



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

July 28, 2016

INDUSTRY: Nuclear Energy Institute

SUBJECT: SUMMARY OF JULY 11, 2016, MEETING WITH NUCLEAR ENERGY INSTITUTE ON NEI 15-03, "LICENSEE ACTIONS TO ADDRESS NONCONSERVATIVE TECHNICAL SPECIFICATIONS" (CAC NO. A11008)

On July 11, 2016, a Category 2 public meeting was held between the U.S. Nuclear Regulatory Commission (NRC) and representatives of the Nuclear Energy Institute (NEI) at NRC Headquarters, One White Flint North, 11555 Rockville Pike, Rockville, Maryland. The purpose of the meeting was to talk through the NRC's discussion topics (Agencywide Documents Access and Management System (ADAMS) No. ML16180A221) regarding the guidance document developed by NEI, titled NEI 15-03, "Licensee Actions to Address Nonconservative Technical Specifications," available in ADAMS at Accession No. ML15147A655. The industry representatives brought a handout to the meeting that included their initial responses to the NRC's discussion topics, available in ADAMS at Accession No. ML16194A111. A list of attendees is provided as Enclosure 1.

DISCUSSION

The NRC staff presented discussion topics to the industry representatives regarding guidance document NEI 15-03. The NRC expressed concern that the definition for nonconservative technical specification (NCTS) proposed in NEI 15-03 appears to deviate significantly from the definition provided in Administrative Letter (AL) 98-10, "Dispositioning Technical Specifications (TS) that are Insufficient to Assure Plant Safety" (ADAMS Accession No. ML031110108). The language of concern included addition of the TS Bases and the wording, "technical specifications that are insufficient to assure plant safety." The industry representatives clarified that the intent of the document is to include guidance to licensees on what to do if an action is inadequate to ensure safety. They also provided that the term, "insufficient to assure plant safety," could be subjective and is not based on any standard, whereas, the Updated Final Safety Analysis Report (UFSAR) and TS Bases provide a standard against which a determination can more easily be made. The NRC staff indicated that there is a Commission position - COMSAJ 97-08, "Staff Requirements: Discussion on Safety and Compliance," (ADAMS Accession ML003753992) - that addresses safety and compliance, thereby, providing a determination standard.

The industry representatives indicated that they added the TS Bases to the definition, in part, because the TS Bases provide the description of the intent of the actions in the TS and because the TS Bases also get a 10 CFR 50.59 screening for any changes. The NRC staff questioned including the TS Bases in the definition because it is not a document that is reviewed or approved by the NRC. As a result, the NRC staff was concerned that unreviewed and potentially incorrect changes to the TS Bases could result in an inappropriate interpretation of the TS and the introduction of inappropriate compensatory measures, which may result in the failure to meet the TS as written. It was pointed out that the intent was to address nonconservative assumptions in the design basis, as represented in the TS Bases and the UFSAR. Additionally, the industry representatives pointed out that the guidance includes an

explicit statement that reinforces that the TS are to be followed as written even if found to be nonconservative. The NRC staff noted that NEI 15-03 discusses the TS Bases in the definition but that clarification and/or elaboration on its applicability is lacking in the remainder of the document. The industry representatives acknowledged this and agreed to consider adding further guidance.

The NRC staff questioned the potential for some of the examples to infer that the proposed guidance could be used to address a TS that was found to be more conservative. The industry representatives emphasized that if a TS is found to be more conservative, then the guidance of NEI 15-03 would not be applicable.

The NRC questioned whether NEI 15-03 would apply to modifications, night orders, or other changes that are not defined as design modifications or procedure changes. The industry representatives maintained that NEI 15-03 covers any changes that meet the definition of a NCTS. The NRC also pointed out that AL 98-10 describes a NCTS as a degraded and nonconforming condition. The industry representatives stated that NEI 15-03 does not use the words, "degraded and nonconforming," but rather focuses on the determination as to whether a structure, system or component meets its intended safety function, which is more consistent with the current guidance in Inspection Manual Chapter 0326, "Operability Determinations & Functionality Assessments for Conditions Adverse to Quality or Safety," (ADAMS Accession No. ML15328A099), which updated the concept of degraded and nonconforming conditions

The NRC staff questioned how the NCTS would be communicated, appropriately tracked, and corrected in a timely fashion. The industry representatives stated that the intent is to keep the NRC Project Manager informed of the status of NCTS to avoid the NRC getting the perception that an NCTS is not being addressed in a timely manner. The industry representatives also stated that "timely" was purposefully not defined in NEI 15-03, and that examples were given as a means to provide guidance on the appropriate interpretation of "timely." The NRC staff also questioned the potential for this guidance to unnecessarily delay a plant-specific resolution of a NCTS while waiting for a generic resolution. The industry representatives agreed and stressed that while a generic path forward is sometimes ideal, it is not always acceptable if it would cause unnecessary delays.

The NRC staff suggested that NEI 15-03 include success story examples of plant-specific resolutions, in addition to the examples with generic resolutions. The NRC staff indicated that an example regarding the conditions for entry might be helpful. The industry representatives emphasized that the intent of NEI 15-03 is to cover an NCTS that is unanticipated or newly discovered, meaning that an NCTS is not a "planned activity." Additionally, the industry representatives stated that they are not seeing issues where licensees are having trouble with the conditions for entry into the process to resolve a NCTS.

A few more administrative issues were addressed concerning references to other NRC documents and/or industry guidance. The industry representatives indicated that they would consider removing explicit revisions to support keeping the document reasonably current. NRC staff questioned why the flowchart in the 2014 developmental version was no longer in NEI 15-03. The industry representatives stated that the actions in the guidance are intended to happen in parallel, rather than in sequence, so the use of a flowchart might imply a sequence and could, therefore, be misleading.

There were three action items at the conclusion of the meeting:

1. The industry representatives will review NEI 15-03 to determine if the TS Bases should be mentioned elsewhere, including those locations explicitly where the UFSAR is mentioned;
2. The industry representatives will review references to other documents in NEI 15-03 and remove any revision numbers or ADAMS accession numbers to prevent NEI 15-03 from becoming outdated; and,
3. The NRC staff will provide the Commission discussion on safety and compliance to NEI.

Next steps:

1. NEI will take the action items into consideration, revise NEI 15-03, and send the revision to the NRC; and,
2. The NRC will review the revised document, determine if there are additional topics for discussion, and consider the need for another public meeting to discuss remaining questions.

Members of the public were in attendance. Public Meeting Feedback forms were not received.

Please direct any inquiries to me at 301-415-1687, or Jennifer.Hauser@nrc.gov.



Jennifer R. Hauser, Project Manager
Plant Licensing Branch III-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Enclosures:

1. List of Attendees

cc w/encls: Distribution via Listserv

LIST OF ATTENDEES

JULY 11, 2016, MEETING WITH NUCLEAR ENERGY INSTITUTE (NEI)

NEI 15-03, "LICENSEE ACTIONS TO ADDRESS

NONCONSERVATIVE TECHNICAL SPECIFICATIONS

NRC

Alex Klein, NRR
Mike Markley, NRR
Eva Brown, NRR
Jennifer Hauser, NRR

Industry

Bruce Montgomery, NEI
Brian Mann, Excel Services
Cristina Edens, Curtiss-Wright
Carl Corbin, Luminant Power
Joey Clark, Certrec

Enclosure

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/RA/

Jennifer R. Hauser, Project Manager
 Plant Licensing Branch III-2
 Division of Operating Reactor Licensing
 Office of Nuclear Reactor Regulation

Enclosures:

1. List of Attendees

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DISTRIBUTION:

PUBLIC
 Branch Reading
 RidsACRS_MailCTR Resource
 RidsNrrDssStsb Resource
 RidsNrrDorlp3-2 Resource
 RidsNrrLASRohrer Resource
 Brian Mann (Brian.Mann@excelservices.com)

TWertz
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 MChernoff
 EBrown
 JHauser
 Bruce Montgomery (bsm@nei.org)

ADAMS Accession Nos.: Meeting Notice: ML16183A124;
 Meeting Summary: ML16194A262; Handouts: ML16180A221/ML16194A111

OFFICE	NRR/DORL/LPL3-2/PM	NRR/DORL/LPL3-2/LA	NRR/DORL/LPL2-1/BC
NAME	JHauser	SRohrer	MMarkley
DATE	7/13/2016	7/13/2016	7/26/2016
OFFICE	NRR/DSS/STSB/BC	NRR/DORL/LPL3-2/PM	
NAME	AKlein	JHauser	
DATE	7/27/2016	7/28/2016	