



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 17, 1994

MEMORANDUM FOR: Charles E. Rossi, Director
Division of Reactor Inspection
and Licensee Performance, NRR

FROM: Gary G. Zech, Chief
Performance and Quality Evaluation Branch
Division of Reactor Inspection
and Licensee Performance, NRR

SUBJECT: SUMMARY OF A WORKING GROUP MEETING WITH NUMARC ON MARCH 2,
1994 ON GRADED QUALITY ASSURANCE

On March 2, 1994, a Working Group meeting was held with Nuclear Utilities Management and Resources Council representatives (NUMARC) to continue discussions on graded quality assurance (QA). During the previous Working Group meeting on February 17, 1994, NUMARC had agreed to provide the NRC staff a draft version of the NUMARC graded QA guidelines for review and comment. In response to a staff question regarding its contents and comprehensiveness, NUMARC stated that the document was still under revision but that it would be made available to the NRC by about March 21, 1994. Both the staff and NUMARC agreed to hold another working group meeting on March 24, 1994, when NUMARC will formally present their draft guidelines for NRC staff review and comment.

NUMARC provided a list of seven nuclear power plants that had volunteered to participate in the pilot project effort, and a brief overview of their conclusions from the last meeting which included some excerpts from their draft graded QA guidelines document (Enclosure 2).

The staff and NUMARC discussed the possibility of licensee changes to quality assurance programs (QAPs), and/or to commitments in administrative controls in the technical specifications, to support the on-line implementation of the pilot project efforts. The staff agreed to place a high priority on reviews of such changes should they become necessary.

In addition, NUMARC discussed the possibility of granting licensees relief from all their current commitments to QA-related regulatory guides for all safety-related structures, systems, and components (SSCs) that the licensees determine to be low-risk. The staff responded that it could not foresee endorsing an approach that allows low-risk safety-related SSCs to be exempt from all QA measures in QA-related regulatory guides which the licensees have committed to or relied upon to meet a regulation or to satisfy regulatory concerns. What the staff envisions is a review process that considers other factors, in addition to risk, to define and establish the appropriate QA related measures that should be retained and applied commensurately with the safety significance of low-risk SSCs. This process was discussed during a previous working group meeting on February 3, 1994.

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04M-7-NUMARC

X 04M-6 Meetings

Currently, changes which effect a reduction in commitments in the QAP description previously accepted by the NRC must be submitted in accordance with 10 CFR 50.54(a)(3)(ii) and must receive NRC approval prior to implementation.

NUMARC clarified that their proposed graded QA guideline document, as currently envisioned, will present their implementation methodology but will not include detailed or prescriptive guidance for licensees.

The NRC staff presented its plans (Enclosure 3) to visit Virginia Power headquarters on March 8, 1994, to gather information on their overall QA program as currently implemented, and to obtain insights into the potential safety benefits to be gained by their implementation of a graded QA program.

The meeting adjourned with both the staff and NUMARC agreeing to reconvene on March 24, 1994, to discuss NUMARC's graded QA implementation guidelines and to assess the results of the staff's visit to Virginia Power.

Enclosure 1 is a list of meeting attendees and Enclosures 2 and 3 are copies of the material presented by NUMARC and the NRC staff, respectively.

ORIGINAL SIGNED BY
GARY G. ZECH

Gary G. Zech, Chief
Performance and Quality Evaluation Branch
Division of Reactor Inspection
and Licensee Performance, NRR

cc w/enclosures:

Nuclear Management and Resources Council

Attn: Alex Marion
1776 Eye Street NW
Suite 300
Washington, DC 20006-3706

Enclosures:
1. List of Attendees
2. NUMARC presentation material
3. NRC presentation material

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Meeting Attendance List

March 2, 1994 Meeting with NUMARC to discuss issues related to the graded implementation of 10 CFR 50 Appendix B

