



NUCLEAR ENERGY INSTITUTE

Ralph E. Beedle

SENIOR VICE PRESIDENT AND
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NUCLEAR GENERATION

November 30, 2000

Mr. Samuel J. Collins
Director, Office of Nuclear Reactor Regulation
Mail Stop O5-E7
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: Lessons Learned from Recent Steam Generator Experience

PROJECT NUMBER: 689

Dear Mr. Collins:

NEI has reviewed the recently released Indian Point 2 Steam Generator Tube Failure Lessons-Learned Report. The report appears to be a balanced review of the issues surrounding the event at Indian Point 2 and presents a number of recommendations for the industry in general and NEI in particular. The purpose of this letter is to provide some general observations in connection with this report.

The report identifies a number of enhancements to the steam generator program described in NEI 97-06, *Steam Generator Program Guidelines*. NEI appreciates the significance of these recommendations, many of which were also identified in the industry lessons learned from steam generator operation, inspection and maintenance forwarded to your staff in October. Activities designed to address these issues are in progress. For example, earlier this month we forwarded an industry letter that provided specific interim guidance on in situ pressure testing of steam generator tubes.

Most of the items identified in the Indian Point 2 Lessons Learned Report will be addressed by revisions to the applicable industry guidelines on steam generator programs. As you are aware, in December 1997, the industry adopted a formal initiative to achieve uniform, safe and reliable steam generator performance via implementation of NEI 97-06. This initiative focuses on consistent use of industry-developed guidelines related to managing steam generator programs.

NEI 97-06 and its referenced EPRI technical guidelines describe a living program—one that is introspective and calls for regular change as needed to incorporate new knowledge and experience. For example, the EPRI Steam Generator Examination Guidelines are in the process of being revised now. The revision will include

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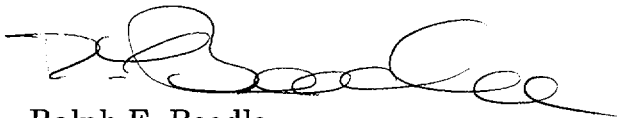
improved guidance on non-destructive examination (NDE) that was under development before the Indian Point tube failure event and will specifically address issues related to NDE data quality, noise, and site validation.

During the last two years, the industry and the NRC worked together to develop a regulatory framework for the steam generator program content in NEI 97-06. The result of these efforts is the Steam Generator Program Generic License Change Package that was submitted to your staff for review in February. A revised version of this package has been developed and will be submitted to NRC within the next month. In addition to addressing a number of enhancements resulting from industry experience, the version includes changes that reflect the lessons learned from recent industry events. More conservative Technical Specification limits consistent with the recently revised EPRI Primary-to-Secondary Leakage guideline are included in the License Change Package.

The successful operation and maintenance of steam generators requires a concerted effort by the industry and the NRC. Industry will continue to work with the NRC staff as it addresses the items identified in the Indian Point 2 Lessons Learned Report and completes its review of the Steam Generator Program Generic License Package and NEI 97-06. As a first step in this process, a working level meeting is scheduled for December 20. In addition, a senior management meeting in January 2001 is planned to communicate our commitment to this effort and our expectations with respect to its completion.

We look forward to our next meeting on this subject. Please call me if you have any questions regarding these matters.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Beedle', with a horizontal line extending to the left.

Ralph E. Beedle

c: Dr. Brian W. Sheron, U. S. Nuclear Regulatory Commission
Mr. Jack R. Strosnider, Jr., U. S. Nuclear Regulatory Commission
Mr. Edmund J. Sullivan, U. S. Nuclear Regulatory Commission
Mr. Robert Rothman, U. S. Nuclear Regulatory Commission
Mr. Peter Wen, Jr., U. S. Nuclear Regulatory Commission