

October 26, 1977

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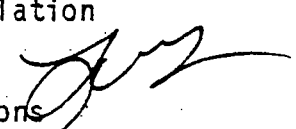
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UNITED STATES  
NUCLEAR REGULATORY COMMISSION SECY-77-561

**POLICY SESSION ITEM**

FOR: The Commissioners

FROM: Edson G. Case, Acting Director  
Office of Nuclear Reactor Regulation

THRU: Lee V. Gossick  
Executive Director for Operations 

SUBJECT: SYSTEMATIC EVALUATION OF OPERATING REACTORS -  
PHASES I AND II

PURPOSE: To review with the Commission Phase I of the Systematic Evaluation Program and obtain approval to proceed with Phase II of the program; that is, plant-specific review of the first group of plants.

ISSUE: Implementation of the Systematic Evaluation Program (SEP), which consists of an evaluation of older operating nuclear reactors to determine the degree to which they meet current licensing requirements, development of an overall balanced position concerning any needed back-fitting of these facilities and the documentation of results of such evaluations.

DISCUSSION: The Office of Nuclear Reactor Regulation (NRR) staff has completed Phase I of the SEP. This paper has been prepared in response to guidance from the Commission<sup>1/</sup> which requested the staff to specifically address seven questions prior to proceeding with any plant-specific review.

<sup>1/</sup> Memorandum from Samuel Chilk to Lee V. Gossick (SECY 76-545), "Commission Guidance on NRR Systematic Evaluation Program for Operating Reactors (Policy Session Item), January 27, 1977.

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In March 1977, NRR established a Systematic Evaluation Program Review Group within the Division of Operating Reactors, which reports to the Assistant Director for Operational Technology and which consists of seven full-time NRR professionals, one I&E professional, a Group Leader and a Secretary. The primary responsibilities of this Review Group during Phase I of the SEP were to develop a list of topics to be used as the basis for performing systematic evaluations of operating reactors and to prepare responses to the Commission questions.

The original Phase II program as outlined in SECY 76-545 recommended the review of the eight plants for which operating licenses had been issued prior to 1969. Because of the uncertainty associated with the future operation of Indian Point Unit No. 1 and Humboldt Bay Unit No. 3, the staff proposes to defer the review of these two facilities until more definitive plans regarding their future operation are developed by the licensees. By itself, this proposal would reduce the number of plants scheduled for review during Phase II of the SEP to six. We propose, however, that an additional five facilities presently operating under Provisional Operating Licenses (POLs) be added to Phase II of the SEP. Such an action, which would bring the number of plants reviewed under Phase II to eleven would more efficiently accomplish the POL to Full Term Operating License (FTOL) conversions. A Commission Information Paper, "The Conversion of Provisional Operating Licenses To Full Term Licenses" dated October 14, 1977, describes the status of and need for converting the remaining POLs to FTOLs. For ease of reference, a copy of the Information Paper is provided as Enclosure 2.

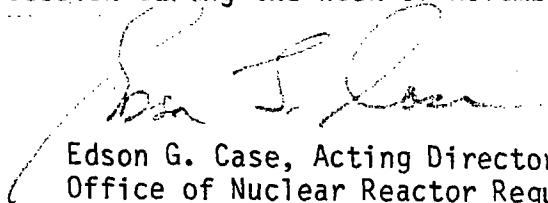
The attached Discussion Paper is based on the assumption that Phase II of the SEP would involve review of eleven plants, consisting of six of the eight oldest plants plus the five remaining nuclear power plants with POL's.

RECOMMENDATION:

That the Commission approve continuation of the program plan as originally outlined in the paper, SECY-76-545, with Phase II of the program revised to include eleven plants.

COORDINATION: The Office of Inspection and Enforcement, Office of Nuclear Reactor Research, and Office of Standards Development concur, and the Office of the Executive Legal Director has no legal objections.

SCHEDULING: At an open Policy Session during the Week of November 7, 1977.

  
Edson G. Case, Acting Director  
Office of Nuclear Reactor Regulation

Enclosures: *in 2.*

1. Discussion Paper  
(w/Attachments 1, 2 and 3)
2. Commission Information  
Paper dated 10/14/77

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