

March 25, 1982



POLICY ISSUE
(Affirmation)

For: The Commissioners

From: William J. Dircks, Executive Director for Operations

Subject: PROPOSED AMENDMENT TO 10 CFR PART 50, APPENDIX E - FREQUENCY OF EMERGENCY PREPAREDNESS EXERCISES

Purpose: To obtain Commission approval for publication in the Federal Register of a proposed amendment that would provide alternatives relative to the required frequency of full-scale emergency preparedness exercises.

Category: This paper covers a minor policy matter.

Discussion: At a briefing on February 4, 1982, the Commission discussed SECY-81-629, which proposes a rule change that would reduce the required frequency of full-scale emergency preparedness exercises. SECY-81-629 outlined an NRC staff and a FEMA proposal to reduce the required frequency of exercises from annually to biennially. The rationale for this proposal was based on the conclusion that annual exercises were not cost effective. The NRC staff, FEMA, State and local governmental representatives were convinced that if the proposed amendment (in SECY-81-629) became a final rule, the available resources (on the Federal, State, local and licensee level) could be more effectively focused on the more pertinent issues and problems in establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. This would aid in ensuring appropriate protection of the health and safety of the public.

After discussing the staff's proposal, the Commission directed the staff to redraft the proposed Federal Register Notice and include another alternative (Alternative B) which would essentially continue to require the annual full-participation exercise unless a recommendation is made by FEMA that all of the elements in the emergency plans had been exercised in a satisfactory manner and therefore up to a two-year period could elapse before the next exercise. Based on this FEMA recommendation, a similar finding could be made by NRC. The original staff proposal

Contacts:
MJamgochian 443-5942
BGrimes 492-4614

(Alternative A) has been modified to make explicit that, although the basic frequency under this alternative would be biennial, FEMA would recommend more frequent full-scale exercises (or components thereof) if significant deficiencies were observed in the exercise.

This paper responds to the Commission's direction by providing a proposed Federal Register Notice which solicits public comment on both alternatives. This direction is documented in the memorandum from the Secretary of the Commission, dated February 16, 1982 (M820204A).

The NRC and FEMA staffs have met with the Interorganizational Advisory Committee (IOAC) of the State Radiation Control Directors Association and have received its concurrence with Alternative A of the proposed regulation. Because some IOAC members expressed concern that single site States might need more than a biennial exercise in certain instances, a provision was added to require the licensee to conduct exercises annually with full State participation if requested by the State. It should be noted that this provision establishes a precedent in that it permits a State to require the conduct of joint exercises with greater frequency than required by NRC. In the staff's view, this provision is desirable--in light of the strong State role in emergency preparedness--as a means of preserving the optimal frequency (once a year) in those States that are willing and able to participate that often, while granting relief (biennial exercises) in situations where annual State participation is not possible.

It should be noted that FEMA still favors Alternative A. A letter from Mr. Giuffrida (FEMA) dated March 8, 1982, which proposes a frequency consistent with Alternative A, is attached as Enclosure 5.

Cost Estimate:

The staff anticipates that there will be no additional costs to the NRC, State and local governments or to licensees associated with the proposed rule change.

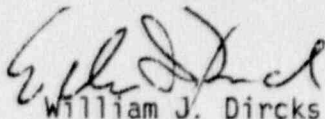
Recommendation:

That the Commission:

1. Approve: The publication for public comment of the proposed rule change in the Federal Register (Enclosure 1).
2. Note:
 - a. That appropriate Congressional committees will be notified of the proposed rule (draft Congressional letter is Enclosure 2).

- b. That the ACRS is being informed of the proposed rule.
- c. That, pursuant to § 51.51(d)(3) of the Commission's regulations, an environmental impact statement, negative declaration, or environmental impact appraisal need not be prepared in connection with the subject proposed amendment because there is no substantive or significant environmental impact.
- d. That the Federal Register notice contains a statement that the NRC certifies that the proposed rule will not, if promulgated, have a significant economic impact on a substantial number of small entities, pursuant to the Regulatory Flexibility Act of 1980, § 605(b).
- e. That the Federal Register notice contains a statement that, pursuant to the Paperwork Reduction Act of 1980, the NRC has made a preliminary determination that the proposed rule does not impose new recordkeeping, information collection, or reporting requirements.
- f. That the staff will directly notify affected applicants, licensees, State governments, and interested persons of the proposed rule.
- g. That a public announcement of the proposed rule will be made.
- h. That a Preliminary Value/Impact Analysis has been prepared (Enclosure 3).
- i. The staff's conclusions, set forth in Enclosure 4, provide the analysis called for by the Periodic and Systematic Review of the Regulations. The criteria used were derived from Executive Order 12044, which was rescinded on February 17, 1981, by Executive

Order 12291 (see memorandum dated February 27, 1981, from L. Bickwit, General Counsel to the Commission). This approach is proposed as an interim procedure until the Commission decides what to do in response to Executive Order 12291.



