

DRAFT SUPPORTING STATEMENT
FOR
REPORTING OF SIGNIFICANT DESIGN
AND CONSTRUCTION DEFICIENCIES

10 CFR 50.55(e)

DESCRIPTION OF THE INFORMATION COLLECTION

Appendix B to 10 CFR Part 50 requires an applicant for a license to construct or operate a nuclear power plant to establish a quality assurance (QA) program. This program is to ensure, among other things, that all conditions adverse to quality, such as failures, malfunctions, deficiencies, deviations, defective material and equipment, and nonconformances, in the final design or construction, or any significant breakdown in the QA program are promptly identified. Section 10 CFR 50.55(e) requires that construction permit (CP) holders report such deficiencies to the Commission via telephone or facsimile within 2 days following receipt of information by a director or responsible officer that a defect or failure to comply associated with a substantial safety hazard (SSH) exists. A written report is to follow within 30 days. The requirements of Section 50.55(e) were added to the regulations in 1972 and recently amended in 1992 to ensure that the more significant of these deficiencies be reported to the Commission.

A. JUSTIFICATION

1. Need for and Practical Utility of the Collection of Information

Section 50.55(e) of 10 CFR Part 50 establishes requirements for reporting deficiencies occurring during the design and construction of nuclear power plants. The regulation is designed to enable the NRC to receive prompt notification of deficiencies and to have timely information on which to base an evaluation of the potential safety consequences of the deficiency and determine whether regulatory action is required. Therefore, the holder of a permit for the construction of a nuclear power plant is required to notify the Commission of each significant deficiency found in design and construction, which if it were to remain uncorrected, could adversely affect the safety of operations of the nuclear power plant at any time throughout the expected lifetime of the plant.

Section 50.55(e)(1)(i) requires each CP holder to adopt appropriate procedures to evaluate deviations and failures to comply to identify defects and failures to comply associated with substantial safety hazards (SSH) as soon as practicable, and, except as provided in 50.55(e)(1)(ii), in all cases within 60 days of discovery, in order to identify a reportable defect or failure to comply that could create an SSH.

Section 50.55(e)(1)(ii) requires each CP holder to adopt appropriate procedures to ensure that if a CP holder cannot complete an evaluation of an identified deviation or failure to comply within 60 days of its discovery, an interim report is prepared and submitted to the Commission. The interim report should describe the deviation or failure to comply that is being evaluated and should also state when the evaluation will be completed. The interim report must be submitted in writing within 60 days of discovery of the potential defect or failure to comply.

Section 50.55(e)(1)(iii) requires each CP holder to adopt appropriate procedures to ensure that a director or responsible officer of a CP holder is informed within 5 working days after completion of the evaluation, described above, if the construction of a facility or activity, or a basic component supplied for such facility or activity fails to comply with the Atomic Energy Act of 1954, as amended (the Act), or any applicable rule, regulation, order, or license of the Commission relating to a SSH; contains a defect; or undergoes any significant breakdown in any portion of the QA program which could have produced a defect in a basic component. Such breakdowns in the QA program are reportable whether or not the breakdown actually resulted in a defect in a design approved and released for construction or installation.

50.55(e)(2) requires a CP holder to notify the Commission, through a director or responsible officer or designated person, of information reasonably indicating that the facility fails to comply with the Act or any applicable rule, regulation, order, or license of the Commission relating to an SSH.

50.55(e)(3) requires a CP holder to notify the Commission, through a director or responsible officer or designated person, of information reasonably indicating the existence of any construction defect or any defect found in the final design of a facility as approved and released for construction.

50.55(e)(4) requires a CP holder to notify the Commission, through a director or responsible officer or designated person, of information reasonably indicating any significant breakdown in the QA program.

50.55(e)(6)(i) requires notifications, as specified above, to be made initially by facsimile or by telephone within 2 days following receipt of information by the director or responsible corporate officer. This does not apply to interim reports described in 50.55(e)(1)(ii). Verification that the facsimile has been received must be made by telephone.

50.55(e)(6)(ii) requires notifications, as specified above, to be made also in writing, with copies to the appropriate Regional Administrator and to the appropriate NRC resident inspector, within 30 days following receipt of information by the director or responsible corporate officer.

