

AUG 30 1982

MEMORANDUM FOR: William J. Dircks
Executive Director for Operations
FROM: Victor Stello, Jr., Chairman
Committee to Review Generic Requirements
SUBJECT: MINUTES OF CRGR MEETING NO. 16

The CRGR met on Wednesday, August 11, 1982 from 1-6pm. A list of attendees is enclosed.

1. S. Hanauer (NRR) presented for CRGR review part of the proposed technical resolution of USI A-39, Safety/Relief Valve Dynamic Loads. The results of the staff evaluation and the recommended resolution presented to the Committee are included in NUREG 0763, NUREG 0783 and NUREG 0802. The Committee complimented the NRR staff on the quality of the package that was forwarded for CRGR review and the presentation made at the meeting. The Committee recommends that the proposed technical documents concerning resolution of USI A-39 be approved for issuance.
2. I. Dinitz (OSP) presented for CRGR review the proposed Regulatory Guide (RG) on the form of Nuclear Energy Liability Policy for Facilities, which had been forwarded to CRGR by the Director of Research. The RG contains the form of insurance policies and endorsements used for financial purposes. This includes the form currently covered in 10 CFR Part 140, Appendix A, as well as the form addressed in previous EDO correspondence (SECY 81-591 and 81-592). The form addressed in SECY 81-592 was and is the form of secondary financial protection previously published as a proposed rule.

The Committee raised a number of questions regarding the status of the proposed RG. Mr. Dinitz explained that the RG implements the Commission's policy decision to remove Appendix A of 10 CFR Part 140 from the regulations. OSP indicated that the RG would be accompanied by a proposed rule modification which would delete Appendix A from the regulations. However, from the discussion it was unclear whether the proposed rule modification should be a proposed rule, a final rule, or an immediately effective rule. Regarding the rule modification, concern was expressed by the Committee that deleting Appendix A from

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the regulations and relegating the insurance policy form to a RG could open the provisions of policies to litigation in NRC licensing hearings. The Committee was of the view that litigation in this area could be very difficult and time consuming. It was not clear to the Committee that the Commission's attention had been called to this potentially serious impact of deleting Appendix A from the regulations. OSP informed the Committee that EDO correspondence with the Commission (SECY 82-306) had pointed out the potential for litigation in licensing hearings with respect to indemnity agreement forms, if the indemnity agreement forms were also eliminated from the regulations.

However, the considerations associated with deleting Appendix A may be quite different than the considerations associated with deleting other appendices of 10 CFR Part 140 from the regulations. The Committee is of the view that the Commission's attention should be called specifically to the potential impact on licensing hearings that could result from deleting Appendix A from the regulations.

Also, there was some question about whether the substance of the endorsements discussed in SECY 81-591 and SECY 81-592 and included in the RG had been approved by the Commission. OSP indicated to the Committee its belief that the Commission had approved the substance of the proposal in SECY 81-591 and SECY 81-592 but rejected the staff's proposal concerning inclusion of endorsements in the regulations.

Concerning issuance of the RG, the Committee questioned why the RG was prepared as a "draft for comment." The Committee was of the view that if the Commission has approved the substance of the material contained in the RG, there was no need to issue the RG for comment.

The Committee recommends that the EDO forward both the RG in final form and the related proposed rule modification to delete Appendix A of 10 CFR Part 140 from the regulations to the Commission in a paper that calls the Commission's attention to the potential for protracted licensing hearings that could result from the deletion of Appendix A.

- 3. K. Goller (RES) presented for CRGR review the proposed final rule concerning reporting of changes to Quality Assurance Programs. Although the safety benefit derived from the rule was not quantified, the Committee believed that the rule is potentially beneficial relative to assuring that the permit or license holder's quality assurance program

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(QAP) described or referenced in its application or SAR is clearly required to be implemented and that significant changes to the QAP are appropriately submitted to the NRC and implemented.