William J. Dircks
Executive Director for Operations

Enclosures:

1. Federal Register Notice of Proposed Rulemaking
2. Draft Congressional Letter
3. Preliminary Value/Impact Analysis
4. TMI Action Plan Review
5. Mr. Giuffrida Ltr dtd March 8, 1982

Commissioners' comments or consent should be provided directly to the Office of the Secretary by c.o.b. Monday, April 12, 1982.

Commission Staff Office comments, if any, should be submitted to the Commissioners NLT April 5, 1982, with an information copy to the Office of the Secretary. If the paper is of such a nature that it requires additional time for analytical review and comment, the Commissioners and the Secretariat should be apprised of when comments may be expected.

This paper is tentatively scheduled for consideration at an open meeting during the week of March 29, 1982. Please refer to the appropriate Weekly Commission Schedule, when published, for a specific date and time.

DISTRIBUTION

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ENCLOSURE 1

NUCLEAR REGULATORY COMMISSION

10 CFR PART 50

EMERGENCY PLANNING AND PREPAREDNESS FOR
PRODUCTION AND UTILIZATION FACILITIES:
FREQUENCY AND PARTICIPATION OF EXERCISES

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed Rule.

SUMMARY: The Nuclear Regulatory Commission is proposing to amend its regulations in order to modify the frequency of emergency preparedness exercises and the extent of participation therein now required for nuclear power reactor facilities.

DATES: The comment period expires _____* Comments received after this date will be considered if it is practical to do so, but assurance of consideration cannot be given except as to comments received on or before this date.

ADDRESSES: Interested persons are invited to submit written comments and suggestions on the proposal rule change and/or the supporting Value/Impact analysis to the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Docketing and Service Branch. Copies of the Value/Impact analysis and of the comments received by the Commission may be examined in the Commission's Public Document Room at 1717 H Street, N.W., Washington, D.C.

* Insert date 30 days after publication in Federal Register.

FOR FURTHER INFORMATION CONTACT: Michael T. Jamgochian, Human Factors Branch, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 (Telephone: 301-443-5942).

SUPPLEMENTARY INFORMATION: On August 19, 1980, the NRC published revised emergency planning regulations, which became effective on November 3, 1980 (45 FR 55402). The regulations required nuclear power reactor licensees to submit upgraded emergency plans by January 2, 1981, to submit implementing procedures by March 1, 1981, and to implement the plans by April 1, 1981.

With regard to conducting exercises of emergency plans, Appendix E, Section IV.F., of 10 CFR Part 50 now requires:

"...Each licensee shall exercise at least annually the emergency plan for each site at which it has one or more power reactors licensed for operation. Both full-scale and small-scale exercises shall be conducted and shall include participation by appropriate State and local government agencies as follows:

1. A full-scale exercise which tests as much of the licensee, State, and local emergency plans as is reasonably achievable without mandatory public participation shall be conducted;
 - a. For each site at which one or more power reactors are located and licensed for operation, at least once every five years and at a frequency which will enable each State and local government within the plume exposure pathway EPZ to participate in at least one full-scale exercise per year and which will enable each State within the ingestion pathway to participate in at least one full-scale exercise every three years.
 - b. For each site at which a power reactor is located for which the first operating license for that site is issued after the effective date of this amendment, within one year before the issuance of the operating license for full power, which will enable each State

and local government within the plume exposure EPZ and each State within the ingestion pathway EPZ to participate."

The Commission believes that the regulations determining the frequency of emergency preparedness exercises, as currently required in 10 CFR Part 50, Appendix E, should be modified in order to provide greater flexibility in implementation. Since the current regulation was published in the Federal Register on August 19, 1980, the NRC and FEMA staffs have observed and evaluated more than 50 exercises around nuclear power reactors. These exercises have included the participation of the licensee, State and local governmental officials, and in some instances, have also included the participation of Federal officials. It has become apparent that an unnecessarily disproportionate amount of Federal, State, local government and licensee resources is being expended in order to conduct and evaluate the emergency preparedness exercises at the presently required frequency. As a result of this substantial expenditure of resources for these emergency preparedness exercises, less resources are available to establish and maintain the very important day-to-day upgraded state of emergency preparedness. In addition, necessary resources for correcting any deficiencies that surface during the exercises are being reduced.

