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Full Package

OCT 2 1979

MEMORANDUM FOR: W. Stello, Director, IE
 FROM: Robert B. Minogue, Director, SD
 SUBJECT: LIMITING CONDITIONS FOR OPERATION

In your September 7, 1979, memo to me, you disapproved the Limiting Conditions for Operation Task Initiation Form (RS 918-1) because you do not agree that a regulation change is needed.

We agree with you that there are enforcement options which potentially could accomplish the intended objective and not require a regulation change. This is noted in the attached TIF supplement. The TIF, as originally written, concentrated mainly on the Lessons Learned Task Force recommendation. After the TIF was issued for concurrence, we realized that the scope ought to be broader and the task and its premises described better, so this TIF supplement was drawn up. There are different ways to achieve the objective of increasing the licensees' awareness of the need to generally improve performance during operation, and current enforcement options, as you pointed out, potentially could do the job. In recommending a course of action on this subject to the Commission, however, the staff paper should present whatever viable options may be recommended by the staff, along with their pros and cons and what kind of staff support exists for each. This means presenting to the Commission not only your recommended approach, but those of the LLTF, H. Denton, and the ACRS. In addition, we think someone (SD, IE, or STS) will also have to look into what guidelines would be needed for both the industry and the NRC in order to implement any of these recommendations on a consistent and predictable basis.

The attached TIF supplement broadens the original TIF scope, outlines a general approach to the task, and defines some premises upon which the approach depends and I believe is much more consistent with your views. Your review, reconsideration and approval of the supplemented TIF are requested. By copy of this memo, similar action is being requested of NRR and ELD.

As this reply to you was being prepared, H. Denton's memo of September 25, 1979, was received, and his request for a staff paper to the Commission is consistent with the attached revised description of this task.

Task No. N/A See Previous Yellow Robert B. Minogue, Director

Office of Standards Development

OFFICE	DES:SCSB for R998urrences	DES:ADGES	DES:AR	SD:DIR
SURNAMES	Enclosures: EWenzinger	WMorrison	GAArlotto	RBMinogue
DATE	2. Original TIF Package 9/19/79	9/19/79	9/19/79	10/1/79

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SUPPLEMENT TO TASK INITIATION FORM
FOR LIMITING CONDITIONS FOR OPERATION (TASK #RS 918-1)

Since the distribution of the above Task Initiation Form (TIF) package for concurrence, investigation into the recommendations of the Lessons Learned Task Force (LLTF), H. Denton, V. Stello, and the ACRS have resulted in a modified plan of action for this task based upon certain premises, as described below.

A. LLTF Proposal

The recommendation of the LLTF would require drafting a revision to § 50.36(c)(2), Limiting Conditions For Operation, to require licensee-initiated plant shutdown for certain human or procedural errors which result in a complete loss of safety function. For this, it is expected that either an environmental impact appraisal or statement may be necessary. This would address the effect on the public of the loss of power from the plant shutdown, and the economic impact on the public resulting from the shutdown, as was described in the initial TIF package value-impact statement.

B. Denton, V. Stello, & ACRS Recommendations

The H. Denton recommendation is to amend the LLTF recommendation so as to differentiate between an isolated occurrence and a repetitive pattern. The ACRS recommendation is for measures short of shutdown, such as a rule that requires actions similar to those of a show-cause order. Since the current regulations are based on NRC-initiated shutdowns, even if immediate,

these recommendations, if based on the same LLTF premise of licensee-initiated shutdown at some point, would also require modifying the regulations. The V. Stello recommendation is to use existing regulations to accomplish the objectives of this task. For NRC-initiated shutdowns, the current regulations provide the Commission as well as the Directors of NRR, NMSS and IE sufficient authority and flexibility to act.

These recommendations will still require, as for the LLTF recommendation, defining the thresholds for action by either the licensee or the NRC which will apply under these recommendations.

C. Recommended Task

1. A staff paper will be prepared which will discuss various courses of action for resolution of the issue of concern.
2. For each recommendation, the pros and cons will be presented for (a) the utility, (b) the NRC, (c) the public, and (d) the effects on the plant hardware (such as thermal cycling). Each recommendation will be accompanied by a preliminary indication of what the environmental impact appears to be, and what paper work would be prepared as a result (environmental impact statement, negative declaration, environmental impact appraisal).
3. A statement of intent or purpose will form a lead part of each recommendation.

4. For each recommendation, a defined set of conditions or limits, type of occurrence, number of occurrences, and time span involved will be needed to establish at what point the licensee, Commission or NRC staff will act, and in what manner it will act.
5. The staff will note to the Commission its preference between these recommendations.
6. The Commission will be requested to select one of the recommendations for implementation.
7. The Commission decision will be implemented.