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)

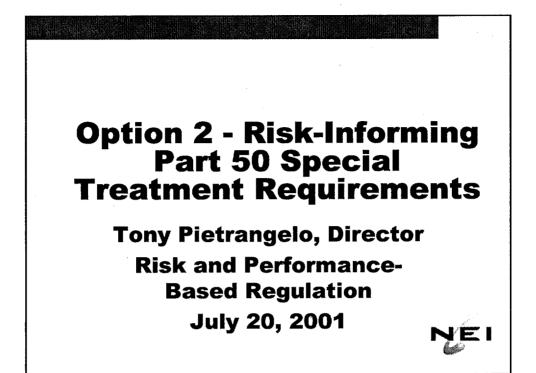
- Expected Option 2 Challenges:
 - Translating STPNOC Lessons-learned into the Option 2 Framework
 - Addressing the Issue of PRA Quality
 - Ensuring the Framework Can Accommodate All Facilities and Situations (Existing, New, and Renewed Licenses)

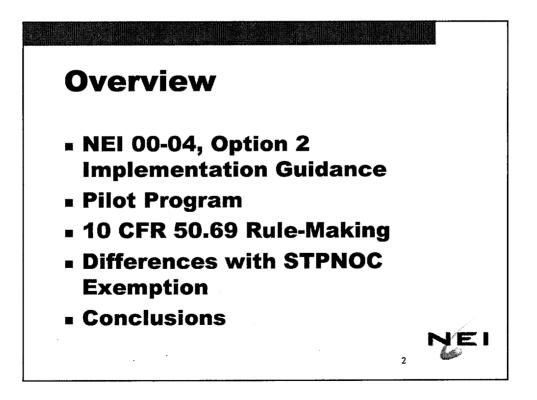
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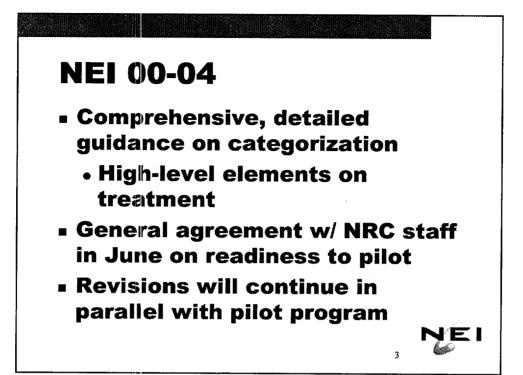
- Schedule of April 2002 to Provide Commission Proposed Rulemaking Package
 - Near Term Tasks(1-4 Months): Rule, Appendix T, NEI 00-04, PRA Issues, Pilot Activities
 - Medium Term Tasks (3–6 Months): Pilot Feedback, Guidance Revisions, Finalize Rule, Regulatory Analysis

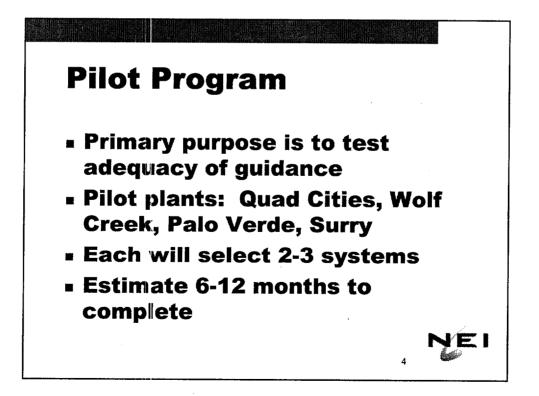
OPTION 2 STATUS(con't)

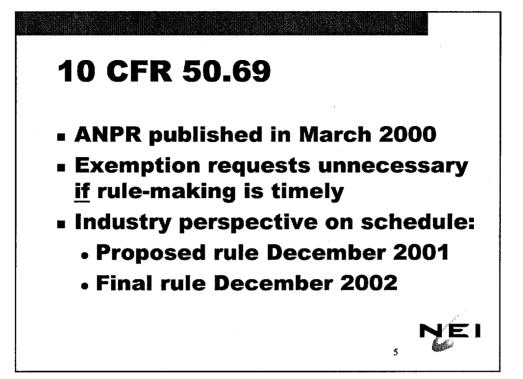
 Long Term Tasks (6-10 Months): Completion of Regulatory Analysis, Commission Paper

