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November 12, 1999

Docket Nos. 50-321
50-366

HL-5851

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Edwin I. Hatch Nuclear Plant
Request for Exemption from 10 CFR §§ 50.30(a)(2), 51.55(a), and 2.101(a)(3), and
Request for Exception to 10 CFR §§ 50.4(b) and 50.4(c): Written Submittal Requirements

Gentlemen:

Southern Nuclear Operating Company (SNC) currently is preparing an application for renewed operating licenses for the Edwin I. Hatch Nuclear Plant. Providing the appropriate internal approvals are obtained, the application will be filed with the Nuclear Regulatory Commission (NRC) during the first quarter of 2000, and will be submitted pursuant to the requirements of 10 CFR § 54.17. Additionally, a supplement to the Environmental Report (ER) will be prepared and filed pursuant to § 54.23 and the requirements contained in 10 CFR Part 51, Subpart A. As directed by §§ 50.4(a) and 50.30(b), SNC will file, in hard copy, one signed original of the application for license renewal.

For purposes of economy and convenience, however, SNC requests exemptions from 10 CFR §§ 50.30(a)(2), 51.55(a), and 2.101(a)(3), as well as an exception to the requirements of § 50.4(b) and 50.4(c), for the medium used for the "copies" of the signed originals required by those regulations. These requests are explained in detail in the discussion section below, as well as in the enclosed exemption request, which has been prepared pursuant to 10 CFR § 50.12. In summary, § 50.4(c) states that unless an exception is granted, the copies will be provided in the form of "unglazed paper." In the alternative, SNC requests that all copies of the signed originals required for license renewal, pursuant to Parts 2, 50, 51, and 54, be provided on compact disk (CD) medium rather than hard-copy paper. SNC will work with the NRC Staff to define the appropriate CD medium that is accessible to the NRC. More specifically, unless directed otherwise, SNC will provide at least 95 CDs, all of which will contain a conformed copy of the signed original license application and supplement to the ER, in lieu of the same number of paper copies required by 10 CFR §§ 2.101(a)(3)(ii), 50.4(b)(2)(ii), 50.4(b)(3), 50.30(a)(2), and 51.55(a). SNC plans to distribute the 95 CD copies in its initial application letter as follows:

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- For the purposes of the acceptance review of the application, 13 CD copies will be sent to the NRC Document Control Desk and one CD copy will be sent to the Region II Office, in accordance with the requirements of § 50.4(b)(3). At the same time, SNC will submit an additional thirty-seven copies pursuant to § 50.4(b)(2)(ii) for the NRC's license renewal review process and an additional one copy to the Resident Inspector's office at the Hatch site.
- An additional 41 CD copies will be mailed to the Director of Nuclear Reactor Regulation (NRR), pursuant to the requirements of § 51.55(a) as a distribution to the application sent to the NRC Document Control Desk. Although regulations require that these 41 copies to NRR only contain the supplement to the ER, the CDs will contain both the application and the supplement to the ER. For purposes of economy and convenience, all CD copies will be identical and the information provided in the supplement to the ER will be easily and readily retrievable.
- Finally, one CD copy will be served upon the chief executive of the local government, in accordance with the provisions of § 2.101(a)(3)(ii).

In addition to the submitted copies, the copies of supporting information to be retained on site pursuant to §§ 50.30(a)(2) and 51.55(a), also will be in the form of electronic files, which can be readily reproduced, in paper or electronic form, upon request from the Staff or interested parties. Any additional copies for Federal, State and local officials required by the Director of NRR (as specified in 10 CFR §§ 2.101(a)(3)(iii), 50.30(a)(2) and 51.55(a)) also will be provided in a CD format. Similarly, updates to the renewal application required by 10 CFR Parts 2, 50, 51, and 54 will be provided in CD format. Details regarding the attached exemption and exception requests are set forth below.

