September 5, 2003

Mr. Anthony R. Pietrangelo, Senior Director Risk Regulation Nuclear Generation Nuclear Energy Institute Suite 400 1776 I Street, NW Washington, DC 20006-3708

SUBJECT: NUCLEAR ENERGY INSTITUTE COMMENTS ON THE NRC-PROPOSED

INDUSTRY INITIATING EVENTS INDEX FOR COMMERCIAL POWER

PLANTS

Dear Mr. Pietrangelo:

By letter dated July 3, 2003, you provided comments on the Nuclear Regulatory Commission (NRC) proposed industry initiating events index for commercial power plants. In particular, you commented on the NRC draft report dated March 13, 2003, titled, "Development of an Integrated Industry Initiating Event Indicator." Mr. Tom Houghton of your staff also attended our public workshop on the Industry Trends Program (ITP) which was held here at NRC headquarters on July 30, 2003. This workshop not only presented the ITP, but also focused on NRC efforts to develop the industry events index.

We understand that the Nuclear Energy Institute (NEI) believes, in part, that the concept of the industry events index is appropriate in assessing initiating events. However, you also state that the use of this approach for "assessing industry performance is not appropriate." NEI justifies this position, in part, by stating that (1) it is not clear what the index represents and (2) that the index is not an "actionable measure." Your letter also presents other positions that we need to consider.

I can assure you that we are early in the process of developing this index and we will continue to keep all stakeholders involved in the process. If you have any additional comments, please contact me at (301) 415-3565.

Sincerely,

James W. Andersen, Section Chief Inspection Program Branch Division of Inspection Program Management Office of Nuclear Reactor Regulation Mr. Anthony R. Pietrangelo, Senior Director Risk Regulation Nuclear Generation Nuclear Energy Institute Suite 400 1776 I Street, NW Washington, DC 20006-3708

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Distribution for July 30, 2003, Industry Trends Workshop

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