Comments received during the rule comment period suggest that industry may not have recognized that certain provisions of the rule make the entire QAP a detailed regulatory requirement. Therefore, the Committee recommends that RES should assure that industry clearly understands the rule. The Committee also suggests that the statement of consideration accompanying the rule clearly articulate that the extent of the rule applicability is limited to the QAP required to be submitted by 10 CFR Part 50.34. It should be made clear that this rule is intended to address changes to the QAP of license or permit holders and their principal contractors. It is not intended to require reporting of changes to the QAP of subcontractors unless a change is of such significance that it amounted to a change in the permit or license holder's QAP or principal contractor's QAP.

The rule as currently submitted applies to plants that have not yet been issued an operating license and to plants which have been licensed for operation. For plants already licensed for operation an existing regulation, 10 CFR 50.71, requires an annual update of the QAP. It would appear that revisions to the QAP on an annual basis would be acceptable provided no change is made which would depart from the requirements in Appendix B, 10 CFR Part 50. Since these requirements are already in place, the Committee believes that the proposed rule should acknowledge their existence and focus on CP holders. Regarding changes which would deviate from the criteria set forth in Appendix B, the rule should require NRC approval before implementing a change.

For facilities that are still under construction, changes to the QAP can have a significant impact on controlling construction activities. For plants in this category, revision to the QAP that do not depart from the requirements in Appendix B, 10 CFR Part 50 should be submitted to the NRC within 90 days. Revisions that depart from Appendix B require NRC approval prior to implementation.

During the discussion on how the proposed rule would be implemented by NRR and IE, it was apparent that a variety of interpretations were possible. It is therefore recommended that NRR and IE be requested to develop appropriate review and inspection guidance for implementing the proposed rule.

The Committee recommends that after the aforementioned comments have been addressed, the rule should be forwarded for Commission approval.

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- 4. R. Burnett (NMSS) presented the proposed Insider Rule for CRGR review. The Committee decided to continue discussion of the proposed rule at a continuation meeting. Subsequently, the EDO requested that the CRGR defer further review of the proposed rule. Committee members were informed of this request by a memorandum dated August 17, 1982.

Original signed by
Victor Stello

Victor Stello, Jr., Chairman
Committee to Review Generic
Requirements

Enclosure:
List of Attendees

cc: w/ encl.:
Commission (5)
Office Directors
Regional Administrators
G. Cunningham, ELD
CRGR Members

DISTRIBUTION
VStello
TMurley
DEDROGR Staff
DEDROGR cf
Central File
PDR (NRG/CRGR)
B. Broch, IE
S. Stern, NRR
E. Podolak, RES

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SURNAME	WSchwink	TMurley	VStello	WDricks			
DATE	8/27/82	8/27/82	8/24/82	8/27/82			

CRGR Meeting #16

August 11, 1982

CRGR Members

V. Stello, Jr.
J. F. Scinto, ELD
R. M. Bernero, RES
R. E. Cunningham, NMSS
R. A. Purple, NRR
E. L. Jordan, IE

Others

W. Schwink, DEDROGR Staff	J. Axelrad, OELD
T. Murley, D/DEDROGR	K. Goller, RES
N. Su, NRR	W. Morrison, RES
S. Hanauer, NRR	W. Belke, RES
F. Schroeder, NRR	M. Peranich, IE
S. Stern, NRR	J. Taylor, IE
K. Kniel, NRR	G. McCorkle, NMSS
C. Tan, NRR	R. Fonner, OELD
S. Hou, NRR	D. Mausshardt, NMSS
M. Taylor, DEDROGR/S	L. Bush, IE
T. Cox, DEDROGR/S	J. Preu, RES
J. Austin, OEDO	J. Durst, RES
F. Eltawila, DSI, CSB	L. Quinn, NMSS
W. Butler, NRR	T. Allen, NMSS
E. Case, NRR	B. Burnett, NMSS
D. Nash, OSP	
I. Dinitz, OSP	