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September 21, 2001

Rules and Directives Branch Office of Administration United States Nuclear Regulatory Commission Washington, DC 20555-0001

Re: Draft Regulatory Guide DG-1110, "An Approach for Using Probabilistic Risk Assessment in Risk-Informed Decisions on Plant-Specific Changes to the Licensing Basis"

Dear Sirs:

On July 18, 2001, the U.S. Nuclear Regulatory Commission published in the *Federal Register* a notice of availability of Draft Regulatory Guide DG-1110, a proposed Revision 1 of Regulatory Guide 1.174, "An Approach for Using Probabilistic Risk Assessment in Risk-Informed Decisions on Plant-Specific Changes to the Licensing Basis." We submit this letter on behalf of the Licensing and Design Basis Clearinghouse ("Clearinghouse").

As a general matter, we support the use of probabilistic risk assessment to improve safety decisions, improve regulatory efficiency, and eliminate unnecessary regulatory burden. Moreover, we subscribe to the comments submitted by the Nuclear Energy Institute on September 17, 2001. We have some additional reservations about the guidance, as drafted. We recognize, of course, that the guidance contained in DG-1110, as in any regulatory guide, is informal, and does not preclude other approaches for requesting changes to a plant's licensing basis ("LB") that require NRC approval. As such, we do not oppose the guidance in DG-1110, so long as it remains only one possible avenue, of many, for addressing changes to a plant's LB and does not become the <u>de facto</u> sole method which the Staff will consider. Specifically, the following propositions in the regulatory guide contribute to this concern:

• In Section 2, the Guide provides: "For those cases when risk increases are proposed, the benefits should be described and should be commensurate with the proposed risk increases." Such a cost-benefit analysis has not been required to date, and constitutes an imposition of an additional regulatory requirement.

Templale = ADM-013

E-LIDS = ADH-03 J. Lane (SCL1) (Idd = M.T. Drovin (MXD) A. Beranek (AFB)

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> Section 2.1 expresses the Staff's expectation that licensees "identify design and operational aspects of the plant that should be enhanced consistent with an improved understanding of their safety significance. Such enhancements should be embodied in appropriate LB changes that reflect these enhancements." The Staff should clarify that this is a voluntary measure only, not required by NRC regulations. Moreover, identification of such enhancements does not appear to include any sort of cost-benefit analysis, which would be beneficial in this setting, to avoid unnecessary regulatory burden.

We appreciate the opportunity to comment on this significant regulatory guidance. If you have any questions, please feel free to contact me at (202) 371-5703.

Respectfully submitted,

Mark J. Wetterhahn Counsel to Licensing and Design Basis Clearinghouse

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