The Commission is considering two alternatives. In Alternative A, the frequency of full-participation exercises would be reduced from annually to biennially. Any deficiencies identified during a biennial exercise would be retested in limited or full participation exercises to assure that all elements in the emergency plans can be adequately implemented. Alternative B retains the presently required annual full-participation exercise, with the proviso that if all elements in

the emergency plan are performed in a satisfactory manner during the annual exercise, FEMA may recommend that another exercise is not warranted for up to two years. Based on the FEMA recommendation, NRC could then make a similar finding.

Neither of these proposed alternatives would relax in any manner the onsite exercise that each licensee is required to conduct, which includes exercising control room, technical support center and emergency operating facility functions. A partial or full-participation exercise would satisfy the licensee's annual requirement for an on-site exercise.

The minimum frequency of exercises in which a State would participate for a particular site would be relaxed from the present once every five years to once every seven years. This change will assure that States with the greater number of nuclear power plant sites will not be required to exercise in a full participation mode more than about once a year. The frequency of Federal participation at each site would also be extended to once every seven years to be consistent with the proposed change in the State participation frequency.

Some Interorganizational Advisory Committee (IOAC) members expressed concern that single site States might need more than a biennial exercise in certain instances, a provision was added to require the licensee to conduct exercises annually with full State participation if requested by the State. It should be noted that this provision establishes a precedent in that it permits a State to require the conduct of joint exercises with greater frequency than required by NRC. In the Commission's view, this provision is desirable, in light of the strong State role in emergency preparedness.

A new footnote to Section IV.F of Appendix E is also proposed which would specifically provide for the use of site-specific control room simulators near the site to aid in realism of reactor parameters and their interplay in the scenario.

The Commission believes that adoption of either alternative will more effectively focus available resources on the pertinent issues and problems in establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. The added flexibility that either alternative would provide would assist in ensuring appropriate protection of the health and safety of the public.

Because FEMA is directly involved in the evaluation of offsite emergency preparedness exercises and, therefore, would be affected by the promulgation of this proposed rule change, the NRC staff consulted with the FEMA staff during the development of this notice. FEMA recommends a frequency consistent with Alternative A in the proposed rule change.

The following tables provide further information relative to implementation of the new proposed baseline exercise frequencies in Alternative A. Exercises could be more frequent than indicated on these tables if recommended by FEMA and found appropriate by NRC. The tables also illustrate the minimum frequency that could result from Alternative B for the case where FEMA recommended and the NRC made a finding that the results of each exercise are such that a subsequent exercise is not warranted for two years.

FOR ALTERNATIVE A
EXAMPLE EXERCISE FREQUENCIES FOR VARIOUS NUMBERS

OF NUCLEAR SITES HAVING PLUME EXPOSURE EPZs WITHIN A STATE

- F = Full participation by State and local governmental agencies and licensee
- P = Full participation by licensee and local governmental agencies and partial participation by States within plume exposure EPZ

Blank or L = Licensee only

Case 1 One site with plume exposure EPZ within one state

Year Site	1	2	3	4	5	6	7
A	F		F		F		F

(4F, 3L)

Case 2 Two sites* with both plume exposure EPZ s within one state

Year Site	1	2	3	4	5	6	7
A	F		F		P		P
B		P		F		F	

(4F, 3P, 7L)

Case 3 Three sites with all plume exposure EPZ s within one state

Year Site	1	2	3	4	5	6	7
A	F		P		P		P
B		P		F		F	
C	P		F		P		P

(4F, 7P, 10L)

*Where there are two licensees at one location, these are considered as two sites. Where one licensee has more than one reactor at one location, it is considered as one site.

Case 4 Four sites with all plume exposure EPZ's within one state

Year Site	1	2	3	4	5	6	7
A	F		P		P		P
B		P		F		P	
C	P		F		P		P
D		P		P		F	

(4F, 10P, 14L)

Case 5 Five sites with all plume exposure EPZ s within one state

Year Site	1	2	3	4	5	6	7
A	F		P		P		P
B		P		F		P	
C	P		F		P		P
D		P		P		F	
E	P		P		P		F

(5F, 13P, 17L)

Case 6 Seven sites with all plume exposure EPZ s within one state

Year Site	1	2	3	4	5	6	7
A	F		P		P		P
B		F		P		P	
C	P		F		P		P
D		P		F		P	
E	P		P		F		P
F		P		P		F	
G	P		P		P		F

(7F, 18P, 24L)

