



OFFICE OF THE
CHAIRMAN

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

October 29, 1980

The Honorable James T. McIntyre, Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. McIntyre:

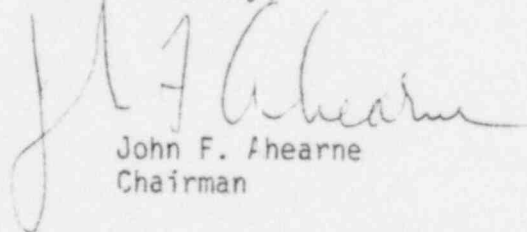
In accordance with Section 236 of the Legislative Reorganization Act of 1970, the U.S. Nuclear Regulatory Commission (NRC) is hereby submitting a statement on the Commission actions being taken with regard to the recommendations made by the U.S. General Accounting Office (GAO) in a report entitled, "Do Nuclear Regulatory Commission Plans Adequately Address Regulatory Deficiencies Highlighted By The Three Mile Island Accident?"

The GAO recommends that "... the Commission periodically report to Congress on its progress in implementing the Action Plan, specifically providing the status of each action compared to the original Plan."

In our next Annual Report to the Congress we plan to devote an entire chapter to the aftermath of the TMI accident. This chapter will include, among other things, a report on the status of Action Plan items. Of course if the Congress desires additional information on the Action Plan, we will be pleased to provide it. However, we do request that the Congress first review our initial report to determine if it is sufficient. We believe the Annual Report is an appropriate vehicle for periodic reports to Congress on NRC's progress in implementing the Action Plan in the current year, and in succeeding years as applicable.

For the most part NRC agrees with the GAO report. Two observations made by GAO, however, merit additional comments. These are summarized on the attached page.

Sincerely,



John F. Ahearne
Chairman

Attachment:
As stated

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COMMENTS ON GAO OBSERVATIONS IN THE REPORT "DO NUCLEAR
REGULATORY COMMISSION PLANS ADEQUATELY ADDRESS REGULATORY
DEFICIENCIES HIGHLIGHTED BY THE THREE MILE ISLAND ACCIDENT?"

GAO Observation

"The Commission's estimated resources and time frames do not leave much margin for error."

NRC Comment

The observation is valid. However, since completion of the development of the Action Plan, the NRC has taken action that will lessen the staff resource impact of the plan. First, many items that were initially envisioned as requiring pre-implementation review and approval by the NRC have been changed to require post-implementation review. This removes the NRC from the critical path of implementing the needed improvements. Second, for a number of reasons, the scheduled implementation dates have been extended. This allows more flexibility in completing the needed staff effort. Both of these factors were the subject of industry meetings conducted in September (see attachment) on the Action Plan.

GAO Observation

"The Commission is relying heavily on the nuclear industry for the development of most corrective actions."

NRC Comment

The NRC is establishing new requirements based on the analysis of the accident that occurred at Three Mile Island. The NRC is responsible for setting the guidelines and criteria for corrective action. Nevertheless, in many cases the method used by the industry to meet assigned requirements will be plant-specific, and it should be expected that industry personnel are more able to analyze and develop plant-specific modifications. However, the Congress can be assured that NRC intends to oversee vigorously the process of implementing the requirements to make certain that the action items are completed properly.



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WASHINGTON, D. C. 20555

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TO ALL LICENSEES OF OPERATING PLANTS AND APPLICANTS FOR OPERATING LICENSES
AND HOLDERS OF CONSTRUCTION PERMITS

GENTLEMEN:

SUBJECT: PRELIMINARY CLARIFICATION OF TMI ACTION PLAN REQUIREMENTS

Over the past months since the TMI-2 accident, the NRC has developed a number of requirements that must be implemented on operating reactors and on plants under construction. The purpose of this letter is to provide you with a summary listing of all approved TMI-2 related requirements for operating reactors and for applicants for an operating license as we understand them today. Also included for many items are proposed revisions or clarifications. This letter is for your information and review prior to NRC regional meetings to be held during the week of September 22, 1980. It is hoped that such a listing will put together in one place a tabulation of all such requirements for ease of use. Enclosure 1 contains a listing of all approved TMI-related requirements for operating reactors. Post-TMI requirements that have been completed, i.e., Short-term Lessons Learned requirements, have been included on Enclosure 1 for completeness. Enclosure 2 contains the approved list of requirements for applicants for an operating license. Enclosure 3 to this letter contains revisions and clarifications of the NRC position on most of these requirements.

One of two types of NRC reviews is specified for each requirement listed on Enclosure 1. "Pre-implementation review" requires that the licensee proposal be reviewed and approved by NRC prior to implementation. Post-implementation review requires that the licensee submit sufficient documentation to permit NRC review following implementation. In general, all reviews for Operating License applicants will be pre-implementation reviews.

To facilitate NRC review on all pre-implementation items, in a time frame consistent with the implementation schedule, dates for the submittal of required information or documentation for licensees are also listed on Enclosure 1. Information or documentation for Operating License Applicant requirements is to be submitted four months prior to the expected issuance of an operating license or four months prior to the listed implementation date, whichever is later.

A preliminary indication of whether the development of Technical Specifications to a facility license will be required for each of the action items is also listed on Enclosures 1 and 2. For those items which require Technical Specifications, the proposed Technical Specification should be submitted with the required documentation.

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Experience with implementation of these and previous TMI Action Plan requirements indicate that the scheduled implementation deadlines in some cases may not allow reasonable time for completion of the work required. In some instances, the schedules, review categories, or clarifications have been changed from previous correspondence, or the requirement is being formally transmitted for the first time. A summary of these principal changes is listed as Enclosure 5.

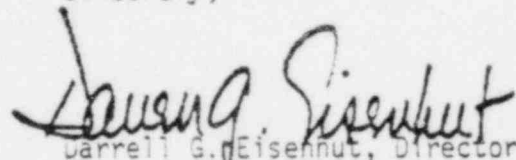
The licensee/applicant should formally notify the staff as soon as any delays beyond the required implementation dates become apparent. The licensee/applicant submittal for these cases should include justification for the delay, a discussion of the work that will be completed by the required date including any planned compensatory actions, and an indication of the date for completion of the required actions. The staff intends to allow case-by-case exceptions only for good cause.

In general, a completion deadline for a requirement falls later than the operating license date for a new plant, that requirement need not be met by the newly licensed plant until the completion deadline. If a completion deadline falls before an operating license decision date, that requirement is a prerequisite for the new operating license, except when a good cause is shown for any such exception.

In view of the complexity and the number of issues discussed herein, the NRC is planning regional meetings to discuss these requirements. Such meetings, which will be similar to those held a year ago on the Short-term Lessons Learned requirements, will be principally for the purpose of discussing our proposed clarification and revision requirements, and to provide a forum for obtaining licensee/applicant feedback. Licensees and applicants for operating licenses are strongly encouraged to attend and participate. A Federal Register Notice is being issued in the near future stating the exact time and location of such meetings which will be held during the week of September 22, 1980. To facilitate your review, Enclosure 4 contains a listing of previous correspondence sent to licensees/applicants setting forth TMI-related requirements.

Although the requirements (Scope and Schedules) contained herein will not be put in final form until after consideration of comments received at the regional meetings, all licensees and applicants should anticipate that the final requirements will closely resemble those identified in the Enclosures. As such, utilities should continue plans to implement these requirements.

Sincerely,



Jarrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation