

VIRGINIA ELECTRIC AND POWER COMPANY  
RICHMOND, VIRGINIA 23261

10 CFR 50.69

June 12, 2006

United States Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, D.C. 20555

Serial No. 06-462  
NL&OS/GDM R1  
Docket Nos. 50-280  
50-281  
License Nos. DPR-32  
DPR-37

**VIRGINIA ELECTRIC AND POWER COMPANY**  
**SURRY POWER STATION UNITS 1 AND 2**  
**WITHDRAWAL AS PILOT PLANT FOR IMPLEMENTATION OF 10 CFR 50.69**

In letters dated January 21, 2004 (Serial No. 04-006), November 15, 2004 (Serial No. 04-006A) and January 28, 2005 (Serial No. 05-028), Virginia Electric and Power Company (Dominion) noted its intent to submit, as a pilot application, a license amendment request to implement 10 CFR 50.69, "Risk-Informed categorization and treatment of structures, systems, and components for nuclear power reactors," for Surry Power Station Units 1 and 2. The proposed license amendment would create a new license condition to permit reclassification of safety related and non-safety related structures, systems, and components (SSCs) on a system basis according to the risk-informed safety categories (RISC) defined in 10 CFR 50.69. The system reclassification was to be performed using the guidance provided in Regulatory Guide (RG) 1.201, *Guidelines for Categorizing Structures, Systems and Components in Nuclear Power Plants According to Their Safety Significance*.

However, since Dominion's original decision to submit a pilot license amendment request, several conditions have changed such that we have reconsidered our earlier position and have decided to withdraw Surry as a pilot plant application in support of implementation of 10 CFR 50.69. Dominion's decision is based on continuing regulatory uncertainty associated with the development effort for the pilot plant application, as well as competing demands for Probabilistic Risk Assessment (PRA) resources within Dominion. These demands include day-to-day plant support efforts and the actions required to meet the NRC's schedule for PRA quality enhancements as discussed in SECY-04-0118.

The following activity specific factors also influenced Dominion's decision to withdraw from the pilot application effort:

- Significant regulatory uncertainty remains regarding the acceptable method for implementing 10 CFR 50.69 (e.g., NRC staff has not endorsed the ASME N-660 Code Case revisions recommended by the industry for passive classification,

whereas the original ASME N-660 Code Case endorsed by the NRC is subject to differing NRC/industry interpretations of the Code requirements; RG 1.201 has been issued for trial use only which could ultimately lead to licensee rework and commensurate cost increases due to subsequent NRC revision of the regulatory guidance),

- The benefit associated with the implementation of 10 CFR 50.69 does not appear to be commensurate with the effort until full scope PRA models are available and considered acceptable by the NRC, and finally,
- The willingness of the NRC to allow application of 10 CFR 50.69 to safety related systems not modeled in the PRA (i.e., systems of low or no risk significance to core damage or large early release) remains in question and consequently precludes any benefits that could be realized from the reclassification of components in these systems.

Therefore, based on the considerations and concerns identified above, Dominion hereby withdraws Surry Power Station as the pilot plant application for implementation of RG 1.201 in support of implementation of 10 CFR 50.69.

If you have any questions or require further information, please contact Mr. Gary D. Miller at (804) 273-2771.

Very truly yours,



E. S. Grecheck  
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Commitments included in this correspondence: None

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