Case 7

Example for Boundary Sites - Three States

Year Site	1	2	3	4	5	6	7
A _{1,2}	F		P		P		P
B _{3,1}		P		F		P	
C ₂	P		F		P		F
D ₃		F		P		F	
E ₁	P		F		P		P
F ₁		P		P		F	

subscript 1 = State 1

4 sites

(4F, 10P)

subscript 2 = State 2

2 sites

(3F, 5P)

subscript 3 = State 3

2 sites

(3F, 3P)

(21L Total)

Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980, 5 U.S.C. § 605(b), the NRC certifies that this rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. The proposed rule concerns the frequency and extent of conducting full-scale exercises of emergency plans for nuclear power plants licensed pursuant to Sections 103 and 104b of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §§ 2133, 2134(b). The electric utility companies owning and operating these nuclear power plants are dominant in their service areas and do not fall within the definition of a small business found in Section 3 of the Small Business Act, 15 U.S.C. § 632, or within the Small Business Size Standards set forth in 13 CFR Part 121. Accordingly, there would be no significant economic impact on a substantial number of small entities, as defined in the Regulatory Flexibility Act of 1980.

Paperwork Reduction Act Statement

Pursuant to the provisions of the Paperwork Reduction Act of 1980 (Pub. L. 96-511), the NRC has made a determination that this proposed rule would not impose new recordkeeping, information collection, or reporting requirements.

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and section 553 of title 5 of the United States Code, notice is hereby given that adoption of the following amendment to 10 CFR Part 50, Appendix E, is contemplated.

PART 50 - DOMESTIC LICENSING OF PRODUCTION
AND UTILIZATION FACILITIES

The authority citation for Part 50 reads as follows:

AUTHORITY: Secs. 103, 104, 161, 182, 189, 68 Stat. 936, 937, 948, 953, 954, 956, as amended (42 U.S.C. 2133, 2134, 2201, 2232, 2233, 2239); secs. 201, 202, 206, 88 Stat. 1243, 1244, 1246 (42 U.S.C. 5841, 5842, 5846), unless otherwise noted. Section 50.78 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 50.78-50.81 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Sections 50-100-50.102 issued under sec. 186, 68 Stat. 955 (42 U.S.C. 2236). For the purposes of sec. 223, 68 Stat. 958, as amended (42 U.S.C. 2273), § 50.41(i) issued under sec. 161i, 68 Stat. 949 (42 U.S.C. 2201(i)); §§ 50.70, 50.71, and 50.78 issued under sec. 161o, 68 Stat. 950, as amended (42 U.S.C. 2201(o)), and the laws referred to in Appendices.

1. 10 CFR Part 50, Appendix E, Section IV.F, is revised to read as follows:*

APPENDIX E - EMERGENCY PLANNING AND PREPAREDNESS
FOR PRODUCTION AND UTILIZATION FACILITIES

* * * * *

F. Training

The program to provide for (1) the training of employees and exercising, by periodic drills, of radiation emergency plans to ensure that employees of the licensee are familiar with their specific emergency

*This regulation is typed in comparative text in order to assist in review. This will be deleted when it is submitted to the Federal Register for publication.

response duties and (2) the participation in the training and drills by other persons whose assistance may be needed in the event of a radiation emergency shall be described. This shall include a description of specialized initial training and periodic retraining programs to be provided to each of the following categories of emergency personnel:

- a. Directors and/or coordinators of the plant emergency organization;
- b. Personnel responsible for accident assessment, including control room shift personnel;
- c. Radiological monitoring teams;
- d. Fire control teams (fire brigades);
- e. Repair and damage control teams;
- f. First aid and rescue teams;
- g. Medical support personnel;
- h. Licensee's headquarters support personnel;
- i. Security personnel.

In addition, a radiological orientation training program shall be made available to local services personnel, e.g., local Civil Defense, local law enforcement personnel, local news media persons.

The plan shall describe provisions for the conduct of emergency preparedness exercises. Exercises shall test the adequacy of timing and content of implementing procedures and methods, test emergency equipment and communication networks, test the public notification system, and ensure that emergency organization personnel are familiar with their duties.

~~[Each licensee shall exercise at least annually the emergency plan for each site at which it has one or more power reactors licensed for operation:--Both full-scale and small-scale exercises shall be conducted and shall include participation by appropriate State and local government agencies as follows:~~

~~a:---For each site at which one or more power reactors are located and licensed for operation; at least once every five years and at a frequency which will enable each State and local government within the plume exposure pathway EPZ to participate in at least one full-scale exercise per year and which will enable each State within the ingestion pathway to participate in at least one full-scale exercise every three years:]~~

1. A full-participation⁵ [-scale] exercise which tests as much of the licensee, State and local emergency plans as is reasonably achievable without mandatory public participation shall be conducted [;-b:] for each site at which a power reactor is located for which the first operating license for that site is issued after the effective date of this amendment. This exercise shall be conducted within one year before the issuance of the operating license for full power, which will enable and shall include participation by each State and local government within the plume exposure EPZ and each State within the ingestion pathway EPZ to participate.



