

DRAFT SUPPORTING STATEMENT FOR 10 CFR PART 54
"REQUIREMENTS FOR RENEWAL OF OPERATING LICENSES FOR
NUCLEAR POWER PLANTS"

(OMB Clearance No. 3150-0155)
Extension Request

DESCRIPTION OF THE INFORMATION COLLECTION

10 CFR Part 54 establishes the requirements that an applicant for renewal of a nuclear power plant operating license must meet, the information that must be submitted to the NRC for review so that the agency can determine whether those requirements have in fact been met, the application procedures, and record keeping requirements.

A. JUSTIFICATION

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

The regulatory philosophy underlying 10 CFR Part 54 is founded on two key principles. The first principle of license renewal is that, with the possible exception of the detrimental effects of aging on the functionality of certain systems, structures, and components (SSCs), and possibly a few other issues related to safety only during the period of extended operation, the regulatory process is adequate to ensure that the licensing bases of all currently operating plants provide and maintain an acceptable level of safety so that operation will not be inimical to public health and safety or the common defense and security. This regulatory process, modified for the period of extended operation to include the management of the detrimental effects of aging on the functionality of certain SSCs, ensures that the licensing bases will provide and maintain an acceptable level of safety. Part 54 focuses the Commission's review on this one safety issue but provides leeway for the Commission to consider, on a case-by-case basis, other issues unique to extended operation.

The second and equally important principle is that each plant's current licensing basis (CLB) must be maintained during the renewal term, in part through a program of age-related degradation management for certain SSCs as defined in 10 CFR Part 54.

To determine the necessary actions that are needed to constitute aging management programs, renewal applicants must perform an integrated plant assessment (IPA). In this assessment, SSCs that are within the scope of license renewal are identified and screened to determine which SSCs require actions to manage the detrimental effects of age-related degradation. The required aging management actions are then identified, described, and justified. The applicant is required to report in its application the screening methods used, the list of structures and components requiring aging management for extended operation resulting from the screening, and the aging management actions that have been or will be taken, together with their bases. The NRC will review the application to

determine the adequacy of the licensee actions taken and to be taken, as a basis for approval or denial of a renewed license. The inspection, surveillance, testing, and maintenance actions involved in the aging management program include the requirement for record keeping and availability of those records to the NRC for review or audit as part of the NRC's regulatory oversight programs.

The specifics of the information collections and the reasons for them are as follows:

10 CFR 54.13(b) requires each applicant to notify the Commission of information identified by the applicant as having, for the regulated activity, significant implication for public health and safety or the common defense and security. Notification by the applicant must be made within two working days of identifying the information. The NRC needs this information so that it may take appropriate actions, as required, to protect the public's health and safety.

10 CFR 54.15, Specific Exemptions, permits, in accordance with 10 CFR 50.12, the NRC to grant exemptions from the requirements of 10 CFR 54 upon application by any interested person or upon its own initiative. The information specified in 10 CFR 50.12 is required so that NRC can determine whether an exemption is warranted.

10 CFR 54.17, Filing of Application, requires the filing of an application for a renewed license in accordance with Subpart A of 10 CFR Part 2 and 10 CFR 50.4 and 50.30. This section establishes the procedural aspects of the filing. The information to be included in the application is addressed in 10 CFR 54.19, 54.21, 54.22 and 54.23, discussed below.

10 CFR 54.17(g) requires the applicant for a renewed license to agree in writing that it will not permit any individual access to Restricted Data or classified National Security Information until an investigation has been made and reported to the Commission on the character, association and loyalty of such individuals. This information is necessary to assist the Commission in determining that permitting such persons access to Restricted Data or classified National Security Information will not endanger the common defense and security.

10 CFR 54.19, Contents of Application - General Information, requires applicants for license renewal to provide the general information specified in 10 CFR 50.33(a) through (e), (h), and (i). The application may incorporate this information by reference. The NRC needs this information to establish the continued validity, during the renewal term, of general information applicable during the original license.

10 CFR 54.19(b) requires each application to include conforming changes to the standard indemnity agreement, 10 CFR 140.92, Appendix B. This is needed to account for the expiration term of the proposed renewed license.

10 CFR 54.21, Contents of Application - Technical Information, requires applicants for license renewal to provide information as follows:

10 CFR 54.21(a) requires an IPA. The IPA must:

- Identify and list those SSCs subject to an aging management review.
- Describe and justify the methods used to identify those SSCs that require aging management review. The NRC needs this information to be able to conclude that additional aging management attention is directed to SSCs that require it because they are important and can undergo age-related degradation that is new or different or not previously evaluated for the renewal term.
- Demonstrate the adequacy of actions taken or to be taken to manage the detrimental effects of aging on functionality. The NRC needs this information to be satisfied that the actions will be effective in assuring the continued safe operation of the plant.

