FOR:	The Commissioners
FROM:	William D. Travers /s/ Executive Director for Operations
SUBJECT:	PROPOSED SUPPLEMENT 1 TO NRC GENERIC LETTER 98-01, "YEAR 2000 READINESS OF COMPUTER SYSTEMS AT NUCLEAR POWER PLANTS"

PURPOSE:

To inform the Commission of the staff's intent to issue the attached Supplement 1 to NRC Generic Letter (GL) 98-01, "Year 2000 Readiness of Computer Systems at Nuclear Power Plants." The purpose of this supplemental generic letter is to provide nuclear power plant licensees with a voluntary alternative response to item (2) of the required responses to GL 98-01 on the Year 2000 (Y2K) readiness of their facilities. This action is consistent with the Nuclear Energy Institute's (NEI) recommendation as stated in the letter from Joe Colvin, Chairman and CEO, NEI, dated November 9, 1998, to the Chairman, NRC. The alternative response would provide information on the overall Y2K readiness of the plant consistent with the Year 2000 Information and Readiness Disclosure Act (Public Law No: 105-271). Under this alternative response, licensees would provide information about the Y2K readiness of those systems covered by GL 98-01, but in addition, the Y2K readiness of those systems necessary for continued plant operation which are not covered by the terms and conditions of the license and NRC regulations.

DISCUSSION:

As discussed in GL 98-01, the Y2K problem pertains to the potential for date-related problems in computer systems such as the inability of the software to recognize the "00" digits as the year 2000 rather than 1900 and thereby interfere with the proper operation of these systems. As indicated in GL 98-01, because the use of computers in nuclear power plant safety-related systems is limited, the greatest impact of the Y2K problem is on systems required for continued plant operation. Such systems include security computers, control systems, radiation monitoring systems, plant process and data collection computers, and engineering programs.

From the beginning of the efforts to address the Y2K problem, both the NRC and nuclear power industry recognized the importance of the concern not only on plant safety but on the ability of the plant to continue to operate to support the grid and the nation's electric power infrastructure. Nuclear power plant Y2K readiness programs and NRC staff oversight efforts have focused on both aspects of nuclear power plant operations. This focus was reinforced by enactment of the Year 2000 Information and Readiness Disclosure Act on October 19, 1998, which encourages broad information exchanges on the Y2K problem as a means of achieving readiness of all the nation's infrastructure sectors on January 1, 2000.

In keeping with the spirit of the Year 2000 Information and Readiness Disclosure Act, the staff believes it is desirable to obtain information on the status of nuclear power plant Y2K readiness beyond the current (more narrowly focused) response in item (2) of GL 98-01. The proposed Supplement 1 to GL 98-01 requests a voluntary alternative response to GL 98-01 item (2) in which licensees by July 1, 1999, will report on the Y2K readiness status of the entire facility including its ability to continue to operate on January 1, 2000. Licensees are reminded, however, in Supplement 1 to GL 98-01 that existing reporting requirements under 10 CFR Part 21, 10 CFR 50.72, 10 CFR 50.73 and 10 CFR 50.9 are still applicable as appropriate. These provisions should be sufficient to assure the integrity of all safety significant information provided notwithstanding that the staff is not, in this supplement, asking that the responses be submitted under oath or affirmation.

The Committee to Review Generic Requirements (CRGR) has agreed that CRGR review of the proposed draft Supplement 1 to GL 98-01 is not required.

The Office of the General Counsel has reviewed this generic letter supplement and has no legal objection to its contents. Furthermore, the Office of Management and Budget has confirmed that the proposed generic letter supplement is a non-major "rule" under the provisions of the Small Business Regulatory Enforcement Fairness Act (see 5 U.S.C., Chapter 8), enacted March 29, 1996.

The Chief Information Officer had no objection to the issuance of the proposed generic letter supplement.

The staff intends to issue the generic letter supplement approximately 5 working days after the date of this information paper.

William D. Travers Executive Director for Operations

Attachments:

Proposed Supplement 1 to GL 98-01, "Year 2000 Readiness of Computer Systems at Nuclear Power Plants"
Associated Press Release on Supplement 1 to GL 98-01

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