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8/7/79

Docket No. 50-206

Mr. James H. Drake  
Vice President  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Post Office Box 800  
Rosemead, California 91770

AUG 07 1979

Dear Mr. Drake:

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION REGARDING IE BULLETINS 79-06A  
AND 79-06A, REVISION 1

We have reviewed the responses to IE Bulletins 79-06A and 79-06A, Revision 1 for the San Onofre Unit 1 facility in your letters dated April 19, May 3, May 23, and June 25, 1979. Our review of your responses has led us to believe that you have a general understanding of our concerns arising from the TMI-2 incident in relation to their implications to the operation of San Onofre, Unit 1. Nevertheless, we have discovered some deficiencies in your responses which must be resolved before we issue our safety evaluation for San Onofre, Unit 1. The resolution of these deficiencies is contingent upon receiving complete and acceptable responses to the questions in Enclosure 1.

As a result of our continuing review of the TMI-2 incident, we may impose other corrective actions in addition to those in IE Bulletins 79-06A and 79-06A, Revision 1. In the interim, if you need any clarification of the enclosed questions, please contact P. D. O'Reilly (301-492-7745), the staff's assigned project manager for Bulletins and Orders involving Westinghouse designed reactors.

Your responses are requested within two weeks from your receipt of this letter.

Sincerely,

"Original signed by  
Richard D. Silver"

REGULATORY DOCKET FILE COPY

Dennis L. Ziemann, Chief  
Operating Reactors Branch #2  
Division of Operating Reactors

ccf

Enclosure:  
Request for Additional  
Information

7908300780

App<sup>3</sup>

OFFICE > enclosure: See next page	DOR:ORB.#2 ABurger:ah	DFM:SB CHeltemees	DOR:ORB.#2 DLZiemann
SURNAME >	8/2/79	8/3/79	8/7/79
DATE >			

Mr. James H. Drake

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AUG 07 1979

CC w/enclosure:  
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Rosemead, California 91770

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San Clemente, California 92672

Mission Viejo Branch Library  
24851 Chrisanta Drive  
Mission Viejo, California 92676

REQUEST FOR ADDITIONAL INFORMATION AS A RESULT OF STAFF REVIEW OF  
RESPONSES TO BULLETINS 79-06A AND 79-06A (REVISION 1)

SAN ONOFRE, UNIT 1

DOCKET NO. 50-206

The requests below are numbered to correspond to the Bulletin action items.

8. Your discussion of this action item appears to indicate that you find it unnecessary to require scheduled periodic inspections for verifying proper positions of certain safety related valves. Our position on this matter is that all safety related valves should be inspected to the extent practical, to verify proper position; a schedule for performing the position verification for all safety related valves should be provided; this valve position surveillance should be performed on a periodic basis.

Please clarify your response on this action item in conformance with our above stated position.

10. Please submit the results of your review of your maintenance and test procedures and identify the modifications you have made in the procedures to assure the operability of redundant safety related systems prior to the removal of any safety related system from service and verification of the operability of all safety related systems when they are returned to service following maintenance or testing.
12. Confirm that you have completed your review and subsequent revision to your operating procedures to provide appropriate action for the control of hydrogen gas that may be generated during a transient or other accident that would either remain inside the primary coolant system or be released to the containment.



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

July 12, 1979

DOCKET NOS. 50-206/361/362

Southern California Edison Company  
ATTN: Mr. James H. Drake  
Vice President  
2244 Walnut Grove Avenue  
P.O. Box 800  
Rosemead, California 91770

Gentlemen:

On February 28, 1978, we provided your company a copy of a revision to 10 CFR Part 170 (Fees for Facilities and Materials Licenses and Other Regulatory Services...) of the Commission's regulations that became effective on March 23, 1978. In our letter to you, we discussed a number of changes relating to fees for nuclear power facilities and other activities. Experience since the implementation of the revised rule has shown the desirability of providing further guidance concerning the assessment of fees. Accordingly, we are providing you with the enclosed document entitled "Guidance for Assessing the Proper License Fee - License Amendments and Approvals".

This document was prepared by staff of the Office of Nuclear Reactor Regulation, the Office of the Executive Legal Director, and the License Fee Management Branch for the use of the licensing staff, but we also believe it can be of use to you in determining the appropriate fee to be submitted to NRC. It is not, however, to be used as a substitute for the regulation itself. If we can be of assistance to you, please contact us.