10 CFR 54.21(b) requires the applicant to submit CLB changes during NRC review of the application. Each year following submittal of the license renewal application and at least 3 months before scheduled completion of the NRC review, the applicant must submit an amendment to the renewal application that identifies any change to the CLB of the facility that materially affects the contents of the license renewal application, including the FSAR supplement. The NRC needs this information to determine the acceptability of these changes from the pertinent safety standpoints.

10 CFR 54.21(c)(1) requires the applicant to provide a list of time-limited aging analyses for SSCs that conform to the definition provided in 10 CFR 54.3 and a demonstration that the analyses remain valid for the period of extended operation, that they have been projected to the end of the period of extended operation, or the effects of aging on the intended function(s) will be adequately managed for the period of extended operation. The NRC needs this information to determine whether those SSCs meet the requirements for license renewal.

10 CFR 54.21(c)(2) requires a listing of all plant-specific exemptions granted pursuant to 10 CFR 50.12 and in effect that are based on time-limited aging analyses as defined in 10 CFR 54.3. An evaluation must be provided that justifies the continuation of these exemptions for the period of extended operation. The NRC needs this information to determine whether continuing these exemptions is justified.

10 CFR 54.21(d) requires applicants to include in the application an FSAR supplement for the facility. This supplement must contain a summary description of the programs and activities for managing the effects of aging and the evaluation of time-limited aging analyses for the period of extended operation as determined by 54.21(a) and (c). The NRC needs this information to determine whether the licensee's actions for managing the effects of aging provide reasonable assurance that the facility's operations during the extended period of operation can be conducted without endangering public health and safety.

10 CFR 54.22, Contents of Application - Technical Specifications, requires applicants to include in the renewal application any technical specification changes or additions necessary to manage the effects of aging during the period of extended operation. The justification for these changes or additions must be contained in the license renewal application. The NRC needs this information to determine the acceptability of these changes from the pertinent safety standpoints.

10 CFR 54.33 (c) requires each application for license renewal to include those conditions to protect the environment that were imposed pursuant to 10 CFR 50.36(b) and that are part of the CLB for the facility at the time of issuance of the renewed license. The NRC requires this information to protect the environment during the term of the renewed license. The burden associated with the environmental data is incorporated under the burden for 10 CFR Part 51.

10 CFR 54.23, Contents of Application - Environmental Information, requires each application for license renewal to include a supplement to the environmental report that complies with Subpart A of 10 CFR Part 51. The NRC requires this information to determine whether the environmental consequences of the continued operation of the facility during the renewal term will continue to be acceptable. The burden associated with the environmental data is incorporated under the burden for 10 CFR Part 51.

10 CFR 54.37, Additional Records and Record Keeping Requirements, establishes retention and update requirements.

10 CFR 54.37(a) requires holders of renewed licenses to retain in an auditable and retrievable form for the term of the renewed operating license, all information and documentation required to document compliance with 10 CFR Part 54. The NRC needs access to this information for effective continuing regulatory oversight.

10 CFR 54.37(b) requires, after the renewed license is issued, licensees to include in the FSAR update required by 10 CFR 50.71(e) any SSCs newly identified that would have been subject to an aging management review or evaluation of time-limited aging analyses in accordance with 54.21. This FSAR update must describe how the effects of aging will be managed such that the intended function(s) will be effectively maintained during the period of extended operation. The FSAR update contains information on all of the changes made by the licensee to the plant since the original FSAR was submitted or, as appropriate, since the last FSAR was submitted. The NRC needs access to this information for effective continuing regulatory oversight.

2. Agency Use of the Information

The information will be used by the applicants for and holders of renewed nuclear power plant operating licenses as a basis for the establishment and conduct of their aging management programs. The NRC will use the information in its regulatory oversight to determine whether the continued operation of the

nuclear power plants during the renewal term will provide reasonable assurance of the adequate protection of public health and safety and the common defense and security.

3. Reduction of Burden Through Information Technology

There is no legal obstacle or any obstacle in 10 CFR Part 54 to licensees reducing the burden associated with this information collection by use of information technology or otherwise. At present, applicants need submit only one copy of a document in accordance with guidance contained in NRC Regulatory Issue Summary 2001-05, "Guidance on Submitting Documents to the NRC by Electronic Information Exchange (EIE) or on CD-ROM." The document may be submitted either on paper or electronically over the Internet or on CD-ROM.

A rulemaking and guidance document are scheduled to be published December, 2001 that, based on NRC experience, may modify the copy requirements to meet the needs of the staff and public when documents are received only via EIE or on CD-ROM.

4. Effort to Identify Duplication and Use Similar Information

Information collection requirements of 10 CFR Part 54 do not duplicate other Federal information collection requirements and are not available from any source other than applicants or licensees. The Information Requirements Control Automated System (IRCAS) was searched to identify duplication; none was found.

5. Effort to Reduce Small Business Burden

Not applicable.

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

The records generated as a result of 10 CFR Part 54 would be partly provided at the time of application for renewal and made partly available on a continual basis during the period of extended operation. Reporting of information is required only as identified under A.I., above. Less frequent collection would increase the risk that programs for managing the effects of aging would not be sufficiently current to assure maintenance of the current licensing basis during the period of extended operation.