2.a. Each licensee at each site shall exercise annually its emergency plan to test as much of the licensee emergency plan as is reasonably achievable.⁶

b. Except as provided in paragraph c. below, the licensee exercises shall include participation by offsite governmental agencies at the following frequencies:

(i) at least [Alternative A: once every two years] [Alternative B: annually] with full participation⁵ by local government agencies and with at least partial participation⁷ by States within the plume exposure EPZs.

(ii) at least once every seven years with full participation by local government agencies within the plume exposure EPZ and full participation by States within the plume exposure and ingestion pathway EPZs.

⁵"Full participation" when used in conjunction with emergency preparedness exercises means all involved State and local offsite agencies shall physically and actively take part in the exercise to test all major elements of the onsite and offsite plans without mandatory public participation.

⁶Site specific control room simulators located on or near the site may be used in lieu of the control room for exercises which do not require offsite agency participation. Use of site specific simulators for the purpose of generating displays in the Technical Support Center (TSC) and Emergency Operations Facility (EOF) is acceptable for any exercise provided appropriate measures are taken to assure the reliability and availability of the TSC and EOF equipment should an actual event occur during such use.

⁷"Partial participation" when used in conjunction with emergency preparedness exercises means involved State and local offsite agencies shall actively take part in the exercise enough to test direction and control functions. "Direction and control functions" means that the participant shall demonstrate (a) at least protective action decisionmaking, and (b) communications capabilities among affected State agencies, local agencies and the affected licensee.

c. [Alternative A: The exercises or components of exercises provided for in paragraph b. above shall be held more frequently than specified therein if necessary to enable full participation in an exercise at some site by each State within a plume exposure EPZ at least once every two years, or if requested by the State in which the site is located, or if recommended by FEMA and determined by the NRC to be appropriate.]

[Alternative B: The exercises provided for in paragraph b. above may be held less frequently than annually if FEMA recommends that all elements in an emergency plan were performed satisfactorily during an exercise and that another exercise is not warranted for two years. Based on this recommendation the Commission may make a finding that a period up to two years may elapse before another partial or full-participation exercise must be conducted.]

3. An initial exercise with full participation of State and local governmental agencies shall have been held by each licensee at each site prior to June 1, 1982, except where two licensees interact with the same local governmental agency. In that instance, one of the initial exercises shall have been held before June 1, 1982 and one before September 1, 1982.

4. [(2)] The plan shall [also] describe provisions for involving Federal emergency response agencies in a full [scale] participation emergency preparedness exercise by each licensee at [for] each site[,] at which one or more power reactors are located and licensed for operation[,] at least once every [5] seven years;

[(3)--A-small-scale-exercise-which-tests-the-adequacy-of communication-links;-establishes-that-response-agencies-understand-the emergency-action-levels;-and-tests-at-least-one-other-component-(e.g.;

medical-or-offsite-monitoring)-of-the-offsite-emergency-response-plan
for-license;-State;-and-local-emergency-plans-for-jurisdictions-within
the-plume-exposure-pathway-EPZ-shall-be-conducted-at-each-site-at-which
one-or-more-power-reactors-are-located-and-licensed-for-operation-each
year-at-full-scale-exercise-is-not-conducted-which-involves-the-State(s)
within-the-plume-exposure-pathway-EPZ-]

5. All training, including exercises, shall provide for formal critiques in order to identify weak or deficient areas that need corrections. Any weaknesses or deficiencies that are identified shall be corrected. Significant deficiencies shall be subject to the provisions of § 50.54(s)(2).

* * * * *

Dated at _____ this _____ day of 1982.

For the Nuclear Regulatory Commission.

Samuel J. Chilk
Secretary of the Commission

ENCLOSURE 2

DRAFT CONGRESSIONAL LETTER

Dear Mr. Chairman:

Enclosed for the information of the Subcommittee on _____ is a copy of a notice of proposed rulemaking to be published in the Federal Register.