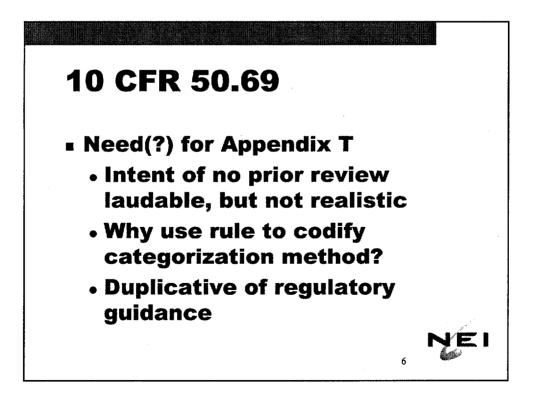


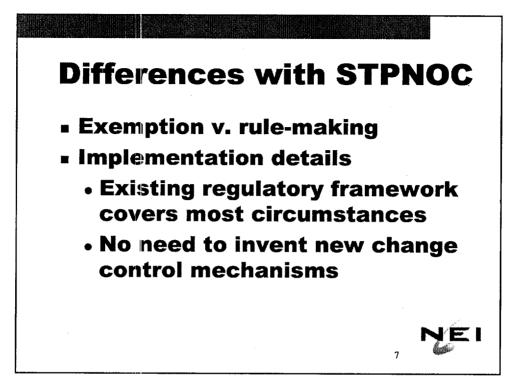


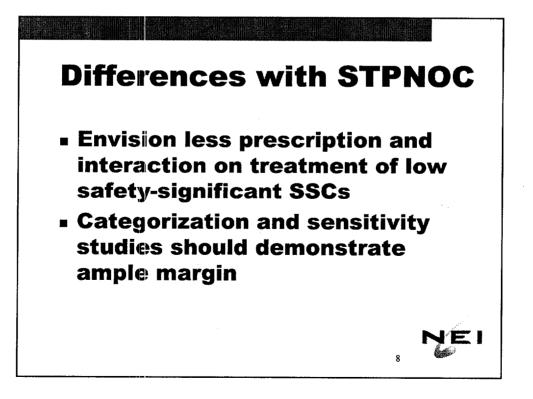


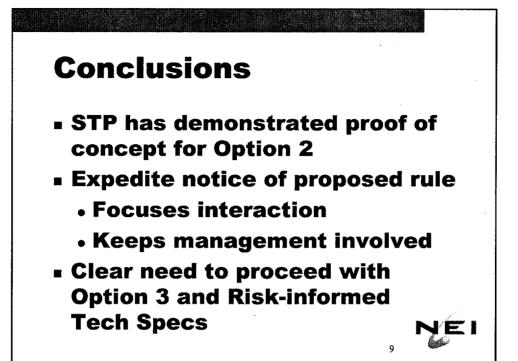












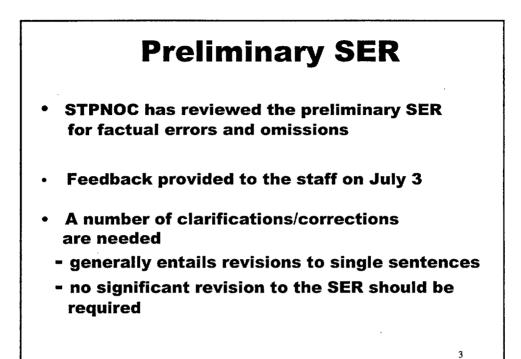
SOUTH TEXAS PROJECT PRESENTATION TO THE NRC COMMISSIONERS

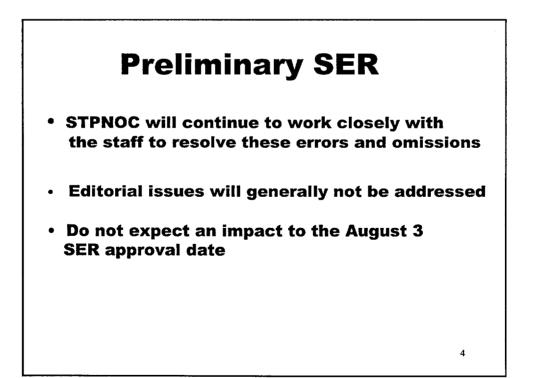
Joe Sheppard, Vice President Engineering & Technical Services

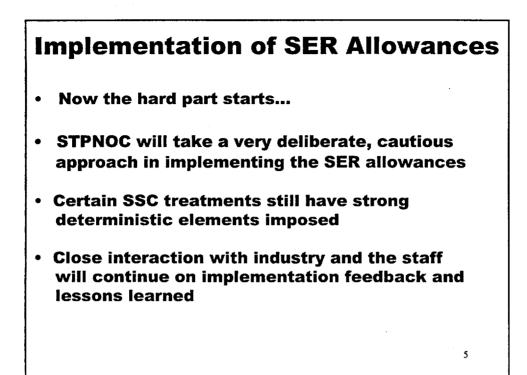
July 20, 2001

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







<text><list-item><list-item> Future Actions STPNOC will continue to interact closely with NEl/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

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