Sincerely,

*W.O. Miller*

William O. Miller, Chief  
License Fee Management Branch  
Office of Administration

Enclosure:  
Guidance

MAY 24 1979

## GUIDANCE FOR ASSESSING THE PROPER LICENSING FEE

### LICENSE AMENDMENTS AND APPROVALS

On February 21, 1978, the U. S. Nuclear Regulatory Commission published in the FEDERAL REGISTER (43 F.R. 7210-7227) final notification concerning amendments to its regulations in 10 CFR Part 170 which revise its schedule of fees for facilities and materials applications and licenses. It includes those licensed pursuant to 10 CFR 50 and in part establishes for the first time fees for providing services such as processing and issuing license amendments, and evaluating and/or approving reports, plans or other items. Published regulations determine whether or not a charge may be imposed for a particular service and what the maximum fee may be. In keeping with the sense of Congress expressed in the Independent Offices Appropriation Act of 1952 that agency activities performed on behalf of persons the agency serves "shall be self-sustaining to the full extent possible," the Commission is generally obliged to impose the fees allowed by these guidelines where it is fair and equitable to do so. Any fair fee structure must accord equal treatment to similarly situated recipients of agency services. Because of the newness of the rule it is desirable for the NRC to develop positions and guidance for the staff to use in assessing the proper fee. This document amplifies the words of regulation and will be useful in assessing the more frequent types of requests for license amendments and approvals. In this guidance "license amendment", "approval", and "request" may be used interchangeably.

For license amendment fee purposes, there are six classes of requests, ranging from the simplest to the most complex. These different classes were established to permit a reasonable fixed fee to be paid in advance of NRC staff review. The fixed fee for each class is an average for all requests in that class; the review effort may be more or less than the average but generally is consistent with that of 170.22. A copy of the fee schedule (9170.22) is provided as Enclosure 1. Note that the fee schedule contains a definition of each class of request.

The definitions for the six classes have been expanded to amplify and clarify the intent, and to provide specific examples in each class. The expanded definitions are consistent with those of the regulations and may be found in Enclosure 2. These definitions should be useful in assessing the proper class for most requests. Even with the expanded definitions, additional guidance and rationale may, on occasion, be useful for evaluating deletions of license conditions, reload submittals, various plans or reports, or letters discussing prior commitments. Discussions dealing with these items may be found in Enclosures 3 through 8.

All licensee requests received by NRC on or after March 23, 1978, are subject to a fee and, therefore, should be accompanied by the proper fee; those requests received before that date are exempt from fees. Requests must be complete and acceptable, to the extent that the request describes what is to be reviewed and approved and that NRR can perform a meaningful review, or they may be rejected. Requests that are rejected do not have the fee refunded.

Occasionally NRC will, at its convenience, divide the request into two or more actions, perhaps to simplify the overall review or to enable a portion of the request to be approved without waiting for approval of the entire request. When this occurs, the initial approval letter is considered to be part of the final action and, therefore, not subject to a separate or additional fee. This approval letter should state that another NRR action is necessary (and identify it if possible) before the NRR review of the licensee request is complete.

**SCHEDULE OF AMENDMENT FEES FOR REACTOR FACILITY PERMITS,  
LICENSES, AND OTHER APPROVALS  
REQUIRED BY THE LICENSE OR COMMISSION REGULATIONS**

Class of Amendment <sup>1/</sup>	Fee <sup>2/</sup>	
	Power Reactors	Test and Research Reactors
<u>Class I:</u> Amendments that are a duplicate of an amendment for a second essentially identical unit at the same site, where both proposed amendments are received, processed, and issued at the same time.	\$ 400	\$ -
<u>Class II:</u> Amendments that are pro forma, administrative in nature, or have no safety or environmental significance.	\$ 1,200	\$ 600
<u>Class III:</u> Amendments, exemptions, or required approvals that involve a single environmental, safety, or other issue, have acceptability for the issue clearly identified by an NRC position, or are deemed not to involve a significant hazards consideration.	\$ 4,000	\$ 2,000
<u>Class IV:</u> Amendments, exemptions, or required approvals that involve a complex issue or more than one environmental, safety, or other issue, or several changes of the Class III type incorporated into the proposed amendment, or involve a significant hazards consideration, or require an extensive environmental impact appraisal, or result from dismantling or license termination orders.	\$12,300	\$ 6,000
<u>Class V:</u> Amendments, exemptions, or required approvals that require evaluation of several complex issues, or involve review by the ACRS, or require an environmental impact statement.	\$25,800	\$12,000
<u>Class VI:</u> Amendments, exemptions, or required approvals that require evaluation of a new Safety Analysis Report and rewrite of the facility license (including technical specifications), such as may be required for a license renewal.	\$45,900	\$20,000

footnotes:

1. At the time the application is filed, the licensee or applicant shall provide a proposed determination of amendment class and state the basis therefor as part of the amendment or modification request and shall remit the fee corresponding to this determination. The Commission will evaluate the proposed amendment class determination and inform the licensee or applicant if reclassification is required. Reclassification that changes the class of amendment will result in the refund of over-charges to the licensee or applicant or billing the licensee or applicant for additional fees.
2. License amendments or approvals resulting from Commission Orders issued pursuant to 10 CFR § 2.204, and amendments resulting in an initial increase in power to 100 percent of the initial design power level are not subject to these fees, except as provided in Footnote 1 to §170.21. Class I, II, or III amendments which result from a written Commission request for the application may be exempt from fees when the amendment is to simplify or clarify license or technical specifications; the amendment has only minor safety significance, and is issued for the convenience of the Commission.



FURTHER DESCRIPTION AND EXAMPLES OF FEE CLASSES

<u>Fee Class</u>	<u>Description and Examples</u>
Class I Amendments	<p>This class covers and is limited to those changes that are duplicates of a change in one of the other classes. Changes in this class involve one or more units at the same site that are essentially identical, or are known to be so similar that an action taken on behalf of one could be utilized by the others with minimal staff review. This is true regardless of the number of units involved or the complexity of the base technical effort. Examples of such facilities are Turkey Point 3 and 4, Dresden 2 and 3 and Oconee 1, 2 and 3. In addition, duplicate actions involving plans or programs or common technical specifications, which are applicable to a site (hence possibly to more than one unit) could be within Class I. For example, Millstone 1 and 2 are clearly not identical units, but if a plan, such as a security plan which applies to the Station, were submitted for review on either Millstone docket, the amendment could be incorporated into the other docket for a Class I fee. However, proposed amendments which are intended to apply to only one unit (or some of the units at that site) but are issued to all other units at the same site simply because NRC maintains common technical specifications are not subject to any fee other than for the one unit.</p>
Class II Amendments	<p>This class covers the simplest changes other than the duplicate changes of Class I. Several changes of the Class II type may be reviewed and approved for the charge of one Class II change. To be within this class a decision must be made that the change requires minor staff review and that it does not have safety or environmental significance. Normally such changes are primarily administrative in nature or pro forma in that they are necessary to describe actual conditions which are pertinent to the license. Examples of such changes are: (1) a different name for the licensee review committee (but not a different function); (2) relocating a road that may be shown on a map used to identify the LPZ; (3) incorporation into the Technical Specification of any</p>

Fee Class

Description and Examples

information or data that was reviewed and/or approved as part of a prior action; and (4) modification of a technical specification format only to conform to that of the Standard Technical Specifications.

Class III Amendment

This class covers the simplest of the approval actions that have safety or environmental significance. It includes those actions that involve a single issue, where a regulatory position (as identified in a Regulatory Guide, the SRP, or other NRC issuance) has been or could have been applied. For example, an extension of time before surveillance is required, or deletion of specifications for a hydrogen recombiner. These issues are of such a nature that we find that they do not involve a significant hazards consideration. Examples of such changes are (1) extending the time interval between containment integrated leak rate testing (ILRT); (2) a different duration for the ILRT; (3) a different safety relief valve set point; (4) establishing protection limits and monitoring requirements for solids and pH in effluents; and (5) a reload utilizing an NRC approved report and/or involving only one consideration which requires a technical specification change (e.g., control rod patterns).

Class IV Amendment

This class applies when any one of the following is involved: (1) a single complex issue, involving more than one consideration, (2) several Class III type of considerations; <sup>1/</sup> (3) a significant hazards consideration; or (4) an extensive EIA. Examples of such changes are: (1) a reload that does not rely upon an approved topical report; or (2) a spent

<sup>1/</sup> When a single application for a facility contains no more than three Class III safety, environmental or other issues which do not otherwise fall under the criteria of Class IV (e.g., complex issue, significant hazards consideration, etc.) they will be assessed as separate Class III fee types and not as a Class IV fee. In this manner, the billing will be for \$8,000 if two Class III issues are involved and \$12,000 if there are three Class III issues.

Fee Class

Description and Examples

fuel storage pool modification which involves a rack of a different design or a major structural change. Similar actions or methodology approved on another docket are not equivalent to an approved topical report; however, an application which specifically and clearly references a specific action on other docket may qualify as Class III.

**Class V Amendment**

This class covers evaluations of either (1) several issues involving facility operation which are determined to involve significant hazards consideration; (2) an environmental impact statement; or (3) review by the ACRS. Such actions may deal with major construction involving seismic Category I structures and/or the development of a new regulatory position. Examples are: (1) a design bases analysis not previously required; historic examples are high energy pipe line break and fire protection; and (2) stretch power when the FSAR and SER issued in support of the initial operating license addressed site acceptability with bounding analyses.

