

MEMORANDUM TO:

Frank J. Congel, Director  
Incident Response Operations

November 24, 1999

FROM:

Samuel J. Collins, Director /Original signed by B. Sheron for:  
Office of Nuclear Reactor Regulation

SUBJECT:

IMPLEMENTING PROCEDURE FOR POWER REACTOR  
NOEDs PROCESSED DURING THE Y2K TRANSITION

The staff has prepared the attached implementing procedure (Attachment 1) for power reactor Year 2000 (Y2K)-related Notices of Enforcement Discretion (NOEDs) for inclusion in the agency Y2K contingency plan. This procedure was prepared in accordance with SECY-99-134, "Agency Contingency Plans for the Year 2000 [Y2K] Computer Problem in the Nuclear Industry," and consistent with SECY-99-135, "Interim Enforcement Policy Regarding Enforcement Discretion for Nuclear Power Plants During the Year 2000 Transition." The interim enforcement policy was published in the *Federal Register* on July 30, 1999, and in the NRC Enforcement Policy on November 9, 1999.

NRR staff consulted with members of the Incident Response Operations (IRO) and regional staffs in developing this procedure. This memorandum confirms the procedure that NRR and IRO staff have jointly developed for use by the Y2K Response Team and reflects extensive interaction with the regional staffs and lessons learned from the October 15, 1999, Y2K exercise. A copy of the procedure will be provided to licensees via a regulatory issue summary.

This procedure contains the process for granting or denying NOEDs during the Y2K transition, a copy of the signed delegation of authority memorandum from the Director of NRR, the proposed staffing plan, a sample NOED processing worksheet, and examples of possible NOED scenarios.

Attachment: Implementing Procedure for Power Reactor NOEDs  
Processed During the Y2K Transition

cc: F. Miraglia            H. Miller, RI  
    R. Zimmerman        L. Reyes, RII  
    W. Kane                J. Dyer, RIII  
    E. Merschoff, RIV    J. Gitter  
    W. Borchardt

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Contacts: L. Raghavan, NRR  
          415-1471  
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11-20-99

Distribution:

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DOCUMENT NAME: P:\Y2K\y2kprocedure1123.wpd \*See previous concurrence

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

November 24, 1999

MEMORANDUM TO: Frank J. Congel, Director  
Incident Response Operations

FROM: *Bryan Sheen*  
for Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation

SUBJECT: IMPLEMENTING PROCEDURE FOR POWER REACTOR  
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NRR staff consulted with members of the Incident Response Operations (IRO) and regional staffs in developing this procedure. This memorandum confirms the procedure that NRR and IRO staff have jointly developed for use by the Y2K Response Team and reflects extensive interaction with the regional staffs and lessons learned from the October 15, 1999, Y2K exercise. A copy of the procedure will be provided to licensees via a regulatory issue summary.

This procedure contains the process for granting or denying NOEDs during the Y2K transition, a copy of the signed delegation of authority memorandum from the Director of NRR, the proposed staffing plan, a sample NOED processing worksheet, and examples of possible NOED scenarios.

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415-1471

A. Hansen, NRR  
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## IMPLEMENTING PROCEDURE FOR POWER REACTOR NOEDs PROCESSED DURING THE Y2K TRANSITION

### 1 PURPOSE/DESCRIPTION

The NRC's Enforcement Policy, Appendix E (included in the *Federal Register* notice provided in Attachment 1A), describes NRC's Interim Policy for Exercising Notices of Enforcement Discretion (NOEDs) for Nuclear Power Plants During the Year 2000 Transition<sup>1</sup>. All licensees have been declared Y2K-ready and the need for enforcement discretion is considered unlikely.

The NRC recognizes that, despite licensees' efforts, power reactors may be susceptible to events during the Y2K transition resulting in potential noncompliance with the license and requiring shutdown. Such shutdowns could exacerbate localized or widespread power outages. Accordingly, continued safe operation of nuclear power plants during critical Y2K periods may be necessary to help in maintaining stable and reliable electrical power. NRC enforcement discretion may be requested by power reactor licensees to deal with noncompliance situations.

The decision to exercise enforcement discretion does not change the fact that the licensee will be in noncompliance nor does it imply that enforcement discretion is being exercised for any noncompliance that may have led to the noncompliance at issue. To the extent noncompliance was involved, the NRC staff will normally take enforcement action for the root causes that led to the noncompliance for which enforcement discretion was granted. Enforcement action will also be considered in those cases in which incorrect or incomplete information was provided to the NRC staff by a licensee in its justification. The NRC recognizes that a licensee will need to exercise judgement in making a determination under this discretion provision. Consistent with the NRC's position involving 10 CFR 50.54(x), enforcement action for a violation of a license condition, including a TS, will not be taken unless a licensee's action was clearly unreasonable considering all the relevant circumstances. Enforcement action could include assessment of civil penalties and the issuance of orders.

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<sup>1</sup>On November 9, 1999, the revised NRC Enforcement Policy was published. This revision includes the interim Y2K policy, though the "Appendix E" designation has been eliminated.