7. Circumstances Which Justify Variation from OMB Guidelines

The two-day reporting period required by 10 CFR 54.13(b) varies from OMB guidelines but is necessary so that the Commission is informed promptly of information having a significant implication for public health and safety or the common defense and security.

The record keeping requirements of 10 CFR Part 54.37 exceed OMB's requirements by mandating that records be kept for the duration of the renewed license. A retention period for the full term of the renewed license is necessary to ensure that data are available for establishing equipment aging trends.

8. Consultations Outside the NRC

The opportunity for public comment has been published in the Federal Register.

The public has been provided an opportunity to comment on the burden estimates each time the clearance has been renewed. On October 7, 1997, in response to the 1997 renewal request, the Nuclear Energy Institute (NEI) commented that because no renewals had yet been submitted, it was not possible to accurately estimate the burden hours for completing an application. However, NEI expected that the burden would drop when applications were submitted because of the benefit of experience gained from the first license application.

NEI also commented that the burden for submitting the application would be reduced if industry were not required to submit so many paper copies. The NRC is addressing this concern through the rulemaking described under "Reduction of Burden through Information Technology."

9. Payment of Gift to Respondents

Not applicable.

10. Confidentiality of Information

No confidential information is required, except for proprietary information which would be handled in accordance with 10 CFR 2.790 of NRC's regulations.

11. Justification for Sensitive Questions

Not applicable.

12. Estimated Industry Burden and Burden Hour Cost

It is anticipated that the paperwork burden will vary widely among nuclear power plant licensees. As licensees learn more about managing the effects of aging, the burden on licensees will likely be reduced. All nuclear plants are somewhat different and the programs employed by individual plants, while similar, are not exactly the same. NRC calculates that an application for license renewal will incur approximately 94,000 burden hours. Of this, 64,000 hours are attributed to one-time reporting for an annualized burden of 21,333 hours over the clearance period. The remaining 30,000 hours represent a recurring annual recordkeeping burden that is incurred over the 30-year renewal term, or an annual recordkeeping burden of 1000 hours per reactor. Therefore, the annualized burden for an application submitted during the clearance period is 22,333 hours

(21,333 reporting + 1,000 recordkeeping hours). NRC estimates that 19 renewal applications will be received during this clearance period. Eight applications are currently under review. Therefore, the total annualized burden to industry is expected to be 432,333 hours at a cost of approximately \$64.8 million (19 applications X 22,333 hours + 8,000 hours recordkeeping for applications currently under review X \$150/hr).

13. Estimate of Other Additional Costs

NRC has determined that the storage and equipment costs per foot are approximately \$45. The quantity of records to be maintained is roughly proportional to the recordkeeping burden. Based on the number of pages maintained for a typical clearance, the records storage cost has been determined to be equal to 0.0004 percent of the recordkeeping burden cost. Therefore, the storage cost for this clearance is estimated to be \$1620 (27,000 hours X \$150/hour X 0.0004).

14. Estimated Annualized Cost to the Federal Government

The NRC paperwork burden for 10 CFR Part 54 is estimated to be about 19,855 staff-hours for the review of each license renewal application based on revised budget models for the latest projected schedule. Of this amount, about 18,688 staff-hours are expected to be incurred as part of the review of the licensee's application submittal for an annualized burden of 6,229 hours over the clearance period. The balance of the NRC's estimated effort, about 1,167 staff-hours, will be spent for each plant with a renewed license in year 40 of its operating license to verify that commitments made by the licensee to complete aging management activities prior to entering the period of extended operation were actually completed. Based on the known renewal applications to be received, no plant will reach year 40 of its operating license during the clearance period.

The staff estimates that during this 3-year clearance period the NRC will receive 19 license renewal applications and complete the review of 8 previously received license renewal applications. It is also assumed that during this 3-year clearance period, that none of the 8 plants receiving a renewed license will reach 40 years of operation requiring the commitment completion review. Based on this estimated number of applications newly and previously received, the total annualized Federal cost is expected to be \$17.4 million (239 FTE X 1460 hours per FTE X \$150/hour ÷ 3).

These costs are fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and/or 171.

15. Reasons for Changes in Burden or Cost

Although the total burden has increased because of the expected increase in the number of renewal applications, there is no change in the estimated burden per application for industry.

16. Publication for Statistical Use

None.

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

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.

U. S. NUCLEAR REGULATORY COMMISSION

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: U. S. Nuclear Regulatory Commission (NRC)

ACTION: Notice of pending NRC action to submit an information collection request to OMB and solicitation of public comment.

SUMMARY: The NRC is preparing a submittal to OMB for review of continued approval of information collections under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

Information pertaining to the requirement to be submitted:

1. The title of the information collection: 10 CFR Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants"
2. Current OMB approval number: 3150-0155

3. How often the collection is required: One-time submission with application for renewal of an operating license for a nuclear power plant and occasional collections for holders of renewed licenses