted are "so closely related to banking or managing or controlling banks as to be a proper incident thereto." 12 U.S.C. 1843(c)(8). The Board is authorized to make this determination by order in an individual case or by regulation.

The Board's Regulation Y (12 CFR part 225) sets forth a list of nonbanking