

October 11, 1994

Chief, Rules Review and Directives Branch U.S. Nuclear Regulatory Commission Washington, DC 20555

Serial No. GL 94-045 NL&P/GSS R4

Dear Sir:

## PILOT PROGRAM FOR NRC RECOGNITION OF GOOD PERFORMANCE BY NUCLEAR POWER PLANTS

In the September 1, 1994 Federal Register, the NRC requested comments on the Pilot Program for NRC Recognition of Good Performance by Nuclear Power Plants. Comments were also solicited through NRC Administrative Letter 94-11, "Request for Voluntary Comment on the Pilot Program for NRC Recognition of Good Performance by Nuclear Power Plants" dated September 7, 1994. The industry comments will be used to assist the NRC in the analysis of the Good Performer Program.

Virginia Power encourages NRC to consider the comments submitted separately by the Nuclear Energy Institute (NEI) on behalf of the nuclear power industry. The need for the program should be reevaluated consistent with the original expectations and goals. However, if the NRC decides to continue with the current program as a vehicle to recognize and provide positive reinforcement to licensees that have demonstrated performance worthy of recognition, Virginia Power has several comments. The comments provided below should be viewed as enhancements to the existing program.

First, reference to the program as recognizing "good" performers implies that if a facility is not recognized, it is not a good performer. Consideration should be given to using a title that would ensure that recognition under the program is for performance far in excess of already high regulatory and industry standards. For example, "NRC Recognition Program for Outstanding Nuclear Plant Performance." Concurrently, NRC should continue in its efforts to inform the public that every nuclear power plant meets strict standards for public health and safety as required by its regulations, and that plants not recognized still continue to meet high levels of safety.

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Second, in order for a performance program to be effective, the criteria should be clearly and objectively defined. There remain several review criteria in the current program that could be made more objective, quantitative, or performance-based. A licensee should know unambiguously what standards it must meet to be recognized. The current program does not provide sufficient guidance. An example is the evaluation factors for Senior NRC Management (Sections III and V) that involve the NRC perception of the licensee's management activities, including personnel changes. Any evaluation of the impact of personnel changes should be linked to plant performance rather than perception. It is recommended that the other criteria be similarly examined for possible modification to a more objective, quantitative, or performance-based standard.

Finally, by instituting several categories or lists of plants, NRC has effectively instituted a grading system. The categories or lists include the good performers, the "honorable mentions", plants indicating downward trends, and the "watch list." Recognition of performance, whether good or poor, should not inadvertently result in the appearance of grades, or ranking of licensees. NRC responsibilities according to the Atomic Energy Act are to ensure that nuclear power plants operate in a manner than ensures public health and safety. The NRC is not required to grade or rank plants, and should ensure that its recognition programs do not inadvertently stray in doing so.

We appreciate the opportunity to make comments on the pilot program. If you have any questions, please contact us.

Very truly yours,

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