September 4, 1980

MEMORANDUM FOR: G. W. Reinmuth, DRCI, IE

FROM: V. E. Campbell, Jr., RSSB, SD

SUBJECT: 10 CFR 50.55(e) AMENDMENT OF -

Based on our telephone conversation of September 3, 1980, I am forwarding for your information a copy of my memo to W. M. Morrison, dated February 13, 1980 and, for action, a revised draft of 50.55(e) dated 8/28/80. The 8/28/80 draft is my resolution, not yet OSD approved, of the differences between my prior draft dated 8/07/80 and the draft dated 7/26/80 which was based on an IE memo of 4/19/80.

It is my recollection that during the meeting between IE (Taylor, Reinmuth, Henderson) and SD (Campbell) on August 25, 1980, (a) IE felt it appropriate to define in the regulation the term "adequately informed" that is used in 50.55(e)(1) and IE agreed to provide such a definition; (b) I stated that justification from IE was required to support (1) the concept of requiring all construction permit holders to submit reports of incomplete deficiency evaluation and (2) the need for stop work authority if a complete report is not submitted within the specified period. I still do not see the need or utility of such a definition in the rule. The reports discussed above are, to the best of my knowledge, currently required of only one licensee. I deem these justifications are prerequisites to the completion of a Commission Paper.

I still feel the required data for an adequate Report Justification Analysis will be difficult to collect and also to defend during the rulemaking process. I consider the draft of 8/28/80 is responsive to the comments received from IE but, at present, I cannot support the current draft to SD management due to the following items:

- All construction permit holders must submit "incomplete deficiency evaluation reports"
- (2) IE must have stop work authority
- (3) The data for a Report Justification Analysis (RJA) has not been developed by IE. I believe that this data should include the ability of NRC to review, in a timely manner, the data that is required by the regulation and the required NRC resources.

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To: G. W. Reinmuth

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Please let me know when IE will provide the definition discussed above, the justifications discussed above, the data for the RJA and comments on the $\ell/28/80$ draft.

During the telephone conversation you requested the currently anticipated date for submission of a proposed rule to the Commission. That date will be submitted separately.

el by

W. E. Campbell, Jr. Reactor Systems Standards Branch Division of Engineering Standards Office of Standards Development

Enclosures: Memo WEC to WMM dated 2/13/80 10 CFR 50.55(e) draft dated 8/28/80

cc: E. C. Wenzinger W. M. Morrison C. J. Haltemes

bcc: G. A. Arlotto R. B. Minogue.

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

FEB 1 3 1980

MEMORANDUM FOR: W. M. Morrison, Assistant Director for General Engineering Standards Division of Engineering Standards Office of Standards Development

FROM:

W. E. Campbell, Jr. Reactor Systems Standards Branch Division of Engineering Standards Office of Standards Development

SUBJECT: 10 CFR 50.55e, AMENDMENT

On January 8, 1980 you requested estimates concerning amendments to (a) 10 CFR Part 21 in regard to inclusion of non licensee organizations and (b) 10 CFR 50.55e to clarify or amplify the term "significant" as used therein These estimates were submitted orally.

Commission paper AEC-R 2/81 of March 31, 1970 recommended a proposed amend ment to add a new 50.55e. That proposed amendment was noticed July 28, 1970. Commission paper SECY-R 384 of January 28, 1972 recommended an effective amendment. That effective amendment was noticed on March 30, 1972. (37 FR 6459). Since that time there have been no amendments concerning the word "significant".

The proposed amendment included four examples of frequently occurring deficiencies that need not be reported. No examples were included in the effective amendment or its preamble since, according to the preamble, they "made the reporting requirements appear more complex than was actually intended".

Both SECY-R 384 and the preamble of 37 FR 6459 were written following the receipt of comments and make a case for the retention of the word "significant" and other non-specific words and states "...we do not believe that the regulation can be written to eliminate the need for judgment". If the effective amendment is compared with the appropriate portions of the proposed amendment it becomes apparent that the use of "significant" was increased from one to five.

37 FR 6459 identifies the "mesh size" that has been established for reporting by some licensees; i.e., holders of a construction permit (a) 10 CFR Part 50 Access in Part in Participations that conditions

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requires that conditions adverse corrected and case of significant conditions be established to assure that repetition and the condition ement and lder of a construction permit deficiences to the Commission." to require reporting of trivial