50.55(e)(8) requires that the 50.55(e)(6)(ii) written notification clearly indicate that it is being submitted under 50.55(e) and include, to the extent known, the name and address of the individual(s) informing the Commission; identification of the facility, the activity or the basic component supplied for the facility or the activity within the

U.S. which contains a defect or fails to comply; identification of the firm constructing the facility or supplying the basic component which fails to comply or contains a defect; nature of the defect or failure to comply and the safety hazard which is created or could be created by such defect or failure to comply; the date on which the information of such defect or failure to comply was obtained; in the case of a basic component which contains a defect or fails to comply, the number and location of all the components in use at the facility; the corrective action which has been, is being, or will be taken, the name of the individual or organization responsible for the action, and the length of time that has been or will be taken to complete the action; and any advice related to the defect or failure to comply about the facility, activity, or basic component that has been, is being, or will be given to other entities.

Section 50.55(e)(9)(i) requires a CP holder to retain procurement documents (records) defining the requirements that facilities or basic components must meet for the lifetime of the basic component.

Section 50.55(e)(9)(ii) requires a CP holder to retain records of evaluations of deviations and failures to comply for 5 years from the date of the evaluation.

Section 50.55(e)(10) specifies that the reporting requirements of 50.55(e) are satisfied when the defect or failure to comply associated with an SSH has been previously reported under 10 CFR 21, 50.55(e), 50.73 or 73.71. For holders of construction permits issued prior to October 29, 1991, evaluation, reporting, and recordkeeping requirements of 50.55(e) may be met by complying with the comparable requirements of 10 CFR 21.

2. Agency Use of Information

Specific uses made of the data reported under Section 50.55(e) include evaluation of impact of the deficiency on the quality of construction and of the adequacy of planned corrective action, identification of generic problems, planning of actions by inspection and enforcement personnel, and identification of problems in management or implementation of the QA program.

3. Reduction of Burden Through Information Technology

No responses will be submitted electronically. There is no legal obstacle to the use of information technology. Industry organizations are urged to share and distribute such information to all affected parties as it becomes available. Automated systems for tracking reports are being used to the extent possible.

4. Effort to Identify Duplication and Use Similar Information

There is no information identifying defects and failures to comply associated with SSHs which exists outside these regulations.

Prior to 1992, the NRC regulations contained several safety deficiency reporting requirements. Although distinctions existed between these requirements,

duplication of reporting occurred. In 1992, NRC amended 10 CFR 50.55(e) and 10 CFR 21 to clarify the reporting requirements and to reduce duplicate evaluation, reporting, and recordkeeping in the regulations. The Information Requirements Control Automated System (IRCAS) was searched and no duplication was found.

5. Effort to Reduce Small Business Burden

This regulation does not affect small business.

6. Consequences to Federal Program or Policy Activities if the Collection is Not Conducted or is Conducted Less Frequently

If defects or failures to comply which could create SSHs were not reported or were reported less frequently, the Commission would be unable to make timely determinations on the potential safety consequences of the deficiency and whether regulatory action is required.

7. Circumstances Which Justify Variation from OMB Guidelines

Records are required to be retained beyond the 3-year limit established by OMB. This longer retention is required because experience with existing records indicates that a 3-year retention would not be adequate for review and evaluation of recurring defects. It is necessary to be able to verify that the deviation has been adequately evaluated and corrected as required. Records of evaluations are therefore retained for 5 years. Procurement documents have long been retained for the lifetime of the components. This is standard industry practice. It is necessary so that the records of component characteristics and performance can be reviewed when needed.

Initial notification within 2 days is required to provide NRC with sufficient warning of potentially generic conditions at CP facilities which could affect operating facilities.

8. Consultations Outside the NRC

Notice of opportunity for public comment on this information collections has been published in the Federal Register.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

Proprietary or confidential information is handled in accordance with 10 CFR 2.790.

11. Justification for Sensitive Questions

This regulation does not request sensitive information.

12. Estimated Industry Burden and Burden Hour Cost

None. For the period of this clearance, it is expected that no nuclear plants will be under active construction. Thus, no 50.55(e) reports of deficiencies in design or construction will be submitted. If a report were submitted, staff estimates that each 48-hour notification would require 10 hours to prepare and the 30-day followup report would require 70 hours.

13. Estimate of Other Additional Costs

None.

14. Estimated Annualized Cost to the Federal Government

None.

15. Reasons for Changes in Burden or Cost

During the period of this clearance, it is expected that no nuclear plants will be under active construction. Five plants remain on the indefinitely "deferred construction" list. Thus, no 50.55(e) reports of deficiencies in design or construction will be submitted.

16. Publication for Statistical Use

The 50.55(e) reports are not used for statistical purposes.

17. Reason for Not Displaying the Expiration Date

The requirement is contained in a regulation. Amending the Code of Federal Regulations to display information that, in an annual publication, could become obsolete would be unduly burdensome and too difficult to keep current.

18. Exceptions to the Certification Statement

None.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.