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

January 16, 1985

Docket Nos. 50-206/361/362
LS05-85-01-015

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Gentlemen:

SUBJECT: PARTICIPATION IN NRC PROGRAM "EFFECTIVENESS OF LWR REGULATORY REQUIREMENTS IN LIMITING RISK"

Re: San Onofre Nuclear Generating Station, Unit Nos. 1, 2, and 3

The Commission's Policy and Planning Guidance for 1984 (NUREG-0885, Issue 3) states: "Existing regulatory requirements that have a marginal importance to safety should be eliminated" (section IV.A, Planning Guidance No. 3). To implement this item, the NRC staff has initiated a program entitled "Effectiveness of LWR Regulatory Requirements in Limiting Risk". This program was announced in the Federal Register on October 3, 1984. A copy of that notice is enclosed.

As part of that program, we plan to visit a sample of utilities to obtain their views on any regulatory requirements that are believed to have marginal importance to safety but which have high burdens on the utilities or the NRC. Two contractor personnel from Pacific Northwest Laboratories, plus Dr. Anthony Tse from NRC's Office of Research, an NRC project manager from the Division of Licensing and possibly one additional NRR representative would like the opportunity to participate in a one-day visit in your corporate offices. More details concerning this proposed visit are enclosed. We anticipate that the visits would be held at your convenience during either February or March of 1985.

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No response to this letter is necessary. We will be contacting you by telephone to ascertain your interest in participating in this phase of the program, which is entirely voluntary.

Sincerely,

Original signed by

John A. Zwolinski, Chief
Operating Reactors Branch #5
Division of Licensing

Enclosures:
1. FR Notice
2. Visit Details

cc w/enclosures:
See next page

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Enclosure 1

Proposed Rules

Federal Register
Vol. 49, No. 193
Wednesday, October 3, 1984

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

Public Notice of Availability of Program Plan to Review Effectiveness of LWR Regualtory Requirements in Limiting Risk

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of availability.

SUMMARY: The NRC staff intends to initiate a review of the risk importance of current regulatory requirements for Light Water Reactors (LWR). This program is being initiated to identify current regulatory requirements which, if deleted or appropriately modified, would improve the efficiency or effectiveness of NRC's regulatory program for nuclear power plants without adversely affecting safety. Initially, this program will systematically assess the risk importance of selected current regulations in 10 CFR Part 50 and related regulatory requirements. The NRC staff is seeking public comment on the Program Plan prepared by the staff to describe the review program.

ADDRESS: A copy of the Program Plan is available for public inspection and copying in the NRC Public Document Room, 1717 H Street NW., Washington, DC. Copies may also be obtained by writing to Dr. Anthony Tse at the address listed below.

FOR FURTHER INFORMATION CONTACT: Dr. Anthony N. Tse, Regulatory Analysis and Materials Risk Branch, Division of Risk Analysis and Operations, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, DC 20555; telephone: (301) ~~443-7320~~ 443-7902.

SUPPLEMENTARY INFORMATION: At the direction of the Executive Director for Operations, the NRC staff has initiated a program to identify current regulatory requirements which, if deleted or appropriately modified, would improve the efficency and effectiveness of the NRC regulatory program for nuclear power plants without adversely affecting safety. A number of existing programs [1] assess the adequacy of present regulations. However, these programs are not specifically designed to weed out existing regulations or regulatory requirements which do not reduce risk significantly. Initially, this program is designed to (1) systematically screen all current regulatory requirements associated with 10 CFR Part 50 and to assess the importance of selected requirements based first on their contribution to assuring that nuclear power plants are safely designed, constructed, and operated and second on their impact on licensee, applicant, and NRC resources, and (2) identify and propose appropriate modifications to eliminate duplication, inconsistency or unnecessary requirements and thus focus available NRC and industry resources more directly and precisely on the significant safety areas and issues.

Prime candidates for modification will be (1) old regulatory requirements which in light of present knowledge may no longer be considered risk important or whose risk importance may have been reduced substantially by the implementation of newer requirements and (2) areas in which there are large safety margins or conservatisms which can be reduced without measurably increasing the level of risk. In such cases modification could produce a significant safety benefit, since the attention and resources of licensees, applicants, and the NRC that are now directed to these areas could be redirected to other areas of greater safety significance.

