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UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

JAN 1 5 1985

MEMORANDUM FOR:

William J. Olmstead, Director and Chief Counsel Regulations Division Office of the Executive Legal Director

FROM:

Edson G. Case, Deputy Director Office of Nuclear Reactor Regulation

SUBJECT:

DRAFT OF FINAL SHOLLY RULE ON SIGNIFICANT HAZARDS CONSIDERATIONS

Per your memorandum dated December 20, 1984, enclosure 1 contains our comments on the draft final Sholly Rule on significant hazards considerations. Enclosure 2 contains the most up to date information on Sholly statistics so that you can update the material on pages 69 through 73, 76, and 79 of the draft rule.

You have adequately accommodated our previous comments on earlier versions of the draft rule. The primary focus of the comments in enclosure 1 address the new section you added on repairs. The other comments in Enclosure 1 are relatively minor but we feel they should be incorporated to clarify the final rule.

If necessary, we will be glad to meet with you to discuss these comments.

Edson G. Case, Députy Director Office of Nuclear Reactor Regulation

Enclosures: As stated

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ENCLOSURE 1

COMMENTS ON DRAFT FINAL SHOLLY RULE

1. Page 38, the discussion on the issue of repairs

This paragraph is confusing in several aspects. It appears to be establishing a new (or fourth) standard for NSHC determinations. Also, it does not appear to fully address the problem with repairs. Finally, the last sentence, which only applies to plants licensed before January 16, 1969, is confusing. Insufficient information is supplied to state why the caution is needed for these particular plants.

This paragraph is part of a response to comments requesting more examples. The basic thrust of the response is that no new examples are needed, but a discussion will be provided on repairs. This is somewhat misleading since the discussion provides, in effect, a new example.

Wording which we feel would be more appropriate would replace your wording starting at the bottom of page 37 and continuing on page 38 is as follows:

"Response

The examples are merely guidelines and the Commission feels the present examples are adequate. A list of examples of all possible situations would be interminably long, and it is not our intent to provide such a listing. However, to clarify the Commission's position on the repair or replacement of a major component or system important to safety, one additional example was added."

You should continue with your original response starting with the last paragraph on page 38. If you feel your caution is still needed concerning plants licensed before 1969, we have no objections to adding it to this section, providing it is amplified to state why it is necessary.

If this procedure is adopted, then a new example of an issue likely to be found to involve no significant hazards considerations should be added to the bottom of page 30 as follows: "(ix) A repair or replacement of a major component or system important to safety if the following conditions are met: (a) the repair or replacement process involves practices which have been successfully carried out on similar components elsewhere, and does not involve a significant increase in the probability or consequences of an accident previously evaluated or create the possibility of a new or different kind of accident from any accident previously evaluated, (b) the repaired or replacement component does not result in a significant change in the component or system safety function or a significant reduction in any safety limit (or limiting condition of operation) associated with the component or system."

2. Page 84, first complete paragraph, last sentence

The last sentence ends with "..., the Commission telephones the appropriate State official before it issues the amendment." In the strictest since, this means we will not issue an amendment until the state call is completed except in an emergency (which is clarified in the next paragraph). We should be more flexible under these circumstances since the state does not have veto authority. Wording we feel would be more appropriate would be to end the paragraph with "..., the Commission will make a reasonable effort to telephone the appropriate State official before it issues the amendment."

3. Page 97, Paragraph 50.91 (b)(3)

To be consistent with comment 2 above, the last sentence of this paragraph should be modified as follows:

"..., it will make a good faith effort to telephone that official. Inability to consult with a responsible State official following good faith attempts will not prevent the Commission from making effective a license amendment involving no significant hazards consideration."

4. Page 85, Regulatory Analysis

We feel that the paragraph should be modified by adding the following sentence:

"Experience to date indicates that the staff resource impacts predicted in the analysis are low by about a factor of three. This will change as more experience is gained in implementing the regulations."

5. Page 52, the first paragraph (b)

The second sentence of paragraph (b) should be modified as follows: "This type of an emergency may differ from the "safety-related emergency" in that, here for example, prompt action...".

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