



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

May 2, 1985

TO ALL OPERATING REACTOR LICENSEES

Gentlemen:

Subject: IMPLEMENTATION OF INTEGRATED SCHEDULES FOR PLANT MODIFICATIONS
(GENERIC LETTER 85-07)

The purpose of this Generic Letter is (1) to describe the staff's intentions with respect to implementing integrated schedules, and (2) to solicit wide-spread industry participation in helping to place the priority for modifications at individual plants so as to permit a well founded integration of implementation efforts. A survey form is enclosed to collect your views, intentions, and concerns regarding an integrated schedule for your plant(s).

On May 3, 1983, the Commission issued Amendment No. 91 to the Duane Arnold Energy Center (DAEC) operating license. This amendment incorporated a license condition which approved Iowa Electric Light and Power Company's "Plan for the Integrated Scheduling of Plant Modification for the Duane Arnold Energy Center." Implementation of this program for DAEC represented the first step toward development of an industry-wide approach to achieve more effective management of NRC-required plant changes and optimum uses of NRC and licensee resources.

Generic Letter 83-20 was issued on May 9, 1983 in the interest of informing the industry of the DAEC amendment and inviting other utilities to participate in similar programs on a voluntary basis. So far, we have received only six applications from the industry, although experience with the DAEC plan has been very favorable. Our experience indicates that a cooperative effort between the NRC and each licensee in scheduling completion dates for NRC-required plant modifications will benefit both the NRC and the licensee in the utilization of their respective resources.

The Nuclear Regulatory Commission's Statement of Policy and Planning Guidance for 1985 states in part:

"An integrated implementation schedule for new and existing requirements reflecting relative priorities should be established for each power reactor licensee."

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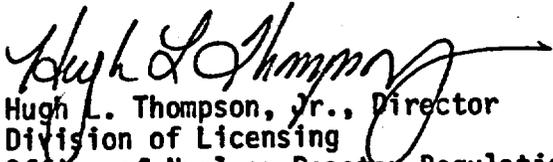
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The NRC is not able to support the effective management of safety-related modifications and optimize the allocation of resources without the full support and cooperation of the individual utility and plant management. To make the transition from our past practice of treating new actions on an ad hoc basis, to a more structured pre-planned approach to management of plant changes we must approach the problem in a spirit of joint cooperation. We stand ready to work with each of you on a voluntary basis to develop plant-specific living schedules for your operating reactors. Our intentions in some of the broad areas of consideration relative to the implementation of integrated schedules are briefly stated in Enclosure 1.

In this regard, we request your views on the Integrated Living Schedule (ILS) concept, and particularly, your intentions for your operating reactors. You may have additional concerns that warrant discussion or alternative approaches that you would want us to consider. Please feel free to contact the assigned NRC Project Manager to request a meeting with our staff to discuss the concept in general or its application on your facility(s) in particular. We would appreciate receiving a response within 60 days that uses the format provided as Enclosure 2 to this letter.

Thank you for your cooperation.

Sincerely,


Hugh L. Thompson, Jr., Director
Division of Licensing
Office of Nuclear Reactor Regulation

Enclosures:
As stated

Summary

In summary, the staff views the development of living schedules at operating reactors to be a worthwhile endeavor that can provide positive benefits to both the industry and the NRC, and with a good-faith joint effort believe that any potential pitfalls can be overcome. We stand ready to work with each of you on a voluntary basis to develop plant-specific living schedules for your operating reactors.

In this regard, we would be interested in your individual views on the Integrated Living Schedule (ILS) concept, and particularly, your intentions with regard to your operating reactors. You may have additional concerns that warrant discussion or alternative approaches that you would want us to consider. Please feel free to request a meeting with our staff to discuss the concept in general or its application on your facility(s) in particular. You are requested to respond using the format in the attachment to this letter.

We would appreciate a reply within 120 days from the date of this letter. This request for information was approved by the Office of Management and Budget under clearance number _____, which expires _____. Comments on burden and duplication may be directed to the Office of Management and Budget, Reports Management, Room 3208, New Executive Office Building, Washington, D. C. 20503.

Thank you for your cooperation.

Sincerely,

Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

*See Previous Concurrence

DL
JHannon:mcs
9/ /84

ORB-2 *
DVassallo
9/ /84

AD/OR *
GLainas
9/ /84

DGE
DGEisenhut
9/ /84

OELD *JKT*
Cunningham
10/2484

ENCLOSURE 1

Formal License Amendment

From the regulatory standpoint, the intent of the formal license condition is to confirm an agreement showing good faith on the part of the licensee and the NRC in assuring satisfactory schedules for implementing necessary plant modifications. These schedules are subject to change for good cause and with prior notification. It is not intended, nor would it be appropriate, for the NRC to become involved in the licensee's financial planning and funding processes for these plant improvements.

Program Implementation

As a minimum, the schedule should include all NRC-initiated plant modifications, whether mandated, (as in a rule, regulation, or order) or committed to by the licensee (originating in a generic letter or IE Bulletin, for example). As part of the licensing review, the project manager will determine that the schedule scope is adequate. The extent to which a licensee wishes to include additional items not directly associated with plant modifications initiated by the NRC, such as region inspection follow-up items or engineering analysis activities, is purely a matter of the licensee's discretion and overall goals for their program.

