



**Biff Bradley**  
DIRECTOR  
RISK ASSESSMENT  
NUCLEAR GENERATION DIVISION

November 18, 2011

Mr. Frederick D. Brown  
Director, Division of Inspection & Regional Support  
Office of Nuclear Regulatory Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

**Subject:** Supplementary Information Related to 10 CFR 50.69

**Project Number: 689**

Dear Mr. Brown:

NEI's May 2, 2011 letter to NRC provided comments on NRC Draft Inspection Procedure 37060, "10 CFR 50.69 Risk-Informed Categorization and Treatment of Structures, Systems, and Components Inspection." Our fundamental comments were as follows:

- 1) 10 CFR 50.69 is a risk-informed, performance-based rule. We would note that the draft inspection procedure emphasizes programmatic considerations, primarily relative to the treatment of low safety significant components. We would suggest the procedure be revised to de-emphasize the programmatic considerations for RISC-3 (low safety significant) treatment and to emphasize considerations for RISC-1 and RISC-2 equipment, which is safety-significant. It should be noted that the Commission made a deliberate decision not to create a Regulatory Guide for RISC-3 treatment under 10 CFR 50.69. In effect, the draft inspection procedure appears to create regulatory guidance for RISC-3 treatment and in so doing, goes beyond the rule language and includes words such as "must," reflecting "requirements" that do not exist in the rule. Requirements cannot be established through inspection procedures.

- 2) NRC's risk-informed regulatory approach is based on the concept that regulatory resources should be applied commensurate with safety significance, and it is not clear this draft procedure follows that approach. Since all potential findings would be evaluated under the significance determination process, the draft procedures approach of targeting of RISC-3 treatment for inspection would likely lead to insignificant findings that are incongruent with the inspection resources implied in the approach. These resources would be better used evaluating more safety-significant equipment.

The final inspection procedure was issued in September, and is substantially unchanged from the draft. Given the fundamental nature of our concerns, as well as other stakeholders that made similar comments on the draft procedure, we believe this inspection procedure merits further consideration, as in its current form it will dissuade implementation of 10 CFR 50.69, and create regulatory uncertainty. This rule provides for safety enhancements and development of broad scope PRAs, and it is unfortunate that many years after issuance we are still struggling to move forward with implementation.

We would welcome the opportunity to have further public dialogue in this regard. It is clear that some NRC staff maintain misperceptions regarding industry's commitment and ability to address treatment of low risk significant structures, systems and components (SSCs). In order to better facilitate NRC's understanding, this letter attaches three guidance documents developed by EPRI to support RISC-3 treatment. The attachments are as follows:

1. 10CFR50.69 Implementation Guidance for Treatment of Structures, Systems, and Components  
EPRI Report Number 1011234  
Final Report, January 2006
2. Guidance for Accident Function Assessment for RISC-3 Applications  
Alternate Treatment to Environmental Qualification for RISC-3 Applications  
EPRI Report Number 1009748  
Final Report, October 2005
3. RISC-3 Seismic Assessment Guidelines  
EPRI Report Number 1009669  
Technical Report, December 2004

Industry, through EPRI, undertook a substantial effort to develop treatment guidance for RISC-3 SSCs as the final rule was being developed and issued. We believe these reports are of high quality and demonstrate industry's resolve to provide reasonable confidence of RISC-3 SSC performance, as required by the rule. We are hopeful these reports would help establish better understanding and reconsideration of the current inspection approach. These documents are submitted for NRC's information and no formal review is requested, but we would be happy to discuss these documents further and address questions during a public interaction.

Mr. Frederick D. Brown  
November 18, 2011  
Page 3

We appreciate your consideration of this matter. If you have any questions or require additional information, please contact me at 202.739.8083; [reb@nei.org](mailto:reb@nei.org).

Sincerely,

A handwritten signature in black ink that reads "Biff" followed by a stylized, looping flourish.

Biff Bradley

Attachments

c: Mr. Donald G. Harrison, NRR/DRA/APLA, NRC