The Commission believes that the regulations that determine the frequency of emergency preparedness exercises and the extent of participation therein, as currently required in 10 CFR Part 50, Appendix E, should be modified in order to provide greater flexibility in implementation. Since the current regulation was published in the Federal Register on August 19, 1980, the NRC and FEMA staffs have observed and evaluated more than 50 exercises around nuclear power reactors. These exercises have included the participation of not only licensees, State and local governmental officials, but, in some instances, have also included the participation of Federal officials. It has become apparent that an unnecessarily disproportionate amount of Federal, State, local government and licensee resources are being expended in order to conduct and evaluate the emergency preparedness exercises at the presently required frequency. As a result of this substantial expenditure of resources for these emergency preparedness exercises, less resources are available to establish and maintain the very important day-to-day state of emergency preparedness.

In the proposed amendments, the Commission has identified two alternatives which it is considering. In one alternative (Alternative A), the frequency of full-participation exercises would be reduced from annually to biennially. The second alternative (Alternative B) retains the presently required annual full-participation exercise with the proviso that if all elements in the emergency plans are performed in a satisfactory manner during an exercise, FEMA may recommend that another exercise is not warranted for up to two years. Based on FEMA's recommendation, NRC could then make a similar finding. This proposed rule change will not relax in any manner the presently required annual on-site exercise that each licensee must conduct.

The minimum frequency of State, local, and Federal participation at each site would also be extended.

If the proposed amendment becomes a final rule, the Commission is convinced that regulations will be flexible enough in order to assure that the available resources (on the Federal, State, local and licensee level) can be more effectively used to focus on the more pertinent issues and problems in establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. This will serve to aid in ensuring appropriate protection of the health and safety of the public.

Robert B. Minogue, Director
Office of Nuclear Regulatory Research

Enclosure: Federal Register Notice of
Proposed Rulemaking

ENCLOSURE 3

VALUE/IMPACT ANALYSIS

1. PROPOSED ACTION

1.1 Description

The Nuclear Regulatory Commission is proposing to amend its regulations in order to modify the frequency of emergency preparedness exercises and the extent for participation therein now required for nuclear power reactor licensees.

1.2 Need for Proposed Action

On August 19, 1980, the NRC published revised emergency planning regulations, which became effective on November 3, 1980 (45 FR 55402). The regulations required nuclear power reactor licensees to submit upgraded emergency plans by January 2, 1981, to submit implementing procedures by March 1, 1981, and to implement the plans by April 1, 1981.

With regard to conducting exercises of emergency plans, Appendix E, Section IV.F, of 10 CFR Part 50 now requires:

"...Each licensee shall exercise at least annually the emergency plan for each site at which it has one or more power reactors licensed for operation. Both full-scale and small-scale exercises shall be conducted and shall include participation by appropriate State and local government agencies as follows:

1. A full-scale exercise which tests as much of the licensee, State, and local emergency plans as is reasonably achievable without mandatory public participation shall be conducted;
 - a. For each site at which one or more power reactors are located and licensed for operation, at least once every five years and at a frequency which will enable each State and local government within the plume exposure pathway EPZ to participate in at least one full-scale exercise per year and which will enable each State within the ingestion pathway to participate in at least one full-scale exercise every three years.
 - b. For each site at which a power reactor is located for which the first operating license for that site is issued after the effective date of this amendment, within one year before the issuance of the operating license for full power, which will

enable each State and local government within the plume exposure EPZ and each State within the ingestion pathway EPZ to participate."

The Commission believes that the regulations that determine the frequency of emergency preparedness exercises, as currently required in 10 CFR Part 50, Appendix E, should be modified in order to provide greater flexibility in implementation. Since the current regulation was published in the Federal Register on August 19, 1980, the NRC and FEMA staffs have observed and evaluated more than 50 exercises around nuclear power reactors. These exercises have included the participation of not only the licensee, State and local governmental officials, but, in some instances, have also included the participation of Federal officials. It has become apparent that an unnecessarily disproportionate amount of Federal, State, local government and licensee resources are being expended in order to conduct and evaluate the emergency preparedness exercises at the presently required frequency. As a result of this substantial expenditure of resources for these emergency preparedness exercises, less resources are available to establish and maintain the very important day-to-day upgraded state of emergency preparedness. In addition, necessary resources for correcting any deficiencies that surface during the exercises are being reduced.

In the proposed amendments, the Commission has identified two alternatives which it is considering. In one alternative (Alternative A), the frequency of full-participation exercises would be reduced from annually to biennially. Any deficiencies that are identified during a biennial exercise would be retested in limited or full-participation exercises until it is assured that all elements in the emergency plans can be adequately implemented. The second alternative (Alternative B) retains the presently required annual full-participation exercise with the proviso that if all elements in the emergency plans are performed in a satisfactory manner during the annual exercise, FEMA may recommend that another exercise is not warranted for up to two years. Based on FEMA's recommendation, NRC could then make a similar finding. Neither of these proposed alternatives would relax in any manner the onsite exercise that each licensee is required to conduct.

