

February 20, 2004

Mr. Alex Marion  
Nuclear Energy Institute  
1776 I Street, NW  
Suite 400  
Washington, DC 20006-3708

Dear Mr. Marion:

The Nuclear Regulatory Commission (NRC) staff would like to thank you for your letter dated December 5, 2003, "SA S67.04 Method for Determining Trip Setpoints and Allowable Values for Safety-Related Instrumentation," that provides the industry's perspective on the regulatory requirements and technical bases associated with the trip setpoint and allowable value determination process. The NRC staff will consider your views as part of its ongoing review of the regulatory and technical concerns associated with the process of determining instrumentation setpoints.

For your information, the NRC staff has concluded that the use of Method 3, as described in ISA 67.04 Part II, "Setpoints for Nuclear Safety-Related Instrumentation Used in Nuclear Power Plants," does not raise significant generic concerns that would prevent the issuance of the amendments currently under review by the staff. The NRC staff is continuing the review of those licensing actions and expects to complete its findings on the plant-specific issues in a timely manner.

While the NRC staff proceeds with the review of the current licensing actions, longer term actions to resolve its programmatic and technical concerns with Method 3 will be addressed in an action plan. The NRC staff plans to address this issue with the Nuclear Energy Institute, the Instrument Society of America, and other interested stakeholders to develop a long-term resolution. The NRC staff will address any specific comments we have regarding the technical issues covered in your December 5, 2003, letter as part of that effort.

We look forward to further discussions with you, including understanding potential impacts of the concern. Please contact Christopher Gratton of my staff at (301) 415-1055 or e-mail [cxg1@nrc.gov](mailto:cxg1@nrc.gov) if you have any questions or need further information.

Sincerely,

**/RA/**

Eric J. Leeds, Deputy Director  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

cc: Mike Schoppman, NEI (mas@nei.org)

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Sincerely,

/RA/

Eric J. Leeds, Deputy Director  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

cc: Mike Schoppman, NEI (mas@nei.org)

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\*See previous concurrence

\*\*No Legal Objection, w/comments

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