

Mr. Greg Gibson
Manager of Projects and Programs
Southern California Edison
P.O. Box 128
San Clemente, CA 92672

Dear Mr. Gibson:

I am writing to invite you to participate in the proceedings of the Pilot Program Evaluation Panel (PPEP) to be held on November 16 and 17, 1999, at the Nuclear Regulatory Commission, 11545 Rockville Pike, Rockville, MD, room T-2 B3. A copy of a tentative agenda is enclosed.

The NRC staff has developed a revised reactor oversight process to take into account improvements in the safety performance of the nuclear industry over the past twenty years; and to apply objective, safety significant, and risk informed criteria to the inspection, enforcement, and assessment of the performance of nuclear power plant operations. The revised program is expected to permit more effective and efficient regulation of the nuclear industry with a smaller NRC staff and budget.

The revised program is being tested at nine pilot nuclear power plants. The success of the pilot effort will be evaluated by determining whether the revised reactor oversight process can be effectively implemented. The results of the pilot program will be independently evaluated by PPEP to determine whether the overall objectives of the pilot program have been met, and whether the new oversight processes (1) ensure that plants continue to be operated safely, (2) enhance public confidence by increasing predictability, consistency and objectivity of the oversight process so that all constituents will be well served by the changes taking place, (3) improve the efficiency and effectiveness of regulatory oversight by focusing agency and licensee resources on those issues with the most safety significance, and (4) reduce unnecessary regulatory burden on licensees as the processes become more efficient and effective.

The NRC established the PPEP as an independent advisory committee under the provisions of the Federal Advisory Committees Act (FACA). As an advisory committee under FACA, PPEP provides a mechanism to focus the best resources in diverse fields at a minimum cost to the government, and allows for increased public participation in the processes of the government. The PPEP functions as a management level, cross-disciplinary, expert oversight panel to independently monitor and evaluate whether the new regulatory processes can be successfully and effectively implemented based on the outcome of the pilot effort.

The PPEP meetings are publicly announced, open to public, and appropriate material reviewed by PPEP is placed in the NRC public document room and on the NRC's web page. While the PPEP is comprised of members selected for their applicable expertise, the agency is seeking to extend the base beyond the knowledge, expertise and observations of PPEP members. As manager of the non-pilot plant licensee's group, following the NRC pilot program for evaluation of the revised oversight process, you are invited to present your views to the panel in areas of interest to your group. The additional information provided by you will supplement the

experience brought to the panel by its members, and will be considered in any recommendations made by the panel.

To assist you in preparing for participation in the PPEP meeting, I have enclosed for your use key documents dealing with the revised reactors oversight and inspection program. I ask that you familiarize yourself with the material for the meeting.

Please let me know your availability in advance so that I can make appropriate arrangements to facilitate your participation. If you have any questions, please do not hesitate to contact me at 301-415-1004 or the PPEP Designated Federal Official, Mohan Thadani at 301-415-1476.

Sincerely,

Frank P. Gillespie, Deputy Director
Division of Inspection Program

Management

Office of Nuclear Reactor Regulation

Enclosure: As stated

cc: James T. Wiggins
Bruce Mallett
Geoffrey E. Grant
Kenneth E. Brockman
James Lieberman
Steve Floyd
David Garchow
Masoud Bajestani
George Barnes
James Chase
Gary Wright
David Lochbaum

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| W. Dean | S. Stein | D. Coe | ACRS (3) | (EDO) |
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| NAME | MThadani | | FGillespie | |
| DATE | 09/ /99 | | 09/ /99 | |

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THIRD PILOT PROGRAM EVALUATION PANEL MEETING

PROPOSED AGENDA

November 16, 1999

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| 8:00 a.m. | Introduction/Meeting Objectives and Goals |
| 8:30 a.m. | Performance indicators and Risk Informed Baseline Inspections Input from each non-NRC participant (10 minutes each) PPEP Discussion and Questions (30 minutes) |
| 11:00 a.m. | Significance Determination Process and Assessments Input from each non-NRC participant (10 minutes each) |
| 12:00N 1:00 p.m. | LUNCH |
| 1:00 p.m. | Significance Determination Process and Assessments (Continued) PPEP Discussion and Questions (30 minutes) |
| 2:00 p.m. | Enforcement and Overall Evaluation Input from each non-NRC participant (10 minutes each) PPEP Discussion and Questions (30 minutes) |
| 3:30 p.m. | General Discussion |
| 4:00 p.m. | Adjourn |

NOVEMBER 17, 1999

Enclosure

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|---------------------|--|
| 8:00 A.M. | Recap of previous day/Meeting Objectives and Goals |
| 8:30 a.m. | Performance Indicators and Risk Informed Baseline Inspections NRC Headquarter's Panel Presentation (45 minutes) NRC Regional Panel Presentation (15 minutes) PPEP Discussion and Questions (30 minutes) |
| 10:15 a.m. | Significance Determination Process and Assessments NRC Headquarter's Panel Presentation (45 minutes) NRC Regional Panel Presentation (15 minutes) PPEP Discussion and Questions (30 minutes) |
| 12:00N to 1:00 p.m. | LUNCH |
| 1:00 p.m. | Enforcement and Overall NRC Headquarter's Panel Presentation (45 minutes) NRC Regional Panel Presentation (15 minutes) PPEP Discussion and Questions (30 minutes) |
| 3:00 p.m. | PPEP Teams Caucus |
| 3:30 p.m. | PPEP Discussion |
| 4:00 p.m. | Adjourn |