The initial work, to be completed in FY 1985, will include a survey of regulatory requirements associated with 10 CFR Part 50 to categorize them according to their relative safety significance. In a parallel effort, several requirements that appear to be good candidates for modification or elimination will be evaluated in detail to assess their safety benefits and the NRC and industry costs of implementation. At the end of 1985, the NRC will ascertain the usefulness of this program and determine whether any of the identified candidates should be pursued further in a rulemaking.

As part of the program, the NRC will solicit suggestions from the regulated industry as to candidate requirements that might be eliminated or modified to improve the effectiveness and the efficiency of the regulatory program. The NRC will also consider any other public comments received. All suggestions will be evaluated by the staff, but none will be considered as petitions for rulemaking or as formal comments that require response. Any petitions for rulemaking must be submitted as directed in § 2.802 of 10 CFR Part 2 of the Commission regulations.

Any suggestions would be welcomed and should be sent to Dr. A.N. Tse.

Dated at Washington, DC, this 17th day of September 1984.

For the Nuclear Regulatory Commission.

William J. Dircks,

Executive Director for Operations.

[FR Doc. 84-25808 Filed 10-2-84; 8:45 am]

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[1] Examples include (1) the Generic Issue and Unresolved Safety Issue programs; (2) programs and tasks that would be guided by the Severe Accident Policy Statement when issued; (3) the Integrated Safety Assessment Program for operating reactors; (4) the operating experience review by the Office for Analysis and Evaluation of Operational Data; and (5) the many studies, analyses, test and experiments supported by the Office of Research.

REVIEW OF REGULATORY REQUIREMENTS FOR LIGHT WATER REACTORS

BACKGROUND

The NRC's Policy and Planning Guidance for 1984 (NUREG-0885, Issue 3) states that "existing regulatory requirements that have a marginal importance to safety should be eliminated." Other statements in the same document, as well as several initiatives undertaken in recent years, indicate the NRC's commitment to the goal of improving regulation of the nuclear industry, in order to ensure that

- requirements imposed on the regulated industry contribute significantly to the health and safety of the public
- unnecessary regulatory burdens are avoided
- NRC and licensee resources are utilized in a manner which effectively and efficiently achieves protection of the public health and safety.

The NRC recently initiated a program to implement the policy and planning guidance quoted above. Pacific Northwest Laboratory (PNL) is providing technical assistance to the NRC staff in conducting this program. PNL's work in the first phase of the program consists of two tasks. In the first task, existing light water reactor regulatory requirements will be screened to identify potential candidates for elimination, or, if appropriate, modification. The bases for screening the requirements will include their importance to risk, the burdens they impose on industry, the resources required for the NRC to license and inspect against them, and other relevant factors. In the second task, PNL will conduct comprehensive evaluations of selected regulatory requirements that may warrant elimination or modification. Cost-benefit assessments of the consequences of changing or eliminating the requirements will form an important part of these evaluations; public risk, industry burdens (including costs and occupational exposure), and NRC resource requirements will be among the factors considered in the cost-benefit assessments.

As part of the first task, i.e., screening the existing requirements to identify candidates for elimination or modification, PNL will conduct a series of interviews to obtain the views of various parties, for example, utilities, reactor vendors, architect-engineers, contractors, and NRC staff. The following paragraphs give a brief sketch of the expected scope of the interviews and the topics that will be discussed.

SCOPE OF THE INTERVIEWS

In the first phase of the program, the scope of the review and screening is limited to regulatory requirements and guidance associated with 10 CFR Part 50. However, within this boundary, the scope is broad and may include any existing requirement or guidance, for example, regulations, regulatory guides,

technical specifications, standard review plan sections, branch technical positions, and codes and standards.

The idea of reexamining existing regulatory requirements is not new, of course, nor is it unique to the nuclear industry. In fact, a wide variety of suggestions have been made along these lines over the years. Among the many examples that could be cited, three are discussed briefly for illustrative purposes.

Technical Specifications. The possibility of streamlining and optimizing tech specs is of considerable current interest and is the subject of several ongoing studies by the industry and the NRC. Possible modifications under study include surveillance intervals, action statements that may require shutdowns unnecessarily, allowable times for equipment to be inoperable, and definitions of operability.

