

October 28, 2003

MEMORANDUM TO: Catherine Haney, Program 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 MEETING WITH INDUSTRY AND NUCLEAR ENERGY  
INSTITUTE ON INSTRUMENT SETPOINT METHODOLOGY

On October 8, 2003, members of the U.S. Nuclear Regulatory Commission (NRC) met with representatives of industry and the Nuclear Energy Institute (NEI) to discuss staff concerns that margins for instrument setpoints were potentially being reduced because of the use of a non-conservative methodology. A list of those attending the meeting is in Attachment 1, NRC presentation material is in Attachment 2 (ADAMS Accession No. ML032820399), and presentation material used by NEI is in Attachment 3 (ADAMS Accession No. ML032820184). The staff's Statement of Concern for Method 3 of independent safety analysis (ISA) Standard 67.04 Part II, provided after the meeting, is in Attachment 4 (ADAMS Accession No. ML032960002).

Mr. William Beckner, of the NRC, began the meeting by presenting an overview of the concern and stated that the staff was seeking NEI and industry assistance in evaluating the concern before embarking on a regulatory course of action. He said the concern was not directly related to the issue of whether the Allowable Value or the Trip Setpoint is used to represent the Limiting Safety System Settings required to be in technical specifications. That issue had been extensively discussed with industry. He indicated that the current concern involves the adequacy of the setpoint methodology used to determine the values and that the use of a particular methodology could introduce non-conservatism that would be of concern in issues such as amendment requests for large power uprates.

Mr. Alex Marion, of NEI, responded that industry understood that the staff had a concern and that industry wanted to know clearly what the staff's concern with Method 3 in ISA-RP67.04 was. He noted that the attendance of industry at this meeting was an indication of the level of interest of industry. He expressed that industry believed it would be inappropriate for the NRC to hold up approval of license amendment requests that used approved methodologies while the NRC sought a generic resolution of this concern. He said industry hoped to agree with the staff on a resolution strategy that was fair to industry. Mr. Evangelos Marinos, of the NRC, clarified that the recent license amendment request the staff had concerns with was not using an NRC approved methodology. While the staff had prepared an evaluation of its concerns for that request, the evaluation was not issued because the licensee had withdrawn its request. He said that Method 3 is not considered conservative by the staff and that power uprates take away some of the margin in the determination of setpoints.

Mr. Michael Schoppman, of NEI, then presented the information in Attachment 3. He stated that the goal of industry for this meeting was to identify the issue and to establish a resolution process. He discussed the history of technical specifications for instrumentation and the role ISA-S67.04 and Regulatory Guide 1.105 had in the development of those technical specifications. He said industry needed a precise statement of the technical issue that was the NRC's concern. The NRC stated that the issue had been described at the recent meeting of the NRC with the Instrumentation, Systems, and Automation Society but agreed that the NRC should provide industry with a written statement of the issue. The staff said it would provide a written statement to industry in a month or less.

Jerry Burford, of Entergy, observed that the staff had, in the past, approved license amendment requests, that were consistent with the plant's licensing basis, while a resolution of a concern was developed noting that the resolution of the concern could require a change to the license amendment. The NRC asked industry for examples and industry agreed to provide examples in about two weeks. The NRC also asked that industry provide an outline of the potential impacts of the staff's concern. Industry stated that it was working towards developing this.

In summary, industry said it needed a clear statement of the technical issue and NRC agreed to provide a writeup of the issue to industry. Industry agreed to provide NRC examples of license amendment requests where the request was not held up pending resolution of a potential generic concern. Industry and the NRC agreed that it would be most effective to work together to achieve a resolution of the issue.

Project No. 689

Attachments: As stated

cc: Alex Marion, am@nei.org

**List of Attendees for October 8, 2003 Meeting on Setpoint Issues**

<b>Name</b>	<b>Organization</b>
Mike Schoppman	NEI
Bill Sotos	STPNOC
Alex Marion	NEI
Jim Andrachek	Westinghouse
Jack Stringfellow	Southern Nuclear Corp.
Jerry Burford	EOI
Don Woodlan	STARS
Wesley Frewin	NPPD
Brian Rogers	NMC/PINGP
Tim Hurst	HTC
Jim DeVincentis	ENERGY
Tom Fleischer	ENERGY
Terry Simpkin	EXELON
Pete Kokolakis	ENERGY
Bob Fredricksen	EXELON
Michael Eidson	Southern Nuclear
Donald Hoffman	EXCEL/TSTF
Mike Hoskins	AEP
Jerry L. Mauck	FANP
Rob Garver	DOMINION
Don McGrath	DOMINION
Jerry Voss	EXCEL
Harold Stiles	Progress Energy
Tom Hokemeter	Progress Energy
Jim McQuighan	CONSTELLATION
Rick Tuley	WESTINGHOUSE
Dave Dvorak	CONSTELLATION
Ray DiSandro	EXELON
Patricia L. Campbell	WINSTON & STRAWN
Deann Raleigh	LIS, Scientech
Altheia Wyche	SERCH/Bechtel
William Beckner	NRC/DRIP/IROB
Carl Schulten	NRC/DRIP/IROB
Hukam Garg	NRC/DE/EEIB
Evangelos Marinos	NRC/DE/EEIB
Paul Rebstock	NRC/DE/EEIB
Garry Armstrong Jr.	NRC/NRR
Med El-Zeftawy	NRC/ACRS
Cliff Doutt	NRC/DSSA/SPSB
Robert Clark	NRC/DLPM/
Joe Birmingham	NRC/DRIP/RPRP
*Ron Calvert	
*Jim Richardson	
*via telecon	

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 cc: Alex Marion, [am@nei.org](mailto:am@nei.org)

Distribution:  
 See the attached list

**Accession Number: ML033030193**

\* See previous concurrence

OFFICE	RPRP	SC:EEIB	BC:IROB	SC:RPRP
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DATE	10/16/2003	10/20/2003	10/23/03	10/28/2003

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