**Class VI Amendment**

This class covers the most complex review/approval. It involves an SAR by the licensee that re-evaluates major accidents and transients. New or substantial revisions to the technical specifications are likely. Examples of this type of action are a power increase beyond that considered in the original plant design and analyzed in the FSAR, or renewal of the operating license thereby extending operation beyond the time period considered in the original evaluation.

OPERATING LICENSE CONDITIONS

The fee prescribed by Section 170.21 for an operating license is to be paid prior to issuance of the license. Licenses frequently are issued with conditional items which must be resolved through additional filings and review. Some conditions must be resolved prior to NRC authorizing 100% power operation; other conditions are not related to reactor power. When an application or amendment is associated with a condition in the license that must be resolved prior to NRR authorizing full power operation, the cost is considered to be included in the facility operating license costs; no fee need accompany the application. The staff effort is considered to be that associated with a full power license. However, if the application is associated with a condition that does not have to be resolved before 100% power operation is authorized, a fee would be charged as prescribed by Section 170.22.

After full power operating authority is approved by NRR, all subsequent amendments to the license and letters of approval relating to any remaining conditions in the license will be subject to the license amendment fees prescribed by Section 170.22 irrespective of whether the request for the amendment or approval was before or after actually operating at 100% power.

FEE CLASSIFICATION FOR RELOAD APPLICATIONS

Licensees refuel their reactors periodically every 12 to 18 months. Prior to operation with the new core, the licensee must analyze the proposed new core to determine if either a change to the technical specifications or an unreviewed safety question is involved (10 CFR 50.59). When the proposed new core is judged by the licensee to require NRC review and approval, the licensee submits an application for amendment to the license which describes the change desired and provides a basis for determining that the proposed change is acceptable. Such applications are most likely to involve either (1) a single issue of an isolated nature that requires a technical specification change to accommodate a different operating parameter(s) hence margin, or (2) a complex issue which, for example, could involve fuel made by a different fabricator, new or revised computer codes and/or extensive reanalyses of several transients or accidents to accommodate changes in operating conditions.

The NRC review scope for the above two examples is most likely to be either that associated with a Class III type of action or that associated with a Class IV type of action. The actual review scope for the above Class IV type of action may be reduced if the licensee demonstrates acceptability of the proposed new core by referencing either an approved topical or another reload application that is applicable and already has been reviewed and approved by the staff. The approved topical or application reduces the scope of the review that must be performed by the staff before reaching a conclusion, i.e., the number of issues being reviewed. This thereby may also reduce the actual review. For the actual review to be reduced, a clear and precise reference to an already reviewed and approved submittal must be made; the fact that an earlier review may have been done for another reload of the same scope and content is not adequate.

PLANS

Submittals by licensees which identify a change to a particular plan should state the purpose of the submittal, e.g., for NRC review and approval or for information. Unfortunately, since the different plans (e.g., Quality Assurance, Emergency, Operator Requalification and those submitted under the requirements of Part 73 such as security, guard training, and contingency planning) do not have the same formalized status, NRC required actions vary. The following establishes a reference framework for consistent responses to the many such submittals received.

All such plans must be defined, i.e., the documents which contain the information that makes up the plan must be identified. This is mandatory if there is to be a common understanding of what constitutes the plan. Such a definition may be found in a SE issued in support of either an OL or a specific action that initially approved the plan. The definition also may be found in the license (including technical specifications). Subsequent to the initial staff review and approval of the plan, changes to the plan may be made. These changes may require staff approval or may be made at the discretion of the licensee. If the licensee is legally bound to the content of the defined plan, such as would be the case if the specific plan (document) is identified in the license, any and all changes to the plan except for those authorized by regulation such as 10 CFR Part 50.54(p), require staff review and approval. In addition, if the licensee has a plan that is not legally binding or is only identified in a submittal, and if certain changes to the plan are required by regulation, license or the plan itself, such submittals will be for staff review and approval.

If there is nothing explicit about how to process changes to a plan, the following should apply:

- (1) changes to a plan which have been judged by the licensee to not reduce the effectiveness (i.e., changes are substitutions or are equivalent to the approved plan) are for staff information only. The staff may document agreement. If so, a memo to files, PDR, IE, etc., is appropriate; the memo should contain a revised definition of what constitutes the plan, and a clear statement that NRC agrees with the licensee's decision (but not that NRC approved the changes).
- (2) changes to the plan which decrease the effectiveness or use a "different alternative" are for NRC review and approval. This requires a formal approval letter to the licensee; the letter should contain a revised definition of what constitutes the plan and a statement that NRC approves the change proposed by the licensee.