Discussion

SNC Seeks An Exemption from §§ 2.101(a)(3)(ii) and 2.101(a)(3)(iii)

10 CFR § 54.17 requires that license renewal applications be prepared in accordance with Subpart A of 10 CFR Part 2, § 50.30, and § 50.4. Among the Part 2 provisions applicable to the attached exemption request are §§ 2.101(a)(3)(ii) and 2.101(a)(3)(iii). 10 CFR § 2.101(a)(3)(ii) requires that a copy of the renewal application be sent to the chief executive of the local government entity (*i.e.*, municipality or county). Additionally, § 2.101(a)(3)(iii) states that additional copies may need to be provided to Federal, State, and local officials at the written direction of the Director of NRR. Although these requirements do not specifically state that the copies be provided in hard-copy format, we interpret the word "copy" to mean paper copies. 10 CFR § 2.101(a)(3)(i) requires that copies be submitted in accordance with Part 50 and Subpart A of Part 51. As an alternative to submitting a paper version of all the copies, SNC seeks an exemption from the requirement and proposes that the information be provided on a CD medium. As explained more fully in the exemption request, the use of electronic copies will expedite the time required to create the copies. Additionally, considerable resources, storage space, and time may be saved by both the licensee and the NRC Staff if SNC is allowed to provide the electronic

version of the numerous, required copies. An added benefit of the electronic copy is a search feature, which may minimize burden on the part of the reviewers and other interested parties.

SNC Seeks An Exception Pursuant to § 50.4(c)

10 CFR § 50.4(b) generally describes the distribution requirements, both prior to and following the sufficiency review of the renewal application. Prior to the sufficiency review, SNC must submit 13 copies to the NRC Document Control Desk and one additional copy to the Region II Office, pursuant to § 50.4(b)(3). At the same time, SNC also will provide 37 additional copies to the NRC Document Control Desk, one copy to the Region II Office, and one copy to the office of the Plant Hatch Resident Inspector, pursuant to § 50.4(b)(2)(ii). However, pursuant to 10 CFR § 50.4(c), applicants can seek an exception, regarding the type of medium used for copies, from the NRC Information and Records Management Branch. By means of this letter, SNC hereby contacts the NRC Information and Records Management Branch to request such an exception; that exception being to provide, in lieu of each paper copy called for in § 50.4(b), a copy by means of a single CD containing both the application and the supplement to the ER.

SNC Seeks An Exemption from §§ 50.30(a)(2) and 51.55 (a)

10 CFR § 50.30(a)(2) applies to on-site supporting documentation. As explained in the attached exemption request, SNC plans to maintain at least one electronic copy of the general information and Final Safety Analysis Report (FSAR) Supplement referenced in this regulation, instead of the 10 paper copies of the general information and 30 paper copies of the Safety Analysis Report. The proposed electronic copy of the information will provide a means for satisfying additional distribution requirements, as defined by the Director of NRR, in a timely and cost-effective manner.

Finally, pursuant to § 51.55(a), applicants must provide 41 copies of the supplement to the ER directly to the Director of NRR. Additionally, 109 copies must be retained by the applicant for possible, subsequent distribution in accordance with the instructions from the Director of NRR. Again, SNC plans to provide the 41 copies by means of 41 individual CDs and will retain at least one CD copy for additional timely copying and distribution in accordance with any instructions from the Director of NRR.

In summary, these exemption and exception requests will eliminate the need for creating and shipping at least 95 paper copies of the license renewal application and/or supplement to the ER. These applications are multi-volume texts. The replacement of the paper with the CD version of the same information not only will provide a cost savings for SNC, but also will aid the reviewers and interested parties by providing electronic search capability, as well as minimizing the space

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required to store such a voluminous amount of material. This request also is consistent with recent NRC efforts in support of electronic submittal of documents.

If you have any questions regarding this request, please contact this office.

