

September 2, 2003

LICENSEE: STP Nuclear Operating Company

FACILITY: South Texas Project, Unit 1 and Unit 2

SUBJECT: SUMMARY OF HEADQUARTERS AND SOUTH TEXAS PROJECT
NUCLEAR OPERATING COMPANY TELEPHONE CONFERENCE CALL
OF JULY 31, 2003, REGARDING STAFF REVIEW ISSUES WITH THE
SOUTH TEXAS PROJECT PROPOSED RISK-INFORMED INSERVICE
TESTING PROGRAM (TAC NOS. MB8948 AND MB8949)

On July 31, 2003, the U. S. Nuclear Regulatory Commission (NRC) Headquarters staff held a telephone conference call with STP Nuclear Operating Company (STPNOC), the licensee for South Texas Project (STP), Units 1 and 2. Enclosed is a list of participants. The purpose of the telephone conference call was to provide STP with the substantive review concerns that the staff has identified with their Risk-Informed Inservice testing (RI-IST) submittal.

The first major concern relates to the methodology that STP has employed to determine the safety-significance of components within the scope of inservice testing. Based on the information provided in the November 8, 2002, submittal, the staff does not feel that the STP approach conforms with existing staff guidance in Regulatory Guide (RG) 1.174, "An Approach for Using Probabilistic Risk Assessment in Risk-Informed Decisions on Plant-Specific Changes to the Licensing Basis," nor with RG 1.175, "An Approach for Plant-Specific, Risk-Informed Decisionmaking: Inservice Testing." In addition, the STP approach is not consistent with the American Society of Mechanical Engineers Code Case OMN3, "Requirements for Safety Significance Categorization of Components using Risk Insights for Inservice Testing of LWR Power Plants" and the latest Nuclear Energy Institute (NEI) draft (revision C) of NEI 00-04, "10 CFR 50.69 SSC Categorization Guideline." The STP proposed approach is substantially different from what the staff has previously approved, as the staff has endorsed component level categorization, that collectively considers the importance of the applicable component failure modes, but not categorization based on the individual failure mode importance as proposed by STP. Furthermore, the STP RI-IST submittal does not reconcile the different component categorization results arrived at by the exemption expert panel as opposed to the RI-IST expert panel, especially when the component's categorization was not based on the risk analysis.

The second major concern relates to the treatment that will be applied to RI-IST low safety significant components to provide confidence that the components will remain functional throughout the proposed test interval. RG 1.175, the other approved RI-IST pilot plant programs, and the STP special treatment exemption all dictate that the assumption of presumed functionality needs to be substantiated through the conduct of testing that collects data or information that allows evaluation of operating characteristics to support the extended test intervals.

The staff also explained to STP that several other concerns exist with the proposed RI-IST program as communicated via the NRC letter dated May 29, 2003 (ADAMs ML031490352), which would also need to be satisfactorily resolved. The more significant of these concerns were discussed with STP during a telephone conference call on July 2, 2003.

The NRC then outlined that there are 3 paths to move forward on this licensing action: 1) for STP to withdraw the submittal, 2) for STP to make substantive modifications to the submittal to address the staff's concerns, or 3) for STP to request the staff to continue to review the amendment as it currently stands. The NRC informed STP that if option 3 were chosen, this would encounter major difficulties in continued review and would not likely result in the staff finding the proposed RI-IST program acceptable. STP indicated that they would probably desire to hold a meeting with the staff as a next step.

The telephone conference call ended with the STP staff indicating that the RI-IST concerns would be dealt with once the unit had recovered from the bottom mounted instrumentation penetration outage. The STP personnel indicated they would make a decision in the next couple of weeks as to how they intended to respond to the NRC staff's issues.

/RA/

Robert A. Gramm, Chief, Section 1
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Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure: As stated

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JULY 31, 2003

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