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December 2, 2002

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FROM: John W. Craig **/RA/**
Assistant for Operations, OEDO

SUBJECT: OFFICE OF RESEARCH COMMENTS ON THE 10 CFR 50.69
PROPOSED RULEMAKING

At the request of a Commission office, attached are comments from the Office of
Research on the 10 CFR 50.69 proposed rulemaking (SECY-02-0176).

Attachment:
As stated

cc: W. Travers, EDO (w/o attachment)	SECY (w/attachment)
C. Paperiello, DEDMRS (w/o attachment)	OGC (w/attachment)
W. Kane, DEDR (w/o attachment)	OCA (w/attachment)
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J. Craig, AO (w/attachment)	OIP (w/o attachment)
T. Bergman, OEDO (w/attachment)	CIO (w/o attachment)
A. Thadani, RES (w/o attachment)	CFO (w/o attachment)
S. Collins, NRR (w/attachment)	EDO R/F (w/attachment)

September 16, 2002

MEMORANDUM TO: Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

FROM: Ashok C. Thadani, Director / RA /
Office of Nuclear Regulatory Research

RE: CONCURRENCE ON PROPOSED RULE - 10 CFR 50.69, "RISK-
INFORMED CATEGORIZATION AND TREATMENT OF STRUCTURES,
SYSTEMS AND COMPONENTS"

We concur on the proposed rulemaking package for 10 CFR 50.69, "Risk-Informed Categorization and Treatment of Structures, Systems and Components." We have some recommendations and observations, discussed below, that we believe will improve the quality and clarity of the package.

1. 50.69(c)(1)(i) states that the probabilistic risk assessment (PRA) peer review process should be "assessed against a standard or set of acceptance criteria that is endorsed by the NRC;" however, the PRA itself is only required to "be of sufficient quality and level of detail to support the categorization process." We recommend that the section be clarified to require the PRA itself to meet "a standard or set of acceptance criteria that is endorsed by the NRC."

In the corresponding section of the Statements of Consideration, we recommend that it be noted that one acceptable "standard or set of acceptance criteria that is endorsed by the NRC" would be the forthcoming NRC regulatory guide on PRA adequacy, and that this regulatory guide will be modified to address PRA standards on fire, external events, and low power and shutdown modes of operation, as these become available. In addition, we recommend that the Statements of Consideration include a description of the criteria that NRR will use in the interim (before PRA standards for all initiators in a full-scope PRA are completed and endorsed by the NRC) to ensure consistency when assessing an application.

2. Public Law 104-113 ("National Technology Transfer and Advancement Act of 1995") stipulates the use of consensus standards, except if inconsistent with applicable law or otherwise impractical. In this particular case, the ASME has submitted a letter to the staff regarding the endorsement of codes and standards in 50.69 and the incorporation of ASME risk-informed initiatives in the rulemaking process. We recommend that the rulemaking package discuss (in the section on the public law) the comments from ASME and the related code cases, the bases for and against use of the risk-informed code cases, and explicitly request comment on this issue.
3. We have one observation with regard to an issue that may impact the Commission's performance goal on increasing public confidence. Specifically, the issue involves the

potential for granting license extensions under 10 CFR Part 54, in part based on specified treatment for a set of structures, systems and components (SSCs), and then the potential relaxation or elimination of these treatments through implementation of the proposed 10 CFR 50.69. While there likely exists a sound technical basis for relaxation or elimination of these treatments for specific SSCs, this can potentially result in a negative public perception. Accordingly, it may be appropriate to elaborate on this issue, and solicit comment on it.

We have some additional, less significant, comments and recommendations; these are provided in the attachment.

If you or your staff have any questions on the above observations and recommendations, please do not hesitate to contact me, or Mr. Alan Kuritzky (415-6255, ask1) of my staff.

Attachment: As stated

Distribution:

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DATE	9 / 16 /2002									

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Additional Comments & Recommendations

1. Section V.3.1.2 of the Statements of Consideration requires that sensitivity studies be performed to determine the effects of data uncertainties (including those for SSC reliabilities and unavailabilities, human error probabilities, and common cause failure probabilities). It is not clear if these parameters are intended to be varied individually or by group, or in combinations between groups. It is also not clear how the integrated decision-making process will take these results into consideration. In work currently being carried out in RES/OERAB on the risk-based performance indicators (RBPIs), the impact of data uncertainties on decision guidelines will be evaluated. Consideration of the results for the RBPI pilot effort could be helpful during the implementation of 10 CFR 50.69. Also, RES/PRAB is currently performing work in the area of improving importance measures, and we will keep you informed of our progress.

Section V.3.4 of the Statements of Consideration discusses how applicants would provide reasonable confidence that any potential increases in core damage frequency (CDF) and large early release frequency (LERF) from reduced treatment of RISC-3 SSCs would be small. We have some concerns over the practicality of the processes described in this section, particularly relating to defining appropriate variability in the parameters to be used in the sensitivity studies and to the performance monitoring aspects. Due to the importance of the concepts presented in this section, we recommend that the rulemaking package explicitly solicit comments regarding how applicants would implement the sensitivity studies and performance monitoring aspects described in Sections V. 3.1.2 and V.3.4 respectively.

2. It appears that the more appropriate reference in 50.69(b)(2)(iii) should be 50.69(c)(1)(i).
3. It is not clear that the redlined portion of the rule language in 50.69(c)(1)(iv) pertains to revised treatment as applied to **RISC-3** SSCs. The term "RISC-3" should be inserted between the words "assumed" and "SSC."
4. Additional minor editorial comments:
 - a. Federal Register Notice (FRN), p. 12, 11th line, remove "to" from end of line
 - b. FRN, p. 17, first full paragraph, 3rd line, remove extra space after "for instance,"
 - c. FRN, p. 17, second full paragraph, 4th line, remove either the word "obtain" or the word "provide"
 - d. FRN, p. 69, first full paragraph, 8th line, remove "to" after "(c)"
 - e. FRN, p. 69, first full paragraph, 9th line, add "," after "made for"
 - f. FRN, p. 83, first full paragraph, the 7th sentence appears repetitive with respect to the 5th sentence