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## UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

'85 NOV 20 P1:26

COMMISSIONERS:

Nunzio J. Palladino, Chairman Thomas M. Roberts James K. Asselstine Frederick M. Bernthal Lando W. Zech, Jr.

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NORTHEAST NUCLEAR ENERGY COMPANY

(Millstone Nuclear Power Station,
Unit 1)

Docket No. 50-245 -OC

## MEMORANDUM AND ORDER

By letter dated September 30, 1985, the Northeast Nuclear Energy Company ("NNECO") requests that the Commission grant an extension from the November 30, 1985 deadline for environmental qualification of electrical equipment at Millstone Nuclear Power Station, Unit 1. The requests covers approximately five items of equipment. On November 5, 1985, members of the NRC staff and NNECO representatives appeared before the Commission to discuss this request further. The Commission has reviewed in detail the licensee's submittal, the staff's analysis and recommendation as set forth in SECY-85-345, and the arguments presented at the November 5 meeting. Based on this review the Commission finds that the licensee has demonstrated the exceptional nature of its case such that an extension will be granted.

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The Commission most recently addressed the environmental qualification issue in Generic Letter 85-15, issued August 6, 1985. In that letter the Commission stated that extensions from the November 30 deadline established in 10 CFR 50.49(g) would be granted "only in rare circumstances." The Commission further stated that extension requests "must clearly identify the exceptional nature of the case, e.g., why, through events entirely beyond its control, the licensee will not be in compliance on November 30; the date when compliance will be achieved; and a justification for continued operation until compliance will be achieved." The Commission also set forth an enforcement policy regarding failure to meet the deadline.

The actions of NNECO with regard to its equipment qualification program generally demonstrate a good faith effort on its part to meet the November 30 deadline. No more than five items (eleven valve motor operators) remain to be qualified. Procurement difficulties precluded the licensee from obtaining qualified replacement equipment for installation prior to the current ongoing outage that began in October 1985. Moreover, even though the equipment is now available, the licensee contends that exceptional circumstances for an extension exist because installing qualified replacement equipment, which is done most

<sup>&</sup>lt;sup>1</sup>In its September 30, 1985 extension request, NNECO also proposed that six other motor valve operators be exempted permanently from the requirements of 10 CFR 50.49. However, on the basis of licensee's action to install "close arm switches" on the valves in question, in effect ensuring their proper operation in all instances, the staff has determined that they no longer require qualification to a harsh environment in accordance with the provisions of 10 CFR 50.49.

safely and efficiently when the plant is not in operation, should be accomplished in line with the schedule for plant modification being developed under the experimental Integrated Safety Assessment Program ("ISAP"), in which Millstone Unit 1 is one of the two participating reactor facilities. As described in the Commission's ISAP policy statement, 49 Fed. Reg. 45112 (Nov. 15, 1984), under the ISAP program the licensee is to assess all outstanding NRC-required facility modifications as well as utility-sponsored plant improvements and, in consultation with the NRC staff, is to set implementation priorities. By letter dated July 31, 1985, the staff informed NNECO of its determination that the valve operators in question were appropriate candidates for ISAP consideration. These items thus having been accepted into the ISAP program, the licensee asserts, an extension of the November 30 date is necessary because assessment of their installation priority under ISAP likely would cause them to be scheduled for replacement not at the current ongoing outage (which would add eight days to that outage) but rather at a subsequent outage. The NRC staff agrees with the licensee's assessment in this regard. The Commission concludes that, on balance, these circumstances are exceptional such that good cause exists for an extension.

The Commission therefore grants the request of NNECO for an extension on Millstone Unit 1. The staff has reviewed the justifications for continued operation and finds they support continued safe operation. In addition, staff has indicated that it presently is considering whether, in accordance with 10 CFR 50.12, the equipment in question properly would be exempt from the requirements of 10 CFR 50.49.

The ISAP program, however, was not intended to act as a substitute for this exemption process by allowing compliance with regulatory requirements to be postponed indefinitely. Accordingly, the licensee's deadline for equipment qualification for all remaining items is hereby extended until the next outage that occurs after the staff has made a determination on whether an exemption to section 50.49 can be granted and that is of sufficient duration to replace the equipment in question, but in any event no later than the next refueling outage for Millstone Unit 1 scheduled for mid-1987 or August 30, 1987, whichever occurs first.

Chairman Palladino and Commissioner Asselstine disapproved this order. The separate views of Chairman Palladino and Commissioner Asselstine are attached.

It is so ORDERED.



For the Commission

SAMUEL J. CHILK

Secretary of the Commission

Dated at Washington, D.C.

this 20 day of however, 1985.

## SEPARATE VIEWS OF CHAIRMAN PALLADINO AND COMMISSIONER ASSELSTINE

We would not have granted licensee's requested extension of the November 30, 1985 deadline.

First, we see no exceptional circumstances which warrant granting the extension. Failure to meet the deadline would not be beyond the control of the licensee. In fact, the utility has the necessary parts and could have installed qualified equipment by the end of the refueling outage scheduled to be complete at the end of November or the beginning of December 1985. The utility could, therefore, have met the deadline.

Second, the Commission grants this licensee an extension significantly longer than any other extension. The equipment will probably not be replaced until eighteen months from now during the mid-1987 refueling outage. That is a year longer than any other extension granted and three years after the utility's original EQ deadline.