Respectfully submitted,



H. L. Sumner, Jr.

HLS/JTD

Enclosure: Request for Exemption from the Requirements of
10 CFR §§ 2.101(a)(3), 50.30(a)(2) and 51.55(a)

cc: Southern Nuclear Operating Company
Mr. P. H. Wells, Nuclear Plant General Manager
SNC Document Management (R-Type A02.001)

U. S. Nuclear Regulatory Commission, Washington, D.C.
Mr. C. I. Grimes, Branch Chief, License Renewal and Standardization Branch
Mr. L. N. Olshan, Project Manager - Hatch
Mr. R. K. Anand, Project Manager - Hatch License Renewal
Ms. Brenda J. Shelton, Chief, Information and Records Management Branch

U. S. Nuclear Regulatory Commission, Region II
Mr. L. A. Reyes, Regional Administrator
Mr. J. T. Munday, Senior Resident Inspector – Hatch

Enclosure

**Edwin I. Hatch Nuclear Plant
Docket Nos. 50-321
and 50-366**

**SOUTHERN NUCLEAR OPERATING COMPANY
REQUEST FOR EXEMPTION**

FROM THE REQUIREMENTS OF 10 CFR §§ 2.101(a)(3), 50.30(a)(2) and 51.55(a)

I. Introduction

Pursuant to 10 CFR §§ 54.15 and 50.12, Southern Nuclear Operating Company, Inc. (SNC), hereby requests an exemption from the requirements in 10 CFR §§ 2.101(a)(3), 50.30(a)(2), and 51.55(a), specifying that copies of an application for a renewed operating license, and accompanying supplement to the Environmental Report (ER), be submitted to the U.S. Nuclear Regulatory Commission (NRC) and other interested parties in paper format.¹ Additionally, some of these same regulations require that the applicant retain numerous hard copies of related, supporting information to be disseminated at the discretion of the Director of Nuclear Reactor Regulation (NRR).² Finally, § 2.101(a)(3)(ii) requires that an operating license renewal applicant serve one copy of the application on the chief executive of the local government entity (i.e., municipality or county).

Separately, via the same transmittal letter and pursuant to § 50.4(c), SNC is seeking an exception from the remaining hard-copy requirements specified in § 50.4(b).³ Via this exemption request, SNC proposes that, in addition to the one signed, hard-copy, original license renewal application it will submit pursuant to § 50.4(a), it be allowed to provide all required remaining copies on CD (i.e., electronic storage media) rather than in hard-copy format. Similarly, updates to the renewal application and supplement to the ER required by 10 CFR Parts 2, 50, 51, and 54 will be provided in CD format. This proposal requires an exemption from § 51.55(a), given the pre-existing exception request filed pursuant to § 50.4(c). With respect to the supporting information to be retained on-site, as required by §§ 50.30(a)(2) and 51.55(a), SNC requests another exemption. Specifically, in lieu of the numerous hard copies called for by these regulations, SNC requests authorization to retain one electronic copy, from which additional copies can be readily made and shipped to the Staff and other interested parties. Finally, SNC requests a third exemption, from § 2.101(a)(3)(ii), allowing it to provide a copy of the application and supporting

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- 1 A total of 95 copies is required collectively, by 10 CFR §§ 2.101(a)(3)(ii), 50.4(b)(3), 50.4(b)(2)(ii), and 51.55(a). Southern Nuclear is seeking an exemption from only certain of these regulations, as noted above.
 - 2 Specifically, § 50.30(a)(2) requires that the applicant retain 10 copies of general information and 30 copies of the Safety Analysis Report (i.e., the FSAR Supplement for purposes of license renewal). Additionally, § 51.55 directs that 109 copies of the Environmental Report be retained by the applicant.
 - 3 10 CFR 50.4(c) requires "[a]ll copies submitted to meet the requirements set forth in paragraph (b) of this section must be typewritten, printed or otherwise reproduced in permanent form on unglazed paper. Exceptions to these requirements may be granted for the submittal of micrographic, photographic, or electronic forms. Prior to making any submittal in other than paper form, the applicant or licensee must contact the Information and Records Management Branch, Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415-7230, to obtain specifications, copy requirements, and prior approval." See letter from SNC to NRC, "Request for Exemption from 10 CFR §§ 50.30(a)(2), 51.55(a), and 2.101(a)(3), and Request for Exception to 10 CFR §§ 50.4(b) and 50.4(c): Written Submittal Requirements."

