November 2, 1982

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MEMORANDUM FOR: James J. Cummings, Director Office of Inspector & Auditor

Harold R. Denton, Director FROM: Office of Nuclear Reactor Regulation

**OIA RECOMMENDATIONS ON NRC STANDARDIZATION POLICY** SUBJECT:

By memorandum dated September 20, 1978 to 0. Gene Abston, we responded formally to the recommendations to the Commission contained in the UIA report "Review of the Proposed Revision to NRC's Standardization Policy," December 1977. The majority of OIA's recommendations were addressed in the Commission's "Statement on Standardization of Nuclear Power Plants," dated August 31, 1978 (43 FR 38954) and NUREG-0427, "Review of the Commission Program for Standardization of Nuclear Power Plants and Recommendations to Improve Standardization Concepts," dated May 1978. However, action on two of the recommendations were deferred pending further program development and experience with standard plant designs by the Standardization Branch (now the Standardization and Special Projects Branch). With the recent refocusing of our standardization efforts in this Branch, these open questions have resurfaced. For the reasons given below, we request that our action on these two recommendations, which has continued to be maintained on the WITS tracking system as Item 607278, be closed out. The two outstanding OIA recommendations were as follows:

- (4) Directing NRR management to work closely with the staff to develop guidelines for the imposition of new regulatory positions that will be acceptable to the NRR staff, and provide industry with the necessary predictability to make the reference system a viable standardization option, and
- (7) Direct the Acting Director, NRR, to formulate a management task force to meet with the staff and industry representatives for the purpose of developing definitive program guidance for replicate review.

Before action on these two recommendations could be completed, the TMI-2 accident occurred and shortly thereafter, the resources of the Standardization Branch were diverted to post-TMI-2 accident activities. Subsequently, however, a number of actions have been taken to reevaluate not only NRC's standardization policy, but its licensing practices and policies in general. Chief among these actions are Both the following:

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- (1) Following a government/industry workshop on standardization, the Office of Technology Assessment (97th Congress) issued a report entitled "Nuclear Power Plant Standardization, Light Water Reactors," dated April 1981. In that report, the OIA identified several standardization options and recommended that regulatory reform be considered to adopt the most desirable course.
- (2) We have requested that the Commission reconsider its standardization policy in the context of the proposed Severe Accident Rulemaking (SECY-82-1A). We expect that the resulting Severe Accident Policy will define the future course for standardization, including both reference systems and replication.
- (3) The Commission has established a Regulatory Reform Task Force to reevaluate the Commission's licensing practices and policies including those related to standardization. The Task Force is focusing on the reference system approach to standardization.
- (4) The Committee to Review Generic Requirements (CRGR) has been established to review and recommend to the EDO approval or disapproval of new requirements proposed by the NRC staff. These reviews must consider not only the potential value of the requirements to safety, but also the impact of imposing the requirements on the industry.

We believe that the Commission's future standardization policy will be appropriately determined by these activities, i.e., in the context of the Commission's overall licensing policies. Further, we believe that the two outstanding recommendations are being properly considered in these activities and no further action on them by us is needed. Accordingly, we request that our action on the two outstanding OIA recommendations, which has been maintained on the WITS tracking system as Item 607278, be closed out.

> Original Signed by H. R. Denton

Harold R. Denton, Director Office of Nuclear Reactor Regulation

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(2) We have requested that the Commission reconsider its standardization policy in the context of the proposed Severe Accident Rulemaking (SECY-82-1A). We expect that the resulting Severe Accident Policy will define the future course for standardization, including both reference systems and replication.

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- (3) The Commission has established a Regulatory Reform Task Force to reevaluate the Commission's licensing practices and policies including those related to standardization. The Task Force is focusing on the reference system approach to standardization.
- (4) The Committee to Review Generic Requirements (CRGR) has been established to review and recommend to the EDO approval or disapproval of new requirements proposed by the NRC staff. These reviews must consider not only the potential value of the requirements to safety, but also the impact of imposing the requirements on the industry.

We believe that the Commission's future standardization policy will be appropriately determined by these activities, i.e., in the context of the Commission's overall licensing policies. Further, we believe that the two outstanding recommendations are being properly considered in these activities and no further action on them by us is needed. Accordingly, we request that our action on the two outstanding OIA recommendations, which has been maintained on the WITS tracking system as Item 607278, be closed out.

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Further, following a government/industry workshop on standardization, the Office of Technology Assessment (97th Congress) issued "Nuclear Power Plant Standardization, Light Water Reactors," dated April 1981. In that report, the OIA identified several standardization options and recommended that regulatory reform be considered to adopt the most desirable course. The Commission's Regulatory Reform Task Force has proposed such an action that focuses on the reference system approach.

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Finally, the Committee to Review Generic Requirements (CRGR) was established in June 1982 to review and recommend to the EDO approval or disapproval of new requirements proposed by the NRC staff. These reviews must consider not only the potential value of the requirements to safety, but also the impact of imposing the requirements on the industry.

In view of the aforementioned events, we believe that the two outstanding recommendations are being appropriately considered and no further response from us is indicated. Accordingly, we request that these matters, including WITS Item 607278, be closed out.

> Harold R. Denton, Director Office of Nuclear Reactor Regulation

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