<u>NAME</u>	<u>ORGANIZATION</u>	<u>TELEPHONE</u>
Bob Gramm	NRR/DRIL	(301) 504-1010
Gil Millman	NRC/RES/DE	(301) 492-3848
Adrian Heymer	NUMARC	(202) 872-1280
Alex Marion	NUMARC	(202) 872-1280
Tony Pietrangelo	NUMARC	(202) 872-1280
Richard Correia	NRR/DRIL/RPEB	(301) 504-1009
Robert M. Latta	NRR/DRIL/RPEB	(301) 504-1023
Ernie Rossi	NRC/DRIL	(301) 504-2903
Gary G. Zech	NRC/DRIL	(301) 504-1017
Juan Peralta	NRR/DRIL	(301) 504-1052
Joel D. Page	NRC/RES/DSIR/EIB	(301) 492-3941
Harvey Spiro	NRC/OPP	(301) 504-2559
Michael Knapik	McGraw-Hill	(202) 383-2167
Roger Huston	TVA	(301) 770-6790
Terry Reis	OEDO	(301) 504-1733
Frank Jape	NRR/DRS/RII	(404) 331-4178
Emmanuel Freeman	Winston & Strawn	(202) 371-5836
James J. Raleigh	Southern Technical Services	(301) 652-2500
Hans Renner	NUS Corp.	(301) 258-8693
Ain Ramey-Smith	NRC/DSSA	(301) 504-1092

NRC STAFF - NUMARC MEETING

**GRADED, PERFORMANCE-BASED
APPROACH TO IMPLEMENTING
QUALITY**

WEDNESDAY, MARCH 2, 1994

GRADED, PERFORMANCE-BASED APPROACH TO QUALITY

- Last Meeting Conclusions
 - Compatibility in Industry and NRC staff approach
 - Pilot Project to be implemented 'on-line' per 50.54(a) to address regulatory commitments in non-risk significant area
 - Pilot plants may continue to implement approach after pilot project has been completed in other functional work areas
 - consistent with final industry guidance
 - NRC staff to give consideration to expedite changes under 50.54(a) and Tech. Specs. amendment requests
- Pilot plant candidates based justification on 2/17/94 conclusions

GRADED, PERFORMANCE-BASED APPROACH TO QUALITY

- Pilot Plants - decision based on general industry approach and feedback from last meeting
 - Grand Gulf, Entergy Operations
 - Arkansas Nuclear One, Entergy Operations
 - Byron, Commonwealth Edison
 - Crystal River, Florida Power Corporation
 - Palo Verde, Arizona Public Service
 - Surry, Virginia Power
 - Monticello, Northern States Power

DRAFT PILOT PLANT GUIDANCE

- **Four Sections**

- Introduction
- Purpose and Scope
- Restructuring the Q-List
- Applying Quality Measures
- Appendix - Company Quality Measures

- **Restructuring the Q-List**

- Defining the scope of SSCs
- Selection of plant SSCs
- Establishing the risk significance of SSCs
- Initial categorization at the component level
- Reviewing the scope of risk significant components
- Additional categorization of risk significant components

DRAFT PILOT PLANT GUIDANCE

- **Applying Graded, Performance-based Quality Elements, cont'd**
 - Performance Criteria
 - Assessment of Deficiencies
 - » Corrective Action Program
 - » Treatment of deficiencies in Risk Significant Group
 - » Treatment of deficiencies in Non-Risk Significant Group
 - » Resolution of degraded performance
- **Appendix A**
 - Company Quality Measures

PROPOSED INFORMATION GATHERING PLAN
(Virginia Power)

Enclosure 3

- (1) Examine current procedure(s) and practices for controlling safety related SSC's (Q-list) and the implementation of Appendix 'B' requirements.
- (2) Determine how design requirements are translated to purchase specifications to evaluate where graded QA methodologies could be utilized.
- (3) Examine current Technical Specification requirements to evaluate extent of changes which would be required to accommodate the graded QA approach.
- (4) Examine current licensee practices with respect to scheduling inspections, surveillances, monitoring, and audits with emphasis towards safety significant work activities.
- (5) Examine licensee's current QA program controls and evaluate extent of authorized changes which would be required under 10 CFR 50.54(a) (i.e., reduction in existing commitments) to accommodate the graded QA approach.
- (6) Evaluate existing/proposed processes (i.e., PRA, IPEs) which establish risk ranking of SSC's. (If available.)
- (7) Review existing company quality practices applied to non-safety related SSCs. Evaluate appropriateness of approach for low risk safety related SSCs.
- (8) Review recent modifications and evaluate the impact of proposed graded QA methodology.
- (9) Review licensee's approach for implementing the maintenance rule including provisions for an expert panel. (If available.)
- (10) Evaluate previous company programs associated with the implementation of a graded QA approach (i.e. safety-related, important to safety and non-nuclear safety categorization programs)