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October 30, 2015

The Honorable Stephen G. Burns
Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: Industry Concerns with SECY-15-0106 Proposed Rule: Incorporation by Reference of Institute of Electrical and Electronic Engineers Standard 603-2009, "IEEE Standard Criteria for Safety Systems for Nuclear Power Generating Stations"

Project Number: 689

Dear Chairman Burns:

The utilization of digital instrumentation and control technology is of growing importance for the current operating nuclear fleet and the next generation of reactors. This technology can enhance safety, reliability and efficiency while addressing the issue of obsolescence of analog components. To address these issues, NEI has formed a Digital I&C Working Group to engage the NRC staff to facilitate the implementation of digital enhancements. To this end, we are concerned by the staff's plans to proceed with rulemaking to incorporate IEEE 603-2009 as recommended in SECY-15-0106. We believe this rulemaking is unnecessary at this time and will actually impede efforts to adopt digital instrumentation and control technologies.

This proposed rule could negatively impact the path to regulatory stability in licensing digital upgrades offered in current regulatory guidance (e.g. DI&C-ISG-04) by adding conditions on the use of IEEE 603-2009. These conditions include treating new plants and operating plants differently and expanding the scope of applicability to all safety systems rather than just reactor protection systems. Implementation of these changes would unnecessarily increase the cost of digital upgrades without a corresponding safety benefit.

Implementation of the proposed rule would also constitute a change in NRC policy and current practice. Staff Requirements Memorandum, "Briefing on Digital Instrumentation and Control" (SRM-M061108; ML063400033) directs the staff to "engage industry to establish an NRC project plan with specific milestones and deliverables to address deployment of digital I&C..." This proposed rule undermines the progress of the

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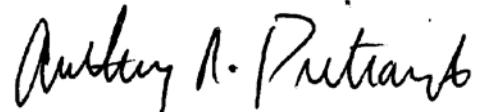
industry and staff over the past seven years toward greater regulatory stability by mandating regulatory requirements that conflict with the guidance developed by associated working groups.

Further, we note that the rulemaking is not justified based on a quantitative cost benefit analysis. The SECY text states, "If the quantified costs and benefits were considered in isolation, the NRC would not proceed with this rulemaking because the total quantified benefits of the proposed regulatory actions do not equal or exceed the costs of the proposed action." The text goes on to state that even though this rulemaking does not meet the quantitative test, it should be implemented because of additional qualitative factors that outweigh the proposed cost. Reading the associated regulatory analysis, it is difficult to understand the rationale for this conclusion.

We recommend that the Commission disapprove issuance of the proposed rule and direct the staff to continue working with the industry. We should continue to focus on holistically resolving the technical and regulatory issues surrounding the implementation of digital I&C systems for existing and new plants in an integrated manner, after which the most effective and efficient process (regulatory guidance or rulemaking), should be identified and implemented.

If you have any questions, please contact me or Jason Remer (sjr@nei.org; 202-739-8112).

Sincerely,



Anthony R. Pietrangelo

c: The Honorable Kristine L. Svinicki, Commissioner, NRC
The Honorable William C. Ostendorff, Commissioner, NRC
The Honorable Jeff M. Baran, Commissioner, NRC
Mr. Victor M. McCree, EDO, NRC
Mr. Michael Johnson, EDO, NRC
Mr. William M. Dean, NRR, NRC
Dr. Jennifer L. Uhle, NRR, NRC
Mr. John W. Lubinski, NRR, NRC
NRC Document Control Desk

CHAIRMAN Resource

From: PIETRANGELO, Tony <arp@nei.org>
Sent: Friday, October 30, 2015 12:57 PM
To: CHAIRMAN Resource
Cc: CMRSVINICKI Resource; CMROSTENDORFF Resource; CMRBARAN Resource; McCree, Victor; Johnson, Michael; Dean, Bill; Uhle, Jennifer; Lubinski, John
Subject: [External_Sender] Industry Concerns with SECY-15-0106 Proposed Rule
Attachments: 10-30-15_NRC_Industry Concerns with SECY-15-0106 Proposed Rule.pdf

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Anthony R. Pietrangelo
Senior Vice President and Chief Nuclear Officer

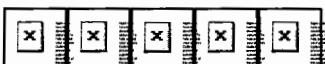
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