## 2 CRITERIA

### 2.1 NRC Inspection Manual Part 9900 for Notices of Enforcement Discretion

Criteria for granting or denying a regular or weather-related NOED are contained in Inspection Manual Part 9900. For a Y2K-related situation,<sup>2</sup> licensee NOED requests should address all of these criteria to the extent practicable except as provided in the Y2K interim NOED policy.

### 2.2 Criteria Unique to Y2K

Criteria unique to Y2K are prescribed in the NRC Enforcement Policy with additional background material provided in the *Federal Register* notice (Attachment 1A). In Y2K-related situations in which forced compliance with license conditions (including technical specifications (TSs)) would require a plant shutdown, and continued plant operation is needed to help maintain a reliable and stable grid, licensees may request a NOED. The staff will consider such a request when the licensee has determined that:

- (a) Complying with the license conditions, including TSs, in a Y2K-related situation would require a plant shutdown;
- (b) Continued plant operation is needed to help maintain a reliable and stable grid; and
- (c) Any decrease in safety as a result of continued plant operation is small (considering both risk and deterministic aspects), and reasonable assurance of public health and safety, the environment, and security is maintained with the enforcement discretion.

## 3 PROCESS

The guidance in NRC Inspection Manual Part 9900 should be followed to the extent possible. In recognition of potential communication challenges during the Y2K transition, staff communications and NOED processing should follow this implementing procedure. Attachment 1B provides a list of sequential steps for the NRC to follow to gather sufficient information to support a decision on each NOED request.

During the Y2K transition period, if a situation arises that generates a need for a regular or severe weather NOED request, the normal NOED guidance in NRC Inspection Manual Part 9900 should be followed.

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<sup>2</sup>A Y2K-related situation is any situation occurring during the Y2K transition involving potential grid problems, whether or not the situation or the grid issue is caused by a Y2K deficiency.

### 3.1 Licensee Responsibilities

In seeking NOEDs, power reactor licensees should:

- (a) Follow the existing guidance in the NRC Inspection Manual Part 9900 to the extent possible, and provide as much information as possible to enable the NRC staff to make a determination for exercising enforcement discretion. (See Section C.4.0, Part 9900, NOED guidance). Specifically, licensees should provide details of the status of the plant; basis and nature of the issue; potential challenges to offsite and onsite power sources; and consequences of forced compliance with license conditions to the plant and to exacerbation of the situation.
- (b) Address criteria in Section 2 above.
- (c) Contact the NRC early in the evaluation process, particularly in time-critical situations, even though complete information, as specified in NRC Inspection Manual Part 9900, may not be available.
- (d) Contact, in the following order, the NRC Headquarters Operations Center, the Region IV Incident Response Center (IRC), or any other available regional IRC.
- (e) Provide a written justification or, in hardship circumstances, justification by telephone followed within 24 hours, or as soon as possible, by written justification. Hardship circumstances may include time limitations or inability to provide written material due to communications difficulties.
- (f) Provide a facsimile of the applicable TS pages, if necessary.

### 3.2 Communications

Communication protocol will be ensured through NOED team training and following the sequential process outlined in Attachment 1B. Communication with NRC and NRC staff approval are required for continued plant operation. Without NRC approval, licensees should take actions in conformance with their license conditions and applicable regulations (for example, 10 CFR 50.54(x), if appropriate). If communications are established but the volume of requests is such that the NRC staff cannot review and approve or deny them in a timely fashion, then the staff will obtain sufficient safety-significant information from the licensee to make a prompt initial assessment. Unless the assessment is unfavorable, the licensee will be permitted to proceed with its planned course of action. A more detailed assessment will be made as soon as possible.

### 3.3 Headquarters and Regional NOED Team Responsibilities

The Interim Policy, as published in the *Federal Register*, directs power reactor licensees to contact the Headquarters Operations Center if they seek enforcement discretion during the Y2K transition. Contacting Headquarters parallels the approach taken in situations of severe weather, where the NOED action is managed by the Headquarters staff, with the decision

authority delegated to the appropriate NRR project director. Typically, the severe weather NOED decision is made by Headquarters with regional concurrence. This approach was also established for all NOEDs during the Y2K transition in recognition of the high confidence in the communications capabilities of the Headquarters Operations Center and the substantial staff expected to be on duty at the Headquarters Operations Center during the Y2K transition. It is expected, however, that most NOED requests will involve situations in which, under other circumstances, the NOED decision would be made by the region, with Headquarters concurrence, as described in NRC Inspection Manual Part 9900 (that is, these NOEDs will likely not necessitate an exigent TS change.) On the basis of these considerations, the following sections describe the Headquarters and regional responsibilities in dealing with power reactor NOED requests during the Y2K transition.

