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October 20, 2015

Mr. Scott A. Morris
Director, Division of Inspection and Regional Support
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: Industry Position on the Role of Vendor Recommendations for Service Life of Safety-Related Components

Project Number: 689

Dear Mr. Morris:

On behalf of the nuclear energy industry, the Nuclear Energy Institute (NEI)¹ is pleased to provide its perspectives on the staff's recent activities regarding the role of vendor recommendations in licensee programs establishing refurbishment and replacement intervals for safety-related components.

On May 7, 2015, the NRC issued Final Task Interface Agreement (TIA 2014-01), "Regulatory Position on Design Life of Safety-Related Structures, Systems and Components Related to Unresolved Items at Donald C. Cook Nuclear Power Plant, Monticello Nuclear Plant, and Palisades Nuclear Plant." NEI understands that TIA 2014-01 was rescinded on October 1, 2015, due primarily to the generic nature of the positions taken by the NRC, and that a Regulatory Issue Summary (RIS) is currently under development to communicate these positions to the industry. NEI has significant concerns with the regulatory positions stated in TIA 2014-01, which we understand will soon be promulgated in the proposed RIS. The conclusions stated in TIA 2014-01 are based on an oversimplification of the many inputs that are required to develop effective maintenance (refurbishment and replacement) programs and fail to recognize the value of licensee programs that have been implemented under existing regulations and regulatory guidance.

¹ The Nuclear Energy Institute (NEI) is the organization responsible for establishing unified industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all entities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel cycle facilities, nuclear materials licensees, and other organizations and entities involved in the nuclear energy industry.

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The subject of this TIA related to inspections conducted during 2012 and 2013 where NRC inspectors identified several safety-related SSCs in mild environments that had been installed for periods greater than the period of time specified in vendor correspondence, vendor manuals or Certificates of Compliance. In these cases, the licensees were neither replacing the SSCs nor documenting an evaluation to justify extending use of the SSCs beyond the timeframe specified in these documents. The TIA effectively concludes that (1) if a safety-related SSC exceeds the vendor replacement or refurbishment interval (referred to as "service life" in the TIA) without an evaluation to extend the interval, a nonconformance with the design criteria exists, and (2) that the licensee must identify this as a nonconforming condition in accordance with their operability/functionality and corrective action programs.

These conclusions appear to represent a significant expansion of regulatory requirements with respect to the definition of design basis information, the implementation of maintenance programs, and the treatment of components located in mild operating environments. The TIA seems to reach these conclusions without taking into account existing regulatory requirements for quality assurance programs, the maintenance rule or industry initiatives and standards that adequately assure public health and safety and drive continuous improvement in equipment reliability. Taken at face value, implementation of the regulatory positions stated in the TIA would require significant changes in licensee programs and expenditure of additional resources without a commensurate improvement in public health and safety.

NEI has developed a position paper (attached) which we are pleased to provide to the NRC for consideration during the development of the RIS. NEI would like to specifically direct the NRC's attention to the industry position that the reference to 10 CFR 50, Appendix B, Criterion III, "Design," as the regulatory basis for the TIA conclusions is incorrect, and that the proper basis for the affected licensee programs is Criterion V, "Instructions, Procedures, and Drawings."

If you have any questions in this matter, please contact me.

Sincerely,



Bruce Montgomery

Attachment

c: Mr. William M. Dean, NRR, NRC
Ms. Michele Evans, NRR, NRC
Mr. Allen G. Howe, NRR/DIRS, NRC
Mr. Chris Regan, NRR/DIRS/IRIB, NRC
Mr. Harold Chernoff, NRR/DIRS/IOEB, NRC