

COMMISSION BRIEFING SLIDES

**BRIEFING ON RISK-INFORMING
SPECIAL TREATMENT REQUIREMENTS**

JULY 20, 2001



*United States
Nuclear Regulatory Commission*

STP NUCLEAR OPERATING COMPANY EXEMPTION REQUESTS:

**Proof-of-Concept for Risk-Informing
10 CFR Part 50, Option 2**

July 20, 2001

OVERVIEW

- STPNOC Exemption Requests
 - ✓ Review Effort and Results
 - ✓ Exemption Finding and Special Circumstances
 - ✓ ACRS Comments
- Option 2
 - ✓ Insights from STPNOC Exemptions
 - ✓ Status

STPNOC REQUEST

- Exemptions From Special Treatment Requirements of 10 CFR Parts 21, 50, and 100
 - ✓ Low Safety Significant (LSS) and Nonrisk Significant (NRS) Safety-Related Structures, Systems, or Components
 - ✓ Includes Quality Assurance, Qualification, Repair, Replacement, Inspection, Testing, and Maintenance

REVIEW EFFORT

- Final Safety Analysis Report
 - ✓ Licensing Basis for Exemptions
- Categorization Process
 - ✓ PRA and Expert Panel Insights
 - ✓ Risk Significance of Components
- Treatment Process
 - ✓ Functionality of Components

REVIEW RESULTS

- **STPNOC Categorization and Treatment Processes Described in Proposed FSAR Section Adequate to Support Exemptions**
- **Categorization Acceptable for Reducing the Scope of Components Subject to Special Treatment and for Exemptions Granted**

REVIEW RESULTS (con't)

- Treatment Includes Elements That, If Effectively Implemented, Will Result in Low Risk Safety-Related Components Remaining Capable of Performing Safety Functions Under Design-Basis Conditions

EXEMPTION FINDING

- **Relaxing Special Treatment Requirements Consistent with STPNOC's Proposal for Low Risk Safety-Related Components Poses No Undue Risk to Public Health and Safety**

SPECIAL CIRCUMSTANCES

- **STPNOC's Categorization Process Is a Material Circumstance Not Considered When Special Treatment Regulations Were Adopted**
- **It is in the Public Interest to Grant the Exemptions**
- **Consult with Commission**

ACRS COMMENTS

NEXT STEPS

- **Address Comments**
- **Issue Exemptions in 2 Weeks**
- **Implementation of Exemptions**

OPTION 2 STATUS

- Insights from STPNOC Exemptions
- Option 2 Rulemaking Tasks Proceeding in Parallel:
 - ✓ Developing Rule Language
 - ✓ Working with Industry to Reach General Agreement on NEI 00-04 (Implementation Guidance)
 - ✓ Interacting with Industry on Pilot Activities

OPTION 2 STATUS (con't)

- **Expected Option 2 Challenges:**
 - ✓ Translating STPNOC Lessons-learned into the Option 2 Framework
 - ✓ Addressing the Issue of PRA Quality
 - ✓ Ensuring the Framework Can Accommodate All Facilities and Situations (Existing, New, and Renewed Licenses)

OPTION 2 STATUS (con't)

- Schedule of April 2002 to Provide Commission Proposed Rulemaking Package
 - ✓ Near Term Tasks(1-4 Months): Rule, Appendix T, NEI 00-04, PRA Issues, Pilot Activities
 - ✓ Medium Term Tasks (3–6 Months): Pilot Feedback, Guidance Revisions, Finalize Rule, Regulatory Analysis

OPTION 2 STATUS (con't)

- ✓ Long Term Tasks (6-10 Months):
Completion of Regulatory Analysis,
Commission Paper

Option 2 - Risk-Informing Part 50 Special Treatment Requirements

**Tony Pietrangelo, Director
Risk and Performance-
Based Regulation**

July 20, 2001



Overview

- **NEI 00-04, Option 2
Implementation Guidance**
- **Pilot Program**
- **10 CFR 50.69 Rule-Making**
- **Differences with STPNOC
Exemption**
- **Conclusions**



NEI 00-04

- **Comprehensive, detailed guidance on categorization**
 - **High-level elements on treatment**
- **General agreement w/ NRC staff in June on readiness to pilot**
- **Revisions will continue in parallel with pilot program**



3

Pilot Program

- **Primary purpose is to test adequacy of guidance**
- **Pilot plants: Quad Cities, Wolf Creek, Palo Verde, Surry**
- **Each will select 2-3 systems**
- **Estimate 6-12 months to complete**



4

10 CFR 50.69

- **ANPR published in March 2000**
- **Exemption requests unnecessary if rule-making is timely**
- **Industry perspective on schedule:**
 - **Proposed rule December 2001**
 - **Final rule December 2002**



5

10 CFR 50.69

- **Need(?) for Appendix T**
 - **Intent of no prior review laudable, but not realistic**
 - **Why use rule to codify categorization method?**
 - **Duplicative of regulatory guidance**



6

Differences with STPNOC

- **Exemption v. rule-making**
- **Implementation details**
 - **Existing regulatory framework covers most circumstances**
 - **No need to invent new change control mechanisms**



7

Differences with STPNOC

- **Envision less prescription and interaction on treatment of low safety-significant SSCs**
- **Categorization and sensitivity studies should demonstrate ample margin**



8

Conclusions

- **STP has demonstrated proof of concept for Option 2**
- **Expedite notice of proposed rule**
 - **Focuses interaction**
 - **Keeps management involved**
- **Clear need to proceed with Option 3 and Risk-informed Tech Specs**



SOUTH TEXAS PROJECT PRESENTATION TO THE NRC COMMISSIONERS

**Joe Sheppard, Vice President
Engineering & Technical Services
July 20, 2001**

Introduction

- **STPNOC appreciates the Commission and staff focus on the Exemption submittal**
 - **this has been an extensive, evolving process**
 - **many open items were resolved because of frequent staff/STPNOC interactions**
 - **much groundwork has been established for future industry use**
- **STPNOC believes that the preliminary SER largely satisfies the intents that were originally set out to be achieved**

Preliminary SER

- **STPNOC has reviewed the preliminary SER for factual errors and omissions**
- **Feedback provided to the staff on July 3**
- **A number of clarifications/corrections are needed**
 - **generally entails revisions to single sentences**
 - **no significant revision to the SER should be required**

3

Preliminary SER

- **STPNOC will continue to work closely with the staff to resolve these errors and omissions**
- **Editorial issues will generally not be addressed**
- **Do not expect an impact to the August 3 SER approval date**

4

Implementation of SER Allowances

- **Now the hard part starts...**
- **STPNOC will take a very deliberate, cautious approach in implementing the SER allowances**
- **Certain SSC treatments still have strong deterministic elements imposed**
- **Close interaction with industry and the staff will continue on implementation feedback and lessons learned**

5

Future Actions

- **STPNOC will continue to interact closely with NEI/industry on the Option 2 effort**
- **SER approval will send a strong message to industry on the Commission's commitment to risk-informed applications**
- **Although the SER requirements are workable for STPNOC, the requirements are too prescriptive for rulemaking**
- **Look forward to Option 2 rulemaking and risk-informing the regulations under Option 3**

6

Conclusion

- **STPNOC is anxious to receive the approved SER and begin the implementation journey**
- **Strong communication will be necessary to relay SER experience and lessons learned**
- **With approval of the SER, STPNOC looks forward to enhancing nuclear safety while reducing the burden on both STPNOC and the staff**