



NUCLEAR ENERGY INSTITUTE

Alan P. Nelson
SENIOR PROJECT MANAGER,
LICENSING
NUCLEAR GENERATION

October 3, 2001

Mr. Christopher I. Grimes
Chief, License Renewal and Standardization Branch
Division of Regulatory Improvement Programs
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: License Renewal Application Approaches
Lessons Learned

PROJECT NUMBER: 690

Dear Mr. Grimes:

On May 1, the NEI License Renewal Implementation Guideline Task Force met with the NRC License Renewal staff at NRC White Flint offices. The purpose of the meeting was to discuss how the Generic Aging Lessons Learned (GALL) report would be used in a license renewal application. Based on these discussions we provided Plant X demonstrating the use of GALL in an application that follows the format delineated in the draft August 2000 License Renewal Standard Review Plan. The example titled Plant Y demonstrated the use of GALL in an application that follows the six-column format, which is consistent with previously submitted applications.

The purpose of the demonstration project was to consider the following:

- Which approach optimizes the time to prepare an application and results in the most efficient NRC staff review?
 - Does the staff and industry prefer one approach to the other?
 - Will one approach be more review efficient?
 - If an applicant's program is consistent with the GALL program, can the applicant include a statement of such in lieu of full description of the program's 10 attributes?
 - Can programs evaluated in GALL be applied to non-GALL evaluated components?

D042



We compliment the staff for their professionalism, efficient use of staff resources, and interactions with the industry to complete the assessment in timely fashion. While the demonstration project evaluated a limited sample the industry strongly supports the lessons learned format and process. It is recognized that the true test of the project recommendations will be in the efficiencies of the reviews using GALL, April 2001.

It is our understanding that the staff may revise the GALL and SRP based on the demonstration program lessons learned. NEI will be evaluating NEI 95-10 Revision 3, "Industry Guideline for Implementing the Requirements of 10 CFR Part 54 – The License Renewal Rule," for applicable revisions.

In this regard the industry believes that there is an inconsistent interpretation of the GALL on various line items by the industry and the NRC staff that warrants further discussion. We will be prepared to discuss these lessons learned issues during the October 11, 2001 meeting.

During the course of this initiative the staff provided requests for additional information, held public meetings to review the responses and alternative approaches, and conducted a tabletop inspection exercise to confirm their project conclusions.

The industry concurs with the following staff conclusions:

- The staff prefers the "SRP" format to the "Six-column" format because the review is based upon the guidance in the SRP. NEI Task Force indicated that the applicants would make a business decision on the basis of cost effectiveness as to which format they would follow in preparing their applications. NEI expects that the majority of the future or 2002 and beyond applicants would follow "SRP" format.
- An applicant may reference another program evaluated in the GALL report for a component not covered by the GALL report if it involves the same environment, material, aging effect and ASME Code Class (if applicable) with another component, provided it is clearly identified and explained in the application.
- When a GALL report identifies specific conditions that should be met by the report's conclusion to apply, the applicant should provide a statement in the application indicating that the conditions are met.
- The GALL report addresses operating experience up to the time of preparation of the GALL report. The applicant should address any

relevant subsequent operating experience information in their license renewal application.

- The appropriate word to indicate that an applicant meets the evaluation as described in the GALL report should be "consistent with". The applicants in making this determination may use engineering judgement. When there is some expectation that NRC staff may not come to the same determination, the applicants should identify these as differences from GALL report in their applications.
- The SRP-LR summarizes the component and program as evaluated in the GALL report. If an applicant does not have a specific component in the scope for license renewal or elects not to rely on a particular program listed in the SRP-LR, the applicant could identify them in their applications to facilitate staff review.
- If a program name in the license renewal application is plant specific and different from the name used in the GALL report, the applicant should identify the plant specific name in the application.
- The staff plans to update the improved guidance document, but the update schedule is yet to be decided. NEI should be the focal point for industry comments or suggested revisions to the guidance documents.

As a result of this project the industry gained numerous lessons learned on the level of detail of information to provide in an application in a number of areas when using the new license renewal guidance documents.

We appreciate the opportunity to work with the NRC staff on this project that promises efficiencies in NRC and licensee resources. If you have any questions, please call me at (202) 739- 8110.

Sincerely,



Alan Nelson

c: P.T. Kuo
S.K. Mitra