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Mr. Michael T. Lesar
Action Chief, Rules and Directives Branch
U. S. Nuclear Regulatory Commission
Division of Administrative Services
Office of Administration
Mail Stop T6D59
Washington, DC 20555-0001

GL00-055A

**REQUEST FOR PUBLIC COMMENT ON THE FIRST YEAR OF INITIAL
IMPLEMENTATION OF THE REACTOR OVERSIGHT PROCESS**

Dear Mr. Lesar:

Virginia Electric and Power Company (Dominion) appreciates the opportunity to provide comments on the first year of initial implementation of the Reactor Oversight Process as requested in the Federal Register, Vol. 65, No. 241 on December 14, 2000, page 78215.

Dominion views the Reactor Oversight Process as an improvement in the oversight conducted by the NRC and feels the new program is achieving the overall objectives established in SECY 99-007. We fully support the comments provided by the Nuclear Energy Institute (NEI) on behalf of the nuclear industry. Answers to the specific questions in the Federal Register Notice were provided in NEI's response and will not be repeated here.

Dominion has been actively involved in the implementation of the Reactor Oversight Process through NEI's Safety Performance Assessment Task Force as well as normal licensee participation in the oversight process. We have particularly appreciated the NRC's approach to the development and implementation of this new process. The open communications and willingness to exchange ideas with all stakeholders has allowed for a much smoother implementation of a major regulatory process change over what would have previously been expected. This has resulted in a far better process in a much shorter period of time. Although the NRC has clearly retained its responsibility to make the final decision, your willingness to open the dialogue and work for mutually agreeable solutions has set the standard for future regulatory improvement initiatives. We commend the NRC for this effort and encourage you to continue in this manner in the future.

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Of the many issues presented in NEI's letter, Dominion is particularly interested in two. These issues were also discussed at the NRC's Lessons Learned Workshop held March 26-28, 2001. The first issue is the performance assessment of the As Low As Reasonably Achievable (ALARA) program in Radiation Safety and the second is the performance assessment of Physical Protection.

The current ALARA performance assessment does not account for risk in assessing collective exposure and the extensive inspection module does not recognize the excellent industry performance in recent years. We are concerned that the NRC's current approach could lead to the unintended consequences of less effective collective exposure control. Continued open dialogue between industry and NRC representatives is needed to build upon the ideas developed during the Lessons Learned Workshop in order to develop a consensus solution.

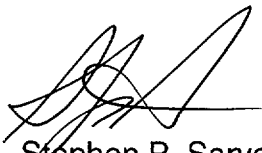
There are two areas of concern in assessing physical protection. First, the NRC needs to continue an open discussion with NEI on the implementation of the Safeguards Performance Assessment (SPA) program. We feel the SPA program is an appropriate replacement for the Operational Safeguards Response Evaluations (OSRE) program and provides an excellent assessment of a licensee's physical protection capability. Second, the significance determination process (SDP) for physical protection needs to be revised to be able to assess issues arising from force-on-force exercises. As with ALARA issues, a continued open dialogue between industry and NRC representatives is encouraged to resolve these concerns.

If you would like further information, please contact:

Don Olson

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Respectfully,

A handwritten signature in black ink, appearing to read 'S. Sarver', with a stylized flourish at the end.

Stephen P. Sarver, Director
Nuclear Licensing and Operations Support