- (a) The reactor safety team director, or his designee, and the regional administrators, or their designees, are delegated the authority from the Director, NRR, to grant or deny NOEDs. (See Attachment 1C for delegation of authority and Attachment 1D for staffing plans.)
- (b) The Headquarters Y2K Response Team expects that the Region IV and cognizant regional IRC teams (if other than Region IV) will participate in all telephone discussions with the licensee and all internal staff discussions, to the extent possible. The cognizant regional team should assure participation by the appropriate resident inspector, if possible.
- (c) The Headquarters Y2K Response Team will coordinate all NOED requests and activities will be conducted in conjunction with the cognizant regional team. Both teams will jointly evaluate such requests. Following the Part 9900 analogy for severe weather NOEDs, the Headquarters Y2K Response Team will assume lead responsibility for the agency response to all NOED requests. Depending on the nature of the request and the competing activities, the Headquarters team may request a regional team to take the lead for some NOED evaluations.
- (d) In the case of a Headquarters communications loss or an event such that the Headquarters Operations Center is no longer functional, the Region IV IRC will assume the coordination role. Region IV will attempt to restore communications between the licensee and the cognizant regional IRC team. In this situation, it is expected that Region IV will transfer the lead for NOED approval or denial to the cognizant regional IRC team on a case-by-case basis.
- (e) If situations arise that result in a loss of communications between licensees and Headquarters and Region IV, any region can process and grant or deny NOEDs, consistent with the Y2K delegation of authority (Attachment 1C).
- (f) When multiple NOED requests need to be evaluated simultaneously, the Headquarters Y2K Response Team, in coordination with the regional teams, to the extent possible, will prioritize the requests based on:

- (i) overall safety significance of the issue
  - (ii) grid stability and reliability
  - (iii) duration of the allowed outage time (AOT) and remaining time before AOT expires
  - (iv) operability of other safety-related systems
  - (v) compensatory measures in place
- (g) The Headquarters Y2K Response Team should prepare a real-time worksheet to document the initial processing of each NOED teleconference and evaluation, as shown in Attachment 1B.
- (h) The organization having the lead will grant or deny the NOED by telephone. The necessary followup documentation to the licensee will be prepared by the region or project manager, depending on whether the region or Headquarters had responsibility for the NOED processing.
- (i) NOED sequence numbers will be assigned by the approving office. NOED database updates will be completed after the Y2K transition.

#### 4 POSSIBLE SCENARIOS

Possible power reactor NOED scenarios are presented in Attachment 1E.

#### 5 LIST OF ATTACHMENTS

- 1A Y2K Enforcement Discretion Federal Register  
Notice Dated July 30, 1999
- 1B NOED Desktop Worksheet
- 1C Delegation of Authority for all Power Reactor NOEDs  
Processed During the Y2K Transition
- 1D Staffing Plan
- 1E Examples of Possible Power Reactor NOED Scenarios

**Y2K Enforcement Discretion Federal Register Notice Dated July 30, 1999  
(Volume 64, Number 146)**

**NUCLEAR REGULATORY COMMISSION  
[NUREG-1600, Revision 1]  
Policy and Procedure for NRC Enforcement Actions; Interim Enforcement Policy  
Regarding Enforcement Discretion for Nuclear Power Plants  
During the Year 2000 Transition**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Policy statement; amendment.

**SUMMARY:** The Nuclear Regulatory Commission (NRC) is amending its "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, Revision 1 (Enforcement Policy), by adding Appendix E. This amendment adds an interim enforcement policy that the NRC will follow to exercise enforcement discretion for noncompliance with license conditions, including technical specifications (TSs), because of year 2000 (Y2K) related situations.

**DATES:** This action is effective August 30, 1999. Comments on this revision should be submitted within 30 days of publication in the Federal Register and will be considered by the NRC prior to the next Enforcement Policy revision.

**ADDRESSES:** Submit written comments to David L. Meyer, Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, Mail Stop T-6 D59, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Hand deliver comments to 11555 Rockville Pike, Rockville, Maryland, between 7:30 a.m. and 4:15 p.m., Federal workdays. Copies of comments received may be examined at the NRC Public Document Room, 2120 L Street, NW, (Lower Level), Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Richard Wessman, Deputy Director, Division of Engineering, 301-415-3298, or Allen Hansen, Lead Project Manager, Division of Licensing Project Management, 301-415-1390, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001.

**SUPPLEMENTARY INFORMATION:**

**Background**

Y2K-related events arise from a date-related problem that is experienced by a software system, a software application, or a digital device at a key rollover date when the system, application, or device does not perform its intended function. The key rollover dates are January 1, 2000; February 29, 2000 (an uncommon leap day); and December 31, 2000 (the 366th day of an uncommon leap year). The nuclear utility industry is engaged in Y2K readiness programs at all nuclear power plant facilities to seek out and correct Y2K-related problems that have any potential to adversely affect facility operations.

Y2K concerns result from licensees' reliance upon

- (1) Software to schedule maintenance and technical specification surveillances;
- (2) Programmable logic controllers and other commercial off-the-shelf software and hardware;
- (3) Digital process control systems;
- (4) Software to support facility operation;
- (5) Digital systems for collection of operating data; and
- (6) Digital systems to monitor post-accident plant conditions.

It is recognized that in spite of every reasonable effort by licensees to identify and correct Y2K computer system problems at their facilities, some software, applications, equipment, and systems may remain susceptible to the problem. Additionally, software, data, and systems external to the facility could adversely affect the facility (for example, interruption of communications or partial loss of offsite power).

The electricity production and delivery systems, as two of the more important elements of the North American economic and social infrastructure, must remain dependable during Y2K transition or rollover periods. Most other critical elements of the infrastructure depend on the availability of an interconnected, stable, and reliable supply of electrical power. There is no doubt that cascading or even localized outages of generators and transmission facilities could have serious short-term and long-term consequences.