Only those changes submitted by the licensee for our review and approval are subject to a fee pursuant to 170.22. (See Item 2 above). All others should be treated as "for information only", hence no fee. However, should NRC successfully challenge the licensee's decision that the change does not reduce the effectiveness of the plan, ask questions and subsequently approve a change to the plan, a fee would be charged for the approved change.

REPORTS

Reports or other written information submitted to the NRC should identify the intended purpose of the report, e.g., response to an NRC request for additional information, compliance with a requirement of regulation or license, or to inform the NRC of something the licensee thought NRC should know.

Unless the report requires staff review and approval, the report is for information only and hence no fee. For example, information, submitted by a licensee in response to an information request by NRC, may be reviewed, a safety evaluation prepared and a regulatory position taken in a subsequent response to the licensee, without a fee being charged. The review of any report may lead to further NRC and/or licensee action with associated fees. Reports that are required by license (including technical specifications) but do not identify a required NRC action are considered to be for information only.

A report that must be approved by the staff will be subject to a fee. If not directly related to an amendment application or other action for a specific facility for which a separate and specific fee is stated in Part 170, the fee will be based on actual professional manpower (under 10 CFR Section 170.21, Item F - Special Projects and Reviews) and the fee collected after the review is completed. The fee for review of a topical report is based on the cost associated with actual staff review and shall not exceed \$20,000.



LICENSEE SUBMITTALS NECESSITATED BY NRC ACTIONS

Regulations, licenses and orders may contain a provision that requires licensees to submit certain information (e.g., security plans), propose an amendment to the license (e.g., steam generator surveillance) or perform a specific action (e.g., perform an inspection). These provisions that require submittals also may require NRC review and approval. Approval may be in the form of a letter which either states "...reviewed and approved", or issues a license amendment. Occasionally, the submittal alone may satisfy the requirement, i.e., no formal approval of the submittal is required even though a NRC review is implied and/or actually performed.

When a required submittal clearly identifies NRC review and approval, a licensing fee is charged except when the submittal to be reviewed and approved is explicitly required by order. Fees may also be waived, on a discretionary basis, when the submittal meets all of the criteria of the last sentence of Footnote 2 to 10 CFR Section 170.22. NRC should carefully state in orders what is required of the licensee so that any extension beyond the scope of the order by the licensee, however logical it may be, is an issue outside the order and thus subject to a separate fee determination. Requests by licensees to be relieved of an order requirement are subject to fee unless the order explicitly states how the order requirement is to be relieved.

When the regulations impose a requirement that a licensee cannot satisfy, the licensee must make a submittal that requests an exemption pursuant to either 10 CFR Section 50.12 or a specific section of the regulations where relief of the requirement is addressed (e.g., 10 CFR Section 50.55a). No fee is charged for exemptions, if granted, pursuant to 50.12. However, if relief is or could be granted pursuant to a particular section of the regulations, the question of fee charge will be determined on an ad hoc basis. (Fees are likely to be charged whenever an evaluation is made of the basis for relief). Should a license amendment be issued in conjunction with or as a result of the exemption request, review and approval of the amendment is subject to a separate fee determination. Amendment requests submitted to satisfy a regulation or license condition are also subject to fee determination.

COMMITMENTS BY LICENSEES

Licensees are required to operate their plants and conduct business in conformance with explicit provisions of their license and applicable regulations. During the frequent communications between the NRC staff and the licensee on matters related to operating the reactor, the licensee may be asked to do (or not do) something. Occasionally, the licensee will in a letter to NRC state that he will do (or not do) something. These statements are considered letter commitments. Such commitments may even result in changes to station operating procedures, or other activities that affect operability of the reactor. These commitments usually augment safety in that a safety margin is increased or greater assurance is provided.

A problem manifests itself when a licensee wants to cancel or change such a written commitment. No NRC approval is required to cancel or change a letter commitment since a written commitment is not binding. Actions by the licensee that NRC wants to make binding should be placed in the Technical Specifications. In practice, however, neither the licensee nor the NRC staff expect a letter commitment to be casually dismissed. As a minimum, written notification that a licensee commitment has been cancelled or changed should be sent to the NRC. No fee will be charged for any review that may be performed. Any NRC review should be documented in the same manner as review of Plans as discussed in enclosure 5. Any review that results in a license amendment would, of course, be considered as part of an amendment request subject to fee and not a licensee commitment. Reliance on commitments should be minimized.