

October 6, 2006

MEMORANDUM TO: Stacey L. Rosenberg, Chief  
Special Projects Branch  
Division of Policy and Rulemaking  
Office of Nuclear Reactor Regulation

FROM: Michelle C. Honcharik, Project Manager **/RA/**  
Special Projects Branch  
Division of Policy and Rulemaking  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF AUGUST 16, 2006, OPEN MEETING WITH THE  
NUCLEAR ENERGY INSTITUTE (NEI) TO DISCUSS INDUSTRY  
CONCERNS WITH TREATMENT OF OPERATIONAL LEAKAGE,  
REGULATORY ISSUE SUMMARY 2005-20 (TAC NO. MD2300)

On August 16, 2006, a Category 2 public meeting was held between the U.S. Nuclear Regulatory Commission (NRC) and representatives of the NEI at NRC Headquarters, One White Flint North, 11555 Rockville Pike, Rockville, Maryland. The purpose of the meeting was to discuss industry concerns with the definition of component operability in Regulatory Issue Summary (RIS) 2005-20, "Revision to Guidance Formerly Contained in NRC Generic Letter 91-18, 'Information to Licensees Regarding Two NRC Inspection Manual Sections on Resolution of Degraded and Nonconforming Conditions and on Operability'." These concerns were delineated in an NEI White Paper dated May 2, 2006 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML061320347). A list of attendees is enclosed.

The NRC staff met with NEI representatives and several nuclear utilities to discuss industry concerns with NRC guidance regarding operational leakage. The NRC staff noted that the NEI White Paper will be helpful in addressing this issue. The NRC staff indicated that it wants to provide guidance that would not lead to unnecessary plant shutdowns. The NRC staff stated that the purpose of the meeting with the NEI is to discuss industry's concerns with the current guidance and a proposal from the NRC for modifying its guidance on operational leakage from American Society of Mechanical Engineers (ASME) Code Class 2 and 3 piping systems. The NRC staff stated that this meeting would be conceptual and future meetings will be held to discuss the concerns in further detail.

The NEI stated that the industry is interested in safe operation of facilities, particularly in the event of pressure boundary leakage from an ASME Code Class 2 or 3 piping system. The NEI indicated that the primary concern that industry has with the guidance issued in RIS 2005-20 is with the default definition of inoperability contained in Appendices C.11 and C.12. The NEI indicated that in order to appropriately deal with operational leakage, certain process improvements are needed that will involve: technical specification requirements, Inspection Manual 9900 technical guidance, consultation with the ASME, and an appropriate regulatory footprint. The NEI also expressed interest in working with the NRC to develop an efficient and

effective process for evaluating leakage from ASME Code Class 2 and 3 piping systems. The NEI's handout is available in ADAMS as Accession No. ML062480092.

The NRC staff discussed its understanding of the principal issues and a proposal for addressing the concerns. The NRC expressed its view that the principal concerns of industry are the default definition of inoperability contained in RIS 2005-20, Appendices C.11 and C.12, and the characterization of certain ASME Code requirements in these appendices. The NRC staff agreed that increased flexibility is needed in the operability determination for leaking ASME Code Class 2 and 3 components. In these cases an immediate initial determination should be followed by a prompt determination. With respect to the prompt determination, the NRC staff proposed that revised guidance would contain a specific time frame for flaw geometry characterization by non-destructive examination and for the engineering analysis. The specific time frame would be based on the safety significance of the leaking train but would be no longer than a reasonable time frame in which these actions can be completed. The NRC staff noted that the guidance should indicate that utilities will provide the NRC with the methodology for engineering analysis, if approved ASME Code methods are not used. The NRC staff's handout is available in ADAMS as Accession No. ML062480090.

The NRC staff will evaluate the NEI suggestions for characterization of ASME Code requirements in RIS 2005-20, Appendices C.11 and C.12.

The industry participants stated that they will provide input to the NRC for revising the guidance process prior to the next meeting.

Members of the public were in attendance. Public Meeting Feedback forms were not received.

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Enclosure: List of Attendees

cc w/encl: See next page

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**NRC-001**

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DATE	10/5/06	10/6/06	9/20/06	10/6/06	10/6/06	10/5/06

**Public Meeting with Nuclear Energy Institute (NEI)**

**Discussion of Industry Concerns with Regulatory Issue Summary 2005-20**

**August 16, 2006**

**Meeting Attendees**

<b>NAME</b>	<b>ORGANIZATION</b>
Michelle Honcharik	NRC
Jack Grobe	NRC
Steve Lewis	Entergy
Joseph Weicks	Entergy
Jack Roe	NEI
Mike Schoppman	NEI
Bill Pearyhouse	Progress Energy
D. Bryan Miller	Progress Energy
Gordon Clefton	NEI
Guy Davant	Entergy
John Dosa	Constellation
Keith Hoffman	Constellation
D. Rick Graham	Southern Nuclear
Kim Gruss	NRC
John Tsao	NRC
Nancy Chapman	SERCH/Bechtel
Carl Schulten	NRC
Terence Chan	NRC
Tim Lupold	NRC
Ted Sullivan	NRC
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ENCLOSURE

Nuclear Energy Institute

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