Continued safe operation of nuclear power plants during Y2K transition or rollover periods will play a major role in maintaining stable and reliable electrical power supply systems, providing necessary reserve power if there are major losses at other generating facilities. The NRC staff is issuing interim guidance on the process for the NRC to exercise enforcement discretion in certain situations where power reactor licensees encounter Y2K-associated compliance problems in the Y2K transition period (December 31, 1999, through the first few days of 2000) or in other key rollover periods. The exercise of enforcement discretion may support a licensee decision to keep the plant in operation, if the licensee has determined that safety will not be unacceptably affected, in order to help maintain electrical grid stability and reliability. The NRC Headquarters Operations Center and the NRC Region IV Incident Response Center will have staff augmented during the key transition from December 31, 1999, to January 1, 2000, to ensure that appropriate actions can be taken for any regulatory issues that arise.

### Scope

This interim enforcement policy provides for the exercise of enforcement discretion to address noncompliance with license conditions, including TSs, because of Y2K transition or rollover issues. The interim enforcement policy applies to situations in which plant operation is

needed to help maintain the stability and reliability of the electrical power supply system, even when license conditions, including TSs, would require a plant shutdown. If such situations occur, licensees are expected to follow the existing guidance in NRC Inspection Manual Part 9900 for Notices of Enforcement Discretion <<http://www.nrc.gov/NRC/IM/noed.html>> to the maximum extent practicable, particularly regarding a safety determination and notification of NRC. Licensees may decide to continue operations upon making a determination that it is safe and prudent to do so to help maintain electrical grid stability and reliability, and when certain criteria are met. This enforcement discretion does not extend to situations in which the licensee may be unable to communicate with the NRC. (The staff assessment of telecommunications capability indicates that a loss of all telecommunications between NRC and licensees is highly unlikely.)

To the extent noncompliance was involved, the NRC staff will normally take enforcement action for the root causes that led to the noncompliance for which enforcement discretion was used. Enforcement action will also be considered in those cases in which incorrect or incomplete information was provided to the NRC staff by a licensee in its justification. The NRC recognizes that a licensee will need to exercise judgement in making a determination under this discretion provision. Consistent with the NRC's position involving 10 CFR 50.54(x), enforcement action for a violation of a license condition, including a TS, will not be taken unless a licensee's action was clearly unreasonable considering all the relevant circumstances. Enforcement action could include the assessment of civil penalties and the issuance of orders.

#### Paperwork Reduction Act Statement

This interim policy statement does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing requirements were approved by the Office of Management and Budget, approval number 3150-0136.

#### Public Protection Notification

If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

The NRC is revising the NRC Enforcement Policy by adding Appendix E to read as follows:

#### GENERAL STATEMENT OF POLICY AND PROCEDURE FOR NRC ENFORCEMENT ACTIONS

\* \* \* \* \*

#### Appendix E: Interim Enforcement Policy Regarding Enforcement Discretion for Nuclear Power Plants During the Year 2000 Transition

This appendix sets forth the interim enforcement policy that will govern the exercise of enforcement discretion by the NRC staff when licensees of operating nuclear power plants find it

necessary to deviate from license conditions, including technical specifications (TSs), in those cases in which year 2000 (Y2K) related complications would otherwise require a plant shutdown that could adversely affect the stability and reliability of the electrical power grid. This policy does not extend to situations in which a licensee may be unable to communicate with the NRC.

The policy is effective August 30, 1999, and will remain in effect through January 1, 2001. This policy only applies during Y2K transition or rollover periods (December 31, 1999, through January 3, 2000; February 28, 2000, through March 1, 2000; and December 30, 2000, through January 1, 2001). During these periods, a licensee may contact the NRC Headquarters Operations Center and seek NRC enforcement discretion with regard to the potential noncompliance with license conditions, including TSs, if the licensee has determined that:

- (a) Complying with license conditions, including TSs; in a Y2K-related situation would require a plant shutdown;
- (b) Continued plant operation is needed to help maintain a reliable and stable grid; and
- (c) Any decrease in safety as a result of continued plant operation is small (considering both risk and deterministic aspects), and reasonable assurance of public health and safety, the environment, and security is maintained with the enforcement discretion.

Licensees are expected to follow the existing guidance as stated in NRC Inspection Manual Part 9900 for Notices of Enforcement Discretion to the maximum extent practicable, particularly regarding a safety determination and notification of NRC. A licensee seeking NRC enforcement discretion must provide a written justification, or in circumstances in which good cause is shown, an oral justification followed as soon as possible by written justification. The justification must document the need and safety basis for the request and provide whatever other information the NRC staff needs to make a decision regarding whether the exercise of discretion is appropriate. The NRC staff may grant enforcement discretion on the basis of balancing the public health and safety or common defense and security of not operating against potential radiological or other hazards associated with continued operation, and a determination that safety will not be unacceptably affected by exercising the discretion. The Director of the Office of Nuclear Reactor Regulation, or designee, will advise the licensee whether the NRC has approved the licensee's request and, if so, will subsequently confirm the exercise of discretion in writing. Enforcement discretion will only be exercised if the NRC staff is clearly satisfied that the action is consistent with protecting public health and safety and is warranted in the circumstances presented by the licensee.