Extreme Loads in Design. There has been much recent interest in the role of extreme loads in design. The highly conservative nature of some of the assumptions associated with the use of these loads in the design process has been noted, along with the resulting cost impact. This topic has been under study for some time and revisions of the design bases are under consideration.

Source Terms. In the last few years, there has been extensive research aimed at reassessing the source terms for reactor accident consequence analyses. This work is nearing completion and its implications for the existing regulatory structure are being discussed. Some observers have suggested, for example, that changes in current emergency planning requirements should be considered.

During the interviews, PNL staff will be interested in identifying other regulatory requirements, guidance, or areas of regulation that may be suitable candidates for reexamination and possible elimination or modification. In some instances, the suggested candidates for reexamination may already be the subject of ongoing studies, as is the case for the examples mentioned above. In other instances, the suggested candidates may not currently be under consideration in any formal program. It is hoped that candidates of both kinds will be identified. It is also hoped that the suggestions will cover a broad spectrum of regulatory requirements, including those related to design, construction, and operations. Some observers maintain that most of the good ideas for regulatory improvement have already been suggested and are already being pursued. Based on our previous work with industry, PNL staff believe that this is unlikely and that many possibilities are not currently being pursued.

CRITERIA FOR IDENTIFYING CANDIDATES FOR REEXAMINATION

The basic goal of the interviews is to obtain a broad spectrum of constructive suggestions for improving regulation of the nuclear industry by eliminating or appropriately modifying certain regulatory requirements. To assist in identifying suitable candidates for reexamination, it may be useful to consider briefly some tentative criteria. These criteria may be helpful in focusing the search for suitable candidates.

Risk. Regulatory requirements that have negligible impact on risk may be potential candidates for reexamination. In fact, some observers have raised

the possibility that certain requirements may actually be counter-productive from the standpoint of risk. It should be stressed that the concept of risk has multiple dimensions, including, for example, offsite radiation exposure, core melt, core damage, challenges to safety systems, defense-in-depth, and so on.

Occupational Exposure. Certain requirements may be particularly burdensome from the viewpoint of occupational exposure to radiation. If they also contribute negligibly to the protection of the public health and safety, then they may be suitable candidates for reexamination.

Industry Costs. Certain requirements may have particularly adverse economic impacts. If they also make only a negligible contribution to the protection of the public health and safety, they may be suitable candidates for reexamination.

NRC Costs. Some requirements result in especially high demands on NRC resources for licensing and/or inspection. If they also make a negligible contribution to the protection of the public health and safety, they may be suitable candidates for reexamination.

Regulatory Stability. The predictability and stability of the regulatory process are important considerations. Certain requirements may have particularly negative impacts from this standpoint, while contributing only negligibly to the protection of the public health and safety, and thus may be suitable candidates for reexamination.

Improvements in Knowledge. As a result of operational experience, technical progress, research findings, or other developments, certain requirements may now be ripe for reassessment. PNL staff believe that this is a particularly useful criterion for identifying promising candidates for reexamination.

Duplication. Regulatory requirements may in some cases duplicate or overlap other requirements. Such requirements may be suitable candidates for reexamination to eliminate duplication.

These criteria are intended only to assist in identifying potential candidates for reexamination and possible elimination or modification. Recommendations on whether to eliminate or modify certain regulatory requirements will be formulated by the NRC staff at a later time and would be based on comprehensive evaluations of the consequences of such regulatory changes. Developing a list of potential candidates is the first step in the process.

PLANNED FOLLOW-UP ACTIONS

After all the interviews are completed, PNL will compile the suggestions and prepare a summary of them. This summary of the suggestions along with a brief questionnaire will then be sent to the organizations participating in the interviews. The purpose of this step is to

- provide feedback to the participating organizations,
- confirm the findings of the interviews,

- obtain (through the questionnaire) an approximate, judgmental evaluation of the costs and benefits of eliminating or modifying the requirements,

- seek additional suggestions of requirements that may be candidates for reexamination but were not covered in the interviews.

PNL plans to maintain contact with the participating organizations, keeping them informed as the work proceeds.