

March 25, 2003

MEMORANDUM TO: Christopher I. Grimes, Director  
Policy and Rulemaking Program  
Division of Regulatory Improvement Programs, NRR

FROM: Joseph L. Birmingham, Project Manager */RA/*  
Policy and Rulemaking Program  
Division of Regulatory Improvement Programs, NRR

SUBJECT: SUMMARY OF MARCH 18, 2003, MEETING WITH NUCLEAR ENERGY  
INSTITUTE ON FIRE PROTECTION ISSUE MANAGEMENT

On March 18, 2003, Nuclear Regulatory Commission (NRC) staff met with representatives of the Nuclear Energy Institute (NEI) and industry to continue discussions on fire protection issue management. Those attending the meeting are listed in Attachment 1. Information handed out at the meeting is in Attachment 2 (ADAMS Accession # ML030800021).

After introductions by Suzanne Black and John Hannon, of the NRC, the group agreed to change the agenda to move items related to manual actions to the first half of the meeting.

The group then discussed items in a letter from NEI, dated February 13, 2003, on recommendations to increase the likelihood that licensees would adopt National Fire Protection Association (NFPA) Standard 805. The recommendations were divided into incentives during the pre-transition period and incentives during the transition and post-transition period.

The pre-transition period recommendations included provisions in the implementing guidance for a straightforward process for approving the transition, a risk-informed analytical process for low power and shutdown operations, guidance for use of fire modeling, and a recommendation that NRC inspection guidance and the process for resolving noncompliance should conform to the risk-informed, performance-based methodology in the new rule. The NRC generally agreed with these recommendations. NEI recommended that the NRC consider a less burdensome method for licensees to adopt methods not in NFPA 805 and that the scope of fundamental elements be broad enough to encompass current fire protection programs. The NRC indicated that the need to adopt other methods via a license amendment was being discussed with the Office of the General Counsel but no changes had been made at this time. The NRC also said that it was unlikely to change the discussion of fundamental elements from Chapter 3 of the standard. NRC emphasized that previously approved attributes for the fundamental elements would, as stated in Section 3.1, continue to be acceptable.

Regarding the recommendations for the transition and post-transition periods, NEI suggested several incentives that would credit the comprehensive reviews conducted by licensees during the transition phase and the monitoring programs established by licensees after implementing the changes. Among the suggestions were:

As has been done for other rules that involve re-baselining a program, the NRC should consider enforcement discretion during the transition period and possibly for one year after the transition is complete. The NRC responded that it is considering asking the Commission to approve enforcement discretion in the final rule proposal.

NRC should consider deferring regional triennial fire inspections during the transition period. Licensees would conduct an NRC-monitored self-assessment one year after the transition is complete followed by an NRC inspection during the three years after the self-assessment. The NRC agreed this was, in principle, a good approach but did not think the triennial inspections performed by the regions could be deferred. Doug Coe, of the NRC, discussed the possibility that a triennial inspection focused on the licensee's comprehensive review might be performed to provide regulatory confidence in the performance of those reviews. The NRC agreed to consider this approach further.

Risk insights should be used as the basis for compensatory measures used by the licensee during the transition. The NRC agreed this was appropriate but cautioned that risk-informed compensatory measures must be used carefully to ensure that they compensate for the actual risk.

A streamlined process should be used for technical issues that involve headquarters and the regional staff. The NRC agreed that this was desirable and that guidance and training for inspectors for NFPA 805 was needed. Headquarters and regional staff should work informally during the transition and post-transition period.

Establish a process to ensure stability in regulatory acceptance of key assumptions underlying the new licensing basis. Regulatory changes should not occur because of technical improvements in tools such as fire models or probabilistic safety analysis reviews. The NRC agreed with this proposal, in general, and that acceptance reviews that make clear the basis for acceptance should help ensure stability.

Implement a regulatory process to resolve emerging issues by applying the nuclear safety performance criteria in NFPA 805. The NRC agreed this was appropriate.