If the volume of requests to the NRC Headquarters Operations Center is such that the NRC staff cannot review and approve all licensee requests in a timely fashion, the NRC staff will obtain the safety-significant information from the licensee to enable the NRC staff to make a prompt initial assessment. Unless the assessment is unfavorable, the licensee would be permitted to proceed with its planned course of action. The NRC staff will complete these assessments as time permits and the licensee will be advised of the results orally, if possible, and then in writing. If the NRC staff's prompt initial assessment or subsequent assessment determines that a licensee's actions raise safety concerns, the licensee would be so informed. The licensee would then be required to follow its license conditions, including TSs.

If there are communications difficulties between the licensee and the NRC, the licensee is encouraged to interact with the NRC inspector onsite who will have a dedicated satellite telephone. The inspector should be able to facilitate communication with the NRC Headquarters Operations Center and/or the NRC Regional Incident Response Centers (IRCs). If communication with the NRC Headquarters Operations Center is not possible, then the licensee should contact the IRC in NRC Region IV to discuss enforcement discretion. Similarly, if the Region IV IRC cannot be reached, then the licensee should attempt to contact the Region I, II and III IRCs. Although it is considered highly unlikely, if communication with NRC is not possible, the licensee should follow the plant license conditions, including technical specifications.

In conducting its assessments, the licensee should follow, to the extent practicable, the guidance in NRC Inspection Manual Part 9900 for Notices of Enforcement Discretion. Contrary to Part 9900 Section B.3 guidance, it is not necessary for an emergency to be declared by a government entity. Licensees are encouraged to contact NRC early in their evaluation process, particularly if time is of the essence, even though complete information as specified in Part 9900 may not be available.

The decision to exercise enforcement discretion does not change the fact that the licensee will be in noncompliance nor does it imply that enforcement discretion is being exercised for any noncompliance that may have led to the noncompliance at issue. To the extent noncompliance was involved, the NRC staff will normally take enforcement action for the root causes that led to the noncompliance for which enforcement discretion was granted. Enforcement action will also be considered in those cases in which incorrect or incomplete information was provided to the NRC staff by a licensee in its justification. The NRC recognizes that a licensee will need to exercise judgement in making a determination under this discretion provision. Consistent with the NRC's position involving 10 CFR 50.54(x), enforcement action for a violation of a license condition, including a TS, will not be taken unless a licensee's action was clearly unreasonable considering all the relevant circumstances. Enforcement action could include assessment of civil penalties and the issuance of orders.

Dated at Rockville, Maryland, this 26th day of July, 1999.

For the Nuclear Regulatory Commission.

/s/

Annette Vietti-Cook,  
Secretary of the Commission.

## NOED DESKTOP WORKSHEET

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|--|--|
| <b>Notes</b>                                     | <b>STEP 1: INITIAL CONTACT BETWEEN NRC AND UTILITY</b>   |
| <b>NRC Lead Communicator:</b><br>PM ___ or _____ | Plant _____ Licensee Lead Contact _____<br><br>Phone numbers _____<br><br>Bridge # _____ NOED Project Manager (PM) _____<br><br>Once information is identified proceed to step 2 |

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| <b>Notes</b>                                     | <b>STEP 2: ESTABLISHMENT OF BASIC COMMUNICATIONS</b>  |
| <b>NRC Lead Communicator:</b><br>PM ___ or _____ | Issue _____<br><br>TS # _____<br><br>TS Description _____<br><br>AOT _____ LCO Expiration Date/Time _____ / _____<br><span style="margin-left: 600px;">Eastern Standard Time (EST)</span><br><br><b>Required Principal Personnel on Bridge?</b><br><br>Licensee - name _____<br><br>HQ - name _____<br><br>RG IV - name _____<br><br>Region ___ - name _____<br><br>Resident Inspectors _____<br><br>Once reasonable efforts have been made to establish NRR and regional participation proceed to step 3 |

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| <b>Notes</b>                                     | <b>STEP 3: PLANT STATUS</b>   |
| <b>NRC Lead Communicator:</b><br>PM ___ or _____ | <b>Status:</b><br><br>Radiological safety issue _____<br><br>Grid status _____<br><br>Emergency diesel generator status _____<br><br>Station blackout power supply availability _____<br><br>Equipment out of service _____<br><br>Other anomalies _____<br><br>Once sufficient data have been obtained proceed to step 4 |

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| <b>Notes</b>                                     | <b>STEP 4: NOED DETERMINATION</b>   |
| <b>NRC Lead Communicator:</b><br>PM ___ or _____ | <b>Y2K NOED Criteria</b><br><br>a. Shutdown Required? _____<br><br>b. Grid Stability Issue? _____<br><br>c. Safety Decrease Small? _____<br><br>"Does the resident inspector have anything to add?" _____<br><br>"Does the affected NRC Region or Region IV have anything to add?" _____<br><br>Circle type: Y2K / regular / weather<br><br>Circle: determined by HQ / Region 1 / 2 / 3 / 4<br><br>"Does the affected Region concur?" _____<br><br>Summarize NOED disposition with the following statement on line:<br><br>"Bridge # _____ Plant _____ NOED request is assigned to (name) _____ Region/HQ for resolution."<br><br>Proceed to Step 5 |