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supplement to the ER to the chief executive of the local governmental entity in CD format, as opposed to hard copy.

SNC submits that the issuance of an exemption from the above-described hard-copy requirements is warranted and would eliminate time, effort, and resources required to reproduce, bind, and ship the copies. Additionally, the replacement of paper by means of electronic copies would aid the reviewers by providing enhanced search features and additional automatic links to important references. These, in turn, will allow for a more efficient and economical review of the Plant Hatch license renewal application by the NRC Staff and interested parties. Due to the voluminous nature of the paper involved with an application for license renewal and accompanying supplement to the ER, the space saving considerations of CDs should also be viewed as beneficial to the NRC. Finally, as discussed below, this request is consistent with the NRC's ongoing actions to largely convert to electronic media (e.g., ADAMS).

This exemption request seeks administrative, rather than substantive, relief. SNC does not seek to be exempted from any of the substantive license renewal requirements in 10 CFR Parts 54 or 51. Public health and safety will not be adversely affected in any way by the granting of this exemption. Rather, government efficiency will be enhanced, resources will be conserved, and Staff reviewers and interested parties will benefit from the ease of electronic access and search capabilities.

SNC has addressed and satisfied the criteria of 10 CFR § 50.12 in support of this exemption application. As required by 10 CFR § 50.12(a)(1), and as more fully discussed below, this exemption is authorized by law, will not present an "undue risk" to the public health and safety, and is fully consistent with the common defense and security. Further, as required by 10 CFR § 50.12(a)(2), SNC's request demonstrates that at least one "special circumstance" supports the granting of this exemption.

II. Background

SNC is the licensee for both Edwin I. Hatch nuclear units. It is the intent of SNC to submit a license renewal application for these units during the first quarter of 2000. If the relief sought in this letter is granted, SNC will submit the required copies of the original, signed application by means of placing the information on CDs. Each CD will include the entire renewal application, including the supplement to the ER, in portable document format (pdf), the Adobe Acrobat Reader (to access the pdf files), and an ASCII text README file that provides installation information. Additionally, the application on each CD will include internal links which may be helpful to NRC reviewers and the public.

By submitting this exemption request, SNC does not seek an exemption from the hard-copy requirement for the original submittal. 10 CFR §§ 50.4(a), 54.7. Nor does SNC request exemption from providing the additional copies. This exemption requests relief from having to provide the additional copies in paper form.

III. SNC's Request Satisfies The Criteria Of 10 CFR § 50.12

Requests for exemptions from requirements in 10 CFR Part 54 are subject to the exemption criteria in 10 CFR § 50.12. 10 CFR § 54.15 (Specific exemptions) provides that: "Exemptions from the requirements of this part [Part 54] may be granted by the Commission in accordance with 10 CFR § 50.12." For the reasons discussed below, the exemption criteria in § 50.12 are satisfied by this request.

A. This Exemption Is Authorized By Law, Will Not Present An Undue Risk To The Public Health And Safety, And Is Consistent With The Common Defense And Security

1. This Exemption Is Authorized By Law

10 CFR § 50.12(a)(1) requires a demonstration that the NRC's grant of an exemption from the requirements in question is authorized by law. The hard-copy paper requirement in §§ 2.101(a)(3), 50.30(a)(2) and 51.55(a) was adopted solely at the discretion of the NRC in the exercise of its rulemaking authority under § 181 of the Atomic Energy Act (AEA), 42 U.S.C. § 2231. No statute required the NRC to adopt this provision. No other regulation of either the NRC or another agency required the NRC to adopt this provision. For example, the NRC has explicit authority under § 50.4(c) to grant "exceptions" from related hard-copy requirements and, instead, allow electronic filing. Thus, the NRC has authority under § 54.15 and 50.12 to grant exemptions from the hard-copy requirements at issue in this request. Accordingly, this exemption request is "authorized by law," as required by § 50.12(a)(1).