Under the agenda topic of clarifying what was needed for fire-protection closure, NEI provide the staff with an example protocol being used for resolution of steam generator issues. The protocol provided for the identification, tracking and resolution of issues. After a short discussion, the NRC agreed to review it for use in resolution of fire protection issues.

The group next discussed interim inspection guidance for manual actions related to 10 CFR 50, Appendix R, Section III.G.2. To facilitate discussion, the NRC provided copies of the applicable section of inspector guidance IP71111.05 (Attachment 2, ADAMS Accession # ML030800021). NEI commented that the guidance seemed reasonable and discussed several aspects of the guidance with the staff. A notable item was that manual actions deemed by the inspector to meet the criteria in Enclosure 2 of the guidance would be considered green findings. Manual actions found to be a noncompliance must be put into the corrective action program for resolution. The NRC answered several other questions on this issue.



The group next discussed the use of pilot programs to help define the bases for manual action acceptance criteria being developed as part of a rulemaking plan for fire protection. The rulemaking plan is still under review and concurrence but the NRC wanted industries opinion on the use of pilots to help refine the criteria. After lengthy discussion on the purpose that the pilots would serve, NEI agreed to consider the topic and inform the NRC on its decision.

The next topic discussed was what would be considered acceptable compliance for associated circuits in light of new inspector guidance being developed in that area. The NRC discussed that, although the new inspector guidance would have criteria based, in part, on the February 19, 2003 workshop on risk-informing inspector guidance for associated circuits, licensees would still need to comply with their licensing basis. The inspectors would focus on the risk-significant areas and if safety issues were identified, licensees would need to consider taking appropriate corrective actions. Draft inspection criteria was expected to be available within a week.

Chuck Casto, of the NRC, discussed actions that Region II had taken for inspections in the fire protection area. He explained that during the first round of triennial inspections, the region had placed an emphasis on identifying the licensing basis for each facility and had captured the information electronically. This information will be used for the next round of triennial inspections. He said that, during the first round of triennial inspections, the inspectors focused on areas considered most risk significant. The second triennial inspections were expected to focus on areas that were next in risk significance. As a result, findings could be expected to be fewer and lower in significance because the circuits or systems themselves were lower in risk significance. A licensee representative whose facility had been through a second triennial inspection agreed this seemed to be the case. After the meeting, NEI expressed that having a regional presence at the meeting had been very beneficial and suggested that the other regions take turns being present at future meetings.

The NRC provided an overview of the status of an evaluation of results from the first round of triennial inspections. After discussing the content, the NRC said a draft report would be issued to headquarters and regional inspection personnel for review in about a week.

There was a brief discussion on the use of fire watches for non-safety compliance issues. NEI agreed to take an action to better define the problem for the next meeting. NRC agreed to look at how resolution of this issue might be documented and discuss it at the next meeting.

Because the allotted time for the meeting was nearly over, the group agreed to adjourn and postpone the remaining items on the agenda to the next meeting, tentatively scheduled for April 15, 2003.

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**MEETING on FIRE PROTECTION ISSUE MANAGEMENT  
LIST OF ATTENDEES  
March 18, 2003**

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John Hannon	NRR/DSSA/SPLB
Eric Weiss	NRR/DSSA/SPLB
Mark Henry Salley	NRR/DSSA/SPLB
Tanya Mensah	NRR/DSSA/SPLB
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Leon Whitney	NRR/DSSA/SPLB
Joe Birmingham	NRR/DRIP/RPRP
David Diec	NRR/DRIP/RPRP
Peter Wen	NRR/DRIP/RPRP
Steve West	NRR/DRIP/RPRP
Renee Pedersen	NRC/OE
Doug Coe	NRR/IIPB
Charles Casto	NRC/RII
J.S. Hyslop	NRC/RES/PRAB
Marvin Sykes	NRC/NRR/DIPM
Fred Emerson	NEI
Alex Marion	NEI
Doug Brandes	Duke Power
Gary Gates	OPPD
Bijan Nijafi	SAIC/EPRI
Ken Erdman	Fort Calhoun
Patricia Campbell	Winston & Strawn
Sheldon Trubatch	Law Office of S. Trubatch
Nancy Chapman	Serch/Bechtel
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