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| Notes                                     | <b>STEP 5: INSPECTION MANUAL PART 9900 CHECKLIST</b>  |
| NRC Lead Communicator:<br>PM ___ or _____ | THE 11 STEPS IN PART 9900 SHOULD BE ADDRESSED, AS APPROPRIATE.<br>(note: a reprint of the Part 9900 Checklist is on the next page)<br><br>Review of the Part 9900 Checklist is complete<br>Name/Responsible Organization _____<br><br>Concur that the review of the Part 9900 Checklist is complete<br>Name/Responsible Organization _____<br><br>Proceed to step 6 |

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| Notes                                     | <b>STEP 6: NOED DECISION</b>  |
| NRC Lead Communicator:<br>PM ___ or _____ | NOED is<br>Approved / Denied                      Date/Time: _____ / _____ (EST)<br><br>Approved / Denied by _____ Name/Organization<br>Title _____<br><br>Concurred by _____ Name/Organization<br>Title _____<br><br>Proceed to step 7 |

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| Notes                                     | <b>STEP 7: ADMINISTRATIVE CLOSURE OF NOED ACTIONS</b>  |
| NRC Lead Communicator:<br>PM ___ or _____ | ____ Verify written justification for NOED provided by the licensee within 24 hours (responsible: _____)<br><br>____ Followup documentation to the licensee is prepared by NRC (responsible: _____)<br><br>____ NOED tracking number is verified to be assigned (responsible: _____) |

**PART 9900 CHECKLIST**

| Item  | Chk | Remarks |
|---|-----|---------|
| 1. The TS or other license conditions that will be violated.  |     |         |
| 2. The circumstances surrounding the situation, including root causes, the need for prompt action and identification of any relevant historical events.   |     |         |
| 3. The safety basis for the request, including an evaluation of the safety significance and potential consequences of the proposed course of action.  |     |         |
| 4. The basis for the licensee's conclusion that the noncompliance will not be of potential detriment to the public health and safety and that a significant hazard consideration is involved.   |     |         |
| 5. The basis for the licensee's conclusion that the noncompliance will not involve adverse consequences to the environment.   |     |         |
| 6. Any proposed compensatory measure(s).  |     |         |
| 7. The justification for the duration of the noncompliance.   |     |         |
| 8. A statement that the request has been approved by the facility organization that normally reviews safety issues (Plant Onsite Review Committee, or its equivalent).  |     |         |
| 9. The request must specifically address which of the criteria specified in Section B is satisfied and how.   |     |         |
| 10. If a follow-up license amendment is required, the request must include marked-up TS pages showing the proposed TS changes, and a commitment to submit the actual license amendment request within 48 hours.   |     |         |
| <p>11. For NOEDs involving severe weather or other natural events, the licensee must provide:</p> <p>a. details of the basis and nature of the emergency; potential consequences of forced compliance with the license conditions to the plant and to exacerbation of the emergency situation. The licensee must provide the name, organization and telephone number of the official that made the emergency assessment</p> <p>b. status, and potential challenges to offsite and onsite power sources, and the impact of the emergency on plant safety.</p> <p>c. demonstrated actions taken to avert and/or alleviate the emergency situation, including steps taken to avoid being in the noncompliance, as well as efforts to minimize grid instabilities (e.g., coordinating with other utilities and the load dispatcher organization for buying additional power or for cycling load, shedding interruptible industrial or non-emergency loads).</p> |     |         |



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

November 24, 1999

MEMORANDUM TO: Gary M. Holahan, Director  
Division of Systems Safety & Analysis  
Office of Nuclear Reactor Regulation

Hubert J. Miller, Regional Administrator  
Region I

Luis A. Reyes, Regional Administrator  
Region II

James E. Dyer, Regional Administrator  
Region III

Ellis W. Merschoff, Regional Administrator  
Region IV

FROM: Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation

SUBJECT: *Brian Sheron* DELEGATION OF AUTHORITY FOR ALL POWER REACTOR NOEDS  
PROCESSED DURING THE Y2K TRANSITION

As part of the agency's contingency planning for handling the Year 2000 (Y2K) computer problem, augmented staff has been assigned to the NRC Operations Center and to the regional Incident Response Centers (IRCs). Mr. Holahan has been assigned as the reactor safety team director. Regional administrators have indicated their intent to either be present at their IRC or to be available to their regional IRC teams.

In accordance with the NRC Enforcement Policy, "Interim Enforcement Policy Regarding Enforcement Discretion for Nuclear Power Plants During the Year 2000 Transition," and its implementing procedures, the director of the reactor safety team and the regional administrators are hereby delegated the authority to grant and deny power reactor NOEDs that are requested by any nuclear power plant licensees, regardless of which region the plant is located, during the Y2K transition (that is, the period December 31, 1999, through January 3, 2000). They may re-delegate this authority, either in writing or by telephone, to an SES-level manager in their organizations.