1.3 Value/Impact of the Action

1.3.1 NRC

The Commission believes that adoption of either alternative will more effectively focus available resources on the pertinent issues and problems in establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. The added flexibility that either alternative would provide would assist in ensuring appropriate protection of the health and safety of the public.

The frequency of NRC participation in an emergency preparedness exercise at each site would be extended from once ~~every~~ 5 years to once every 7 years.

1.3.2 Other Government Agencies

The minimum frequency of exercises with which a State would participate with a particular site would be relaxed from the present once every five years to once every seven years. This change will assure that States with the greatest number of nuclear power plant sites will not be required to exercise in a full participation mode more frequently than an average of once a year. The frequency of Federal participation at each site would also be extended to once every seven years to be consistent with the proposed change in the State participation frequency.

The proposed amendment would also relax the frequency with which local governments would be required to participate in emergency preparedness exercises. This is especially true for local governments and for States with few reactor sites within their boundary.

1.3.3 Industry

The proposed amendment will not greatly affect the industry since licensees will still be required to conduct an annual emergency preparedness exercise. Licensees will save a limited amount of resources because their annual exercise may be less complex because they may not include the participation by State officials.

1.3.4 Public

The proposed amendment will have negligible effect on the public as adequate emergency preparedness at and around nuclear power reactors will still be assured under the proposed regulations. Likewise, public participation in the exercises is not required but in many instances, small segments of the population have volunteered to participate.

1.4 Decision on the Action

The proposed regulation amendment should be published in the Federal Register.

2. TECHNICAL APPROACH

Because the proposed amendment is of a non-technical nature, no technical alternative has been considered.

3. PROCEDURAL ALTERNATIVES

Potential NRC procedures that could be used to promulgate the action of the proposed amendment include the following:

- (a) Immediately effective final rule change

Clearly a proposed amendment is the better alternative because it seeks public comment.

4. STATUTORY CONSIDERATIONS

4.1 NRC Authority

The proposed amendment is intended to implement the Atomic Energy Act of 1954 as amended.

4.2 Need for NEPA Assessment

Since the proposed amendment does not represent a major action, as defined by 10 CFR § 51.5(a)(10) and does not effect the environment, implementation of the proposed amendment does not require a NEPA assessment.

5. RELATIONSHIP TO OTHER EXISTING OR PROPOSED REGULATIONS OR POLICY

These proposed amendment relates to the NRC emergency preparedness regulations, Regulatory Guide 1.101, Revision 2, NUREG-0654/FEMA-REP-1 and NUREG-0696.

6. SUMMARY AND CONCLUSIONS

In summary, the proposed amendment is needed so that the regulations will be flexible enough to assure that the available resources can be more effectively used to focus on the pertinent issues and problems of establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. This will serve to aid in ensuring appropriate protection of the health and safety of the public.

The conclusion is to proceed expeditiously with amending regulations as proposed.

ENCLOSURE 4

TMI ACTION PLAN REVIEW

The NRC has conducted a review of this proposed amendment to determine that it satisfies the applicable criteria contained in Task IV.G.2 of the NRC Action Plan Developed As A Result Of The TMI-2 Accident (NUREG-0660, May 1980). Briefly, those criteria and the NRC's conclusions relative to each are as follows:

1. The regulations are needed:

The proposed amendment is needed so that the regulations will be flexible enough to assure that the available resources can be more effectively used to focus on the pertinent issues and problems of establishing and maintaining an upgraded and effective day-to-day state of emergency preparedness. This will serve to aid in ensuring appropriate protection of the health and safety of the public. The conclusion is to proceed expeditiously with amending regulations as proposed.

2. The direct and indirect effects of the regulation have been considered:

The Commission has fully considered the direct and indirect effects of the proposed amendment as set forth in the value impact analysis (Enclosure 3).

3. Alternative approaches have been considered and the least burdensome of the acceptable alternatives has been chosen: The alternative approach to proposed rulemaking would be for the Commission to proceed with final rulemaking; the correct and least burdensome approach has been chosen.

4. Public comments have been considered and an adequate response has been prepared: The proposed rule changes are requesting public comments.

5. The regulation is written so that it is understandable to those who must comply with it: These proposed rule changes satisfy this criterion.

