

June 1, 2006

Mr. Kenneth R. Balkey
Vice President
Nuclear Codes and Standards
American Society of Mechanical Engineers
Three Park Avenue
New York, NY 10016-5990

SUBJECT: American Society of Mechanical Engineers (ASME) Actions on Limitations in The Codes and Standards Rule and Regulatory Guide 1.147 Regarding the ASME Code and Code Cases

Dear Mr. Balkey:

By letter dated April 24, 2006, you informed the Nuclear Regulatory Commission (NRC) of an initiative undertaken by the American Society of Mechanical Engineers (ASME) Subcommittee on Nuclear Inservice Inspection to address NRC limitations on the use of Section XI of the ASME Boiler and Pressure Vessel Code and Code Cases defined during the regulatory endorsement process. This activity was initiated, in part, as a result of concerns expressed by nuclear industry stakeholders, including utility personnel and ASME members, regarding the number of limitations included in Title 10, Code of Federal Regulations, Part 50.55a (10 CFR 50.55a) and Regulatory Guide (RG) 1.147. The ASME letter was appropriately addressed to both the Office of Nuclear Reactor Regulation (NRR) and Office of Nuclear Regulatory Research (RES). This letter represents a coordinated NRC staff response to your letter from both NRR and RES.

The ASME initiative established a process of assigning the responsible ASME Working Group to review and evaluate each limitation. The ASME Working Group then either initiated an action to incorporate the relevant aspects of the NRC limitation or provided a justification as to why the NRC limitation will not be incorporated into the Code or Code Case. The NRC staff appreciates this ASME initiative and believes that this should result in more effective regulations and reduced regulatory burden. Because of improved communications during formulation of recent Code editions and addenda and Code Cases, the NRC staff has been able to reduce the number of limitations in recent endorsements.

The NRC staff is in the process of performing a detailed review of the attachments to the April 24, 2006, ASME letter to confirm that the Code changes address the NRC limitations. The staff will rely on the information in Table 1 of the ASME letter to assist in preparing future updates to 10 CFR 50.55a. Updates to the rule implicitly indicate when a limitation does not apply to the use of particular editions or addenda. However, the staff notes that if we agree with subsequent editions and addenda without limitations, the limitations associated with prior editions or addenda identified in the ASME letter will remain in 10 CFR 50.55a for some time. This is because licensees' code of record for each 10-year inservice inspection interval is based on a specific edition or addenda of the ASME Code, Section XI. Each of the limitations identified in Table 1 to the ASME letter is imposed in connection with specific editions and

addenda of the ASME Code. Therefore, the limitations cannot be removed from the rule until all plants are using subsequent editions or addenda that encompass these limitations.

Table 2 of the ASME letter addresses NRC limitations on certain Code Cases that are conditionally approved in RG 1.147. The NRC staff is reviewing the information provided in Table 2 for each Code Case and will rely on this table in future revisions of RG 1.147 to remove limitations on revised code cases, as appropriate. RG 1.147, Draft Revision 15, has been finalized and will be noticed for public comment in the next few months. Thus, any changes to the limitations on Code Cases deemed appropriate relative to Table 2 will be addressed in Revision 16 to the guide. We plan to begin developing Draft Revision 16 shortly after Draft Revision 15 has been noticed for public comment.

Attachment 3 to the letter contains Section XI's justification for a request that NRC remove limitations on Section XI, IWB-1220, and on the use of Code Cases N-554-2 and N-567-1. The NRC staff is reviewing the basis provided for removing the limitations and will provide a response in a followup NRC letter. As appropriate, any changes to the limitations on the use of Code Cases N-554-2 or N-567-1 would be addressed in Revision 16 to RG 1.147.

If you have any questions, please contact Edmund J. Sullivan of my staff at 301-415-2796 or Wallace Norris from RES at 301-415-6796.

Sincerely,

/RA/

John A. Grobe, Director
Division of Component Integrity
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission

CC: K Ennis, ASME
R Porco, ASME
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G Park, ASME
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John A. Grobe, Director
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