Licensee-initiated plant changes would only appear on the schedule as necessary to permit an overall understanding as to how they are being integrated with the NRC initiatives. For example, a licensee modification initiative that can be installed independent of ongoing NRC work, required activities would not be expected nor need to appear on the integrated schedule at all. Further, if the

licensee found it necessary to revise a schedule for one of their plant betterment modifications, and the schedule could be revised without impacting the completion date for NRC required activities, prior notification with written follow-up would be unnecessary, even though the item did appear on the integrated schedule. It should be clear that the regulatory intent of the license amendment is to provide assurance that NRC required activities are scheduled and completed at the plant consistent with an optimum utilization of resources under the constraints applicable to the specific licensee.

Regional review of the program implementation would be geared to confirming that the program plan is carried out as approved. The schedule including the completion date may be changed as provided for in the plan. The plan describes the framework for revising the schedule.

Utility-Sponsored Projects

From the regulatory standpoint, one of the fundamental underlying benefits of adopting a preplanned, structured management approach to implementing plant changes is the added assurance that utility sponsored "plant betterment" projects will have an opportunity to be scheduled and completed, along with NRC-initiated activities in the appropriate order of priority. The NRC does not intend to regulate the schedule for implementation of utility-sponsored

projects, but rather to permit an orderly process for such work to be scheduled and performed. It appears that both regulatory and utility interests will be served by the successful integration of these two components, and we plan to make every effort to ensure that the integrated scheduling process is structured so that the inclusion of licensee plant betterment projects will be viewed as a strong incentive rather than an impediment to utility cooperation.

Prioritization Methodology

Although the staff generally uses some form of risk-cost benefit ratio methodology for the prioritization of new issues, we understand that a utility's prioritization of existing requirements will be based on other factors (including safety) that may result in a different perception of relative importance at a specific plant. This is precisely why we have not tried to prescribe a prioritization methodology for plant-specific application. It is here that we feel the utility should be left to its own devices; no one else knows the plant better than the people who operate it. Whatever methodology is best suited to an individual licensee is appropriate and will be considered.

Practical Application

As a result of our close work with Iowa Electric and Power Co. in connection with its integrated schedule plan, we have found it unnecessary to issue Confirmatory Orders for modifications addressed in Supplement 1 to NUREG-0737, including the SPDS, Control Room Design Review, Regulatory Guide 1.97, Emergency Operating Procedures, and Emergency Response Facilities.

ENCLOSURE 2

RESPONSE FORMAT - GENERIC LETTER 85-

PLANT NAME: _____

UTILITY: _____

I. INTENTIONS

- A. Intend to work with the staff to develop an ILS _____
- B. Have reservations that must be resolved before developing ILS _____
- C. Do not presently intend to negotiate an ILS with the staff _____
- D. Plan to implement an informal ILS only _____

II. STATUS

A. If you answered I.A above:

1. Have you settled on a method for prioritizing the work at your plant(s)?

Circle One: Yes No

If yes, select best description:

- Engineering judgement _____
- Analytic Hierarchy process _____
- Risk based analysis _____
- Cost-benefit analysis _____
- Other (please describe) _____

If no, provide estimated date for selecting a methodology: _____
Date

or

If not presently available, provide estimated date for scheduling the selection of a methodology: _____

2. What is your estimated date for making a submittal to the NRC- _____

or

If not presently available, planned date for scheduling a submittal to the NRC _____

B. If you answered I.B above:

1. Please explain your reservations on separate sheet(s) or provide your schedule for supplying an explanation

See separate sheet(s) _____

or

Separate submittal scheduled for _____

(Date)

2. If available to meet with the staff to discuss your concerns, propose a time frame for such a meeting and provide a contact that can make arrangements

Contact/Time Frame _____

Phone Number _____

C. If you answered I.C

1. Would you be willing to meet with the staff to discuss the development of an ILS for your facility(s)?

Circle One: Yes No

If yes, propose a time frame for such a meeting and provide a contact that can make arrangements.

Contact _____

Time Frame _____

Phone Number _____

If no, any constructive comments you have would be appreciated.

III. ADDITIONAL ITEMS

Please make any suggestions you may have as to how a utility sponsored availability/reliability project might be credited for plant safety enhancement. Provide additional constructive comments as appropriate.

LIST OF RECENTLY ISSUED GENERIC LETTERS

<u>GENERIC LETTER NO.</u>	<u>SUBJECT</u>	<u>DATE</u>
84-17	Annual Meeting to Discuss Recent Developments Regarding Operator Training, Qualifications and Examinations	7/3/84
84-18	Filing of Applications for Licenses and Amendments	7/6/84
84-19	Availability of Supplement 1 to NUREG-0933 "A Prioritization of Generic Safety Issues"	8/6/84
84-20	Scheduling Guidance for Licensee Submittals of Reloads that Involve Unreviewed Safety Questions	8/20/84
84-21	Long Term Low Power Operation in PWR's	10/16/84
84-22	Not used	
84-23	Reactor Vessel Water Level Instrumentation in BWRs	10/26/84
84-24	Clarification of Compliance to 10 CFR 50.49 Environmental Qualification of Electrical Equipment Important to Safety for Nuclear Power Plants	12/27/84
85-01	Fire Protection Policy Steering Committee Report	1/9/85
85-02	Staff Recommended Actions Stemming From NRC Integrated Program for the Resolution of Unresolved Safety Issues Regarding Steam Generator Tube Integrity	4/15/85
85-03	Clarification of Equivalent Control Capacity For Standby Liquid Control Systems	1/28/85
85-04	Operator Licensing Examinations	1/29/85
85-05	Inadvertent Boron Dilution Events	1/31/85
85-06	Quality Assurance Guidance for ATWS Equipment that is not Safety-Related	4/16/85
85-07	Implementation of Integrated Schedules for Plant Modifications	5/02/85

, May 2, 1985

- 2 -

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Original Signed by
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