2. Granting This Exemption Will Not Present An Undue Risk To Public Health And Safety

10 CFR § 50.12(a)(1) requires a demonstration that the granting of an exemption "will not present an undue risk to the public health and safety." The exemption requested relates only to administrative requirements, allowing SNC to take advantage of generally accepted advances in information technology. SNC will address the substantive license renewal requirements in Parts 54 and 51 in its license renewal application and accompanying supplement to the ER for the Plant Hatch units. Granting this exemption will in no way present an undue risk to the public health and safety.

The NRC has already demonstrated its willingness to adopt electronic correspondence options. In an August 5, 1999, letter from the NRC's Acting Chief Information Officer to the Commission (SECY-99-205), a proposed rulemaking is discussed regarding advances in electronic document receipt and control. The NRC also is currently developing the Agencywide Documents Access and Management System (ADAMS), which would allow for optional electronic submittal of documents. Moreover, the Government Paperwork Elimination Act of 1998 requires federal agencies to provide for the optional use

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and acceptance of electronic documents, including signatures, where practicable, by October 21, 2003. Clearly, electronic submittals are the way of the future and the technology has existed long enough to both gain the confidence of the government and to be affordable to interested parties.

The NRC has recently accepted electronic submittals of other documents that are also subject to the provisions of § 50.4(c). In an August 30, 1999, letter from the NRC's Chief of the Records Management Branch, Information Management Division, to the Vice President of Nuclear Operations for Virginia Electric and Power Company, the NRC granted an "exception" from § 50.4 to allow submittal of a CD version of the required Updated Final Safety Analysis Report ("UFSAR"). For all these reasons, SNC concludes that the grant of this exemption will not pose an undue risk to public health and safety.

3. Granting This Exemption Is Consistent
With The Common Defense And Security

As noted above, the exemption requested relates only to administrative paperwork requirements. Substantive NRC requirements relating to license renewal are not impacted by this request and SNC intends to address those requirements in its license renewal application and accompanying supplement to the ER. Accordingly, the grant of the requested exemption is consistent with the common defense and security.

B. Special Circumstances Support The Issuance Of An Exemption

10 CFR § 50.12(a)(2) requires a showing of only one "special circumstance" to support an exemption request. At least one of the special circumstances identified in § 50.12(a)(2) applies to this exemption request.

Special circumstances are present because hard-copy paper requirements are unnecessary, in the proposed circumstances, to achieve the underlying purpose of the regulations at issue; *i.e.*, §§ 2.101(a)(3), 50.30(a)(2) and 51.55(a).⁴ Collectively, these regulations require copies to be submitted in order to support NRC review of the submittal, as well as to provide information to interested parties such as local government entities. In promulgating these regulations, the NRC likely intended to assure that the Staff and interested parties were provided with a reliable and permanent medium upon which the material information submitted could be recorded, and which could be made available to the public. The proposed electronic format will serve this purpose as effectively as the traditional hard copy format.

⁴ § 50.12(a)(2)(ii) provides "[t]he Commission will not consider granting an exemption unless special circumstances are present. Special circumstances are present whenever ...[a]pplication of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule...."

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The electronic format would also eliminate the need to store and maintain numerous, multi-volume binders of information which instead could be stored on a single Compact Disk (CD). In addition, the electronic links to be provided on the CD will enhance the ability of NRC reviewers and the public to understand the filing. Accordingly, special circumstances are present because strict compliance with the regulations at issue is not necessary to achieve the underlying regulatory purpose.

IV. Conclusion

SNC's exemption request will facilitate a comprehensive, cost-effective NRC review of the Plant Hatch license renewal application by use of current, affordable information technology. This request is entirely consistent with current NRC initiatives for adopting electronic formats for information submitted to the agency. Under these circumstances, SNC respectfully requests that the NRC grant the exemption described herein.