Authority for granting and denying power reactor NOEDs after January 3, 2000, is delegated as specifically identified in NRC Inspection Manual Part 9900, "Technical Guidance-Operations-Notices of Enforcement Discretion."

cc: Frank Miraglia  
Roy Zimmerman  
Brian Sheron  
Frank Congel  
Joseph Gitter

## STAFFING PLAN

### Minimum Staffing for Headquarters Operations Center Power Reactor NOED Team

1. One team manager (SES). Responsible for coordinating and managing the team members and facilitating the decision process. This person may have delegated or re-delegated authority from the Director, NRR, to verbally grant or deny the NOED request.
2. Three senior project managers knowledgeable in the NOED process, TS requirements, and plant safety systems. These members will be responsible for obtaining necessary information from the licensee and resident inspectors, and will assist the NOED team in its evaluation and approval or denial of the NOED.
3. One senior TS specialist to provide understanding and interpretation of TS requirements.
4. Three or four technical branch section chiefs or senior reviewers representing Reactor Systems, Electrical, Instrumentation and Controls, Plant Systems and Probability Risk Assessment branches to develop safety assessments as input to NOED decisions.

### Sample Regional Incident Response Center Power Reactor NOED Team Staffing\*

(Note: Actual staffing levels and personnel selections for the regions will be determined by the respective regional administrators.)

1. One team manager (regional administrator or designated SES manager) to serve the same function as the Headquarters' team manager. This person will have delegated or re-delegated authority from the Director, NRR, to verbally grant or deny the NOED request.
2. One Projects branch chief to serve the same function as the Headquarters senior PMs.
3. A license examiner or senior resident inspector (SRI) to serve the same function as the Headquarters senior TS specialist. (A member of the regional staff qualified as an operations inspector is acceptable.)
4. A senior reactor analyst, if available.
5. Sufficient DRS branch chiefs and/or technical staff available to represent the same disciplines and serving the same functions as the Headquarters section chiefs.

\*NOTE: Region IV will be staffed in accordance with Section 400 of the implementing procedures.

## EXAMPLES OF POSSIBLE POWER REACTOR NOED SCENARIOS

### Example 1: EDG Inoperability

#### THE EVENT

On December 31, 1999, the plant is operating at normal power level. At 8:00 p.m., due to an unanticipated condition, Train A EDG is rendered inoperable. The NRC is immediately notified by the licensee to provide a "heads-up" due to the impending Y2K transition. TSs require verification within 24 hours that there is no common-cause failure. Otherwise, TSs require surveillance on Train B EDG by starting the EDG.

At 9:30 p.m., the licensee notifies NRC that a potential for a common-cause failure has not been eliminated, and that the Train B EDG surveillance test is now being conducted. At 10:30 p.m., the licensee notifies NRC that during the TS surveillance testing the Train B EDG failed to start. With both EDGs inoperable, TSs require restoration of one EDG to operable status within 2 hours or begin shutdown of the plant. The licensee expects to restore one EDG to operable status within the 2-hour allowed outage time (AOT), that is, by 12:30 a.m. on January 1, 2000. At this time, all offsite circuits are available and the grid is stable.

At 11:30 p.m., the licensee notifies NRC that it was notified by the load dispatcher that, although the grid is currently stable, there is some concern that, because of unanticipated Y2K problems affecting utilities in an earlier time zone, the grid could be adversely affected after midnight, and that operation of the nuclear unit would provide added margin to ensure that grid stability is maintained. At this point, the licensee had also concluded that an additional 2 hours will be needed to complete repairs on one EDG.

The licensee has a 5-megawatt station blackout (SBO) gas turbine that is operable based on a surveillance test completed 3 days ago. The licensee stated that one of the inoperable diesels can be manually started if required, and that equipment operators have been stationed at critical plant locations to ensure that EDG and/or SBO power can be provided. No other equipment is inoperable.

#### NOED CRITERIA

- (a) complying with the license conditions would require a plant shutdown: Yes.
- (b) continued plant operation is needed to help maintain a reliable and stable grid: Not at this time, but possible grid problems are anticipated. The licensee provided additional information which the NRC determined was sufficient to satisfy this criterion.
- (c) any decrease in safety as a result of continued plant operation is small: Licensee has stated that the decrease in safety is small due to the manual EDG start capability, the strategic placement of equipment operators, and the capability of the SBO turbine.

#### DECISION

NRC reviewed the licensee's information and agreed with the analysis. Therefore, the NOED was granted.

## Example 2: Main Steam Isolation Valve (MSIV) Inoperability

### THE EVENT

On December 31, 1999, a BWR plant is operating at 80 percent power level. At approximately 9:00 p.m., due to leaking nitrogen, the licensee declares one MSIV inoperable, and immediately notifies NRC of the issue. The backup motive force for MSIV closure is provided by a hydraulic source with Class 1E power. TSs require restoring the MSIV to operable status within 8 hours or initiate a plant shutdown. At 11:00 p.m., the licensee determines that restoration of the nitrogen supply will be completed within 10 hours from the declaration. The licensee requests a NOED to extend the AOT to 10 hours instead of 8 hours.

The licensee stated that both EDGs are operable. In addition, there are no historical problems with the MSIVs at this site. The 2.5-megawatt SBO diesel is operable based on a surveillance test completed 14 days ago, and can provide power to the backup MSIV control system. No other equipment is inoperable. Plant staff has been significantly augmented due to the Y2K transition, and is stationed throughout the plant in critical locations to ensure rapid response to requests. The licensee was notified at 10:30 p.m. by the load dispatcher that the grid is currently stable, and that there are no anticipated Y2K concerns.

