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U. S. Nuclear Regulatory Commission
Washington, D. C. 20555-0001

Subject: **Solicitation of Public Comments on the Third Year of Implementation of the Reactor Oversight Process 67 Fed. Reg. 70468**

The subject Federal Register Notice requested public comments on the third year of the Reactor Oversight Process. Southern California Edison (SCE) believes that the U.S. Nuclear Regulatory Commission's (NRC's) new Reactor Oversight Process is significantly improved over the prior deterministic approaches and continues to support this important effort.

SCE has been actively involved in the development of many of the included processes and has served on the Initial Implementation Evaluation Panel. SCE is also currently participating in the Mitigating System Performance Index pilot program.

SCE endorses the comments, provided separately, by the Nuclear Energy Institute (NEI). The following SCE comments are provided to augment those of NEI and include some programmatic issues SCE had identified previously.

SCE concludes that the NRC Reactor Oversight Process has been successful in providing a more risk-informed framework. Nevertheless, there are several areas that we believe require continuing attention:

- As in all things, Performance Indicators (PIs) and other aspects of the Reactor Oversight Process (e.g., Significance Determination Process (SDP), etc.) can create unintended consequences. There is a continuing need for a robust and permanent process to identify and address such situations as they arise.

- While some conservative "false positives" are acceptable from any such processes (i.e., Performance Indicators, SDPs), it is also necessary that the Reactor Oversight Process identifies and resolves potential opportunities for "false negatives." Any "false negative" has the potential to significantly undermine the credibility of the entire Reactor Oversight Process.

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- There appears to be a need to continue efforts to improve the public understanding of the elements of the Reactor Oversight Process. It appears that much of the public continues to perceive the new Reactor Oversight Process as solely the "Performance Indicators," and is less aware of the revised Inspection Process, SDPs, Action Matrix, and Enforcement Policy.

- SCE is currently participating in the Mitigating Systems Performance Index (MSPI) Pilot Program to develop a new, risk-informed unreliability and unavailability metric. This effort is important, as the GREEN/WHITE threshold for current Safety System Unavailability (SSU) Performance Indicators was somewhat arbitrarily set at the 95% performance level based on historical industry data. Other PI thresholds (including the GREEN/WHITE thresholds for assessing Inspection findings using the SDPs) were established based on risk. Having an inconsistent logic for the bases for setting the thresholds continues to create confusion and uncertainty. SCE believes that the MSPI can be an improvement over the SSU.

- SCE remains concerned with various efforts to revise upward some of the Performance Indicator thresholds. Changing the PI thresholds would impose a de facto "rising standard." SCE supports the original NRC position that the thresholds were set with the expectation that, while licensee performance would be expected to improve, performance at the current thresholds represented "acceptable licensee performance."

- Difficulties continue to be experienced with the development and precision of the Significance Determination Processes. Several SDPs, including Security, Fire Protection, Emergency Planning, etc., do not appear to be as robust as they should be, and do not appear to produce consistent and/or accurate results.

- The Action Matrix uses inspection findings for a fixed one-year period from the inspection. Therefore, a non-GREEN inspection finding is used in the Action Matrix for a year, while the PI is recalculated quarterly. Considering the risk significances of the various findings, it might be beneficial to establish a "graded reset" of the inspection finding window. For example, after one quarter a WHITE finding window could be reset, a YELLOW inspection finding window after 2 quarters, and a RED inspection finding after 4 quarters.

SCE appreciates the opportunity to provide these comments to the U. S. Nuclear Regulatory Commission. If we can be of any additional assistance in this matter, please advise.

Sincerely,