6. An estimate has been made of the reporting burdens or recordkeeping requirements necessary for compliance with the regulation: The proposed rule change does not increase any such burdens or requirements which may otherwise

exist, nor does it establish any new reporting burdens or recordkeeping requirements. There would be some small reduction in the reporting burdens and recordkeeping requirements due to the reduced frequency of exercises.

7. The name, address, and telephone number of a knowledgeable agency official has been identified: This is provided in the proposed Federal Register notice.

ENCLOSURE 5



Federal Emergency Management Agency

Washington, D.C. 20472

8 MAR 1982

Honorable Nunzio J. Palladino
Chairman
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Palladino:

During the past two years, 50 radiological emergency preparedness exercises involving State and local offsite emergency preparedness have been conducted in 32 states. Based on the review and critique of these exercises, the Federal Emergency Management Agency (FEMA) believes it is now appropriate to adjust the frequency at which offsite emergency preparedness exercises take place. This position is further reinforced by the fact that State and local governments, in a context of their overall comprehensive emergency management responsibilities, actively participate on a regular basis in drills and exercises which relate to natural hazards as well as civil defense.

FEMA has completed a review of the language in our respective rules (10 CFR 50 (NRC) and 44 CFR 350 (FEMA)) regarding frequency of exercises at nuclear power facilities and believes that certain changes are appropriate. These changes reflect five basic points:

1. Each State which has a facility within its boundaries or within 10 miles (the plume Emergency Planning Zone) of its boundaries shall fully exercise its radiological emergency response plan jointly with the facility and appropriate local jurisdiction(s) no less frequently than every two years.
2. States with more than three such facilities shall exercise more frequently as necessary in order to fully participate with each facility at least once within a seven-year period.
3. Each local jurisdiction which has a facility within its boundaries or within 10 miles (the plume Emergency Planning Zone) of its boundaries shall fully exercise its radiological emergency response plan jointly with the facility and the State(s) no less frequently than every two years.
4. In consultation with NRC, FEMA will determine the level and frequency for remedial drills and exercises.
5. States in the ingestion Emergency Planning Zone of a facility shall exercise their plan not less than once within a seven-year period and in conjunction with a plume Emergency Planning Zone exercise for that facility.

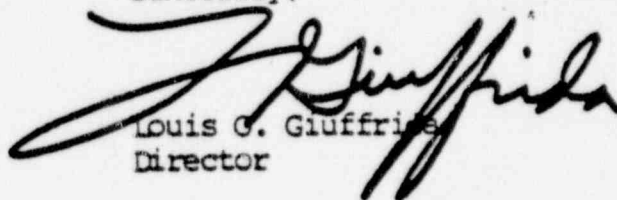
Enclosure 5

Please note that nothing in our language precludes the conduct of a full State and local exercise every year, if necessary, to ensure adequate preparedness, even in a State with only one facility. However, as the Associate Director for State and Local Programs and Support, Mr. Lee M. Thomas, indicated to the Commission on February 4, 1982, we feel that the basic two-year cycle will give us the option of zeroing in on specific jurisdictions as well as components of State and local levels of preparedness in need of improvement. While this may reduce the quantity of full-scale exercises, it most certainly will improve the overall quality of preparedness by allowing State and local governments to work on problem areas identified in the scheduled exercises in much more depth than an annual interval allows. This modification in exercise scheduling has been discussed with State and local governments as well as with FEMA Regional Directors in the field. These parties not only support but are active advocates of the basic reduction in exercise frequency.

Delegation of authority by the President and Congress to the Director of FEMA has resulted in FEMA taking the lead role for determinations of status of offsite emergency plans and response related to radiological emergencies. In carrying out this role, FEMA reviews policy and programs on a continuing basis to insure that the quality of State and local preparedness is upgraded. The frequency and evaluation of exercises is an integral part of this process. We believe, therefore, that it is appropriate for the Nuclear Regulatory Commission to rely on FEMA's best judgment in this closely related area of mutual concern.

Because public safety is a basic premise of emergency preparedness, and since exercises are a systematic way of demonstrating our preparedness capability, we agree that exercises are of critical importance to State and local governments as well as to your licensees. However, we would like to see such exercises be as meaningful as possible to all participants. It is to that end that the revised language has been prepared and the Commission's support requested.

Sincerely,


Louis G. Gluffrida
Director

"NRC Staff Note: The NRC staff has discussed this letter with the FEMA staff and understands the above points are to be interpreted as follows: (1) in item 1., read "...jointly with a facility"; (2) in item 3., read "...with the facility and at least enough of the State(s) plan to test direction and control functions no less frequently than every two years".

ENCLOSURE 5