### NOED CRITERIA

- (a) complying with the license conditions would require a plant shutdown: Yes.
- (b) continued plant operation is needed to help maintain a reliable and stable grid: Not at this time, and no grid problems are anticipated.
- (c) any decrease in safety as a result of continued plant operation is small: Licensee has stated that due to the short (2 hour) extension of the AOT, the robust backup power and actuation capability, and the augmented staff, the level of safety is maintained.

### DECISION

NRC staff and management have reviewed the licensee's information, and agree with the analysis. However, this request does not conform to the Y2K NOED criteria due to a negative response to item (b). After further consideration, the licensee modifies the request to a "regular NOED." On this basis, the NOED is granted.

### Example 3: Offsite AC Power Partial Loss

#### THE EVENT

On December 29, 1999, a west coast plant is operating at 80 percent power. At 2:00 a.m. (all times are Pacific time), one required offsite circuit became inoperable due to the failure of a switchyard component. TSs require restoring the offsite circuit within 72 hours. The AOT expires at 2:00 a.m. on January 1, 2000. After evaluating the situation and due to the pending Y2K transition, the licensee notifies NRC at 8:00 a.m. on December 29 that restoration should be completed within the AOT.

At 6:00 p.m. on December 31, the licensee determines that it will not be able to complete the required action by 2:00 a.m. on January 1 because a replacement part, which previously passed all pre-installation tests, failed during post-maintenance testing. The licensee promptly gives the NRC a "heads-up" phone call, and then at 9:30 p.m. on December 31, after diagnosing the failure, requests a NOED to extend the AOT from 72 hours to 96 hours to complete the required action. During this call, the licensee stated that, at 9:15 p.m. on December 31, the load dispatcher told the licensee that, although the grid is currently stable, there is some concern that, because of unanticipated Y2K problems affecting utilities in the eastern time zone, the grid could be adversely affected after midnight, and that operation of the nuclear unit would provide added margin to ensure that grid stability is maintained.

The licensee stated that both EDGs and the 1.2-megawatt SBO diesel are operable based on recent surveillance tests. No other plant equipment is inoperable. Extra auxiliary and reactor operators are on site in anticipation of the Y2K transition.

#### NOED CRITERIA

- (a) complying with the license conditions would require a plant shutdown: Yes.
- (b) continued plant operation is needed to help maintain a reliable and stable grid: Not at this time, but possible grid problems are anticipated. The licensee provided additional information which the NRC determined was sufficient to satisfy this criterion.
- (c) any decrease in safety as a result of continued plant operation is small: Licensee has stated that the decrease in safety is small due to the capability of the EDGs and the SBO diesel, and the small requested increase in the AOT from 72 hours to 85 hours.

#### DECISION

NRC staff and management have reviewed the licensee's information, and agree with the analysis. Therefore, the NOED is granted.

#### Example 4: Loss of Vital DC Power

##### THE EVENT

On December 31, 1999, at 11:00 p.m., a Class 1E Train A DC system ground alarm is received. The licensee declares the DC bus inoperable. TSs require restoring the DC system within 2 hours or be in Mode 3 within 6 hours. The DC ground fault clearing procedure calls for de-energizing each circuit one at a time and would cause one train of safety system inoperability. The licensee promptly notifies NRC of the problem and, at 11:30 p.m., after preparing a recovery plan, requests a NOED for extending the AOT from 2 hours to 8 hours.

The licensee stated that the location of the ground has not been determined yet, and that the plant has experienced several other ground faults in different systems during the past 3 months and all have been repaired within 8 hours. Both EDGs and the 0.6-megawatt SBO diesel are operable. The load dispatcher just notified the licensee that the grid was stable and no problems were anticipated due to the significant margin.

##### NOED CRITERIA

- (a) complying with the license conditions would require a plant shutdown: Yes.
- (b) continued plant operation is needed to help maintain a reliable and stable grid: No. However, the licensee, in anticipation of the Y2K transition, wants to be in a position to support the grid.
- (c) any decrease in safety as a result of continued plant operation is small: Licensee has stated that the decrease in safety is small due to the capability of the EDGs and the SBO diesel, the current staffing level at the plant, and their experience with several similar problems in recent months.

##### INITIAL DECISION

NRC staff and management have reviewed the licensee's information. Because there are no current or anticipated grid issues, a Y2K NOED cannot be granted. In addition, because there is a decrease in safety, a "regular NOED" may not be appropriate. Therefore, the NOED is denied.

##### SUBSEQUENT EVENT AND FINAL DECISION

At 12:10 a.m., the licensee is notified by the load dispatcher that several fossil units have tripped. Although the grid is stable, margin has been significantly decreased and the dispatcher has requested the unit to stay at power if possible. The licensee immediately calls NRC and states that the unit is still operating. The licensee is trying to complete the repair within the AOT, but still anticipates requiring the additional 6 hours previously requested. They are asking the NRC to reconsider their previous request. NRC evaluates the new information and agrees with the licensee that the conditions for a Y2K NOED are met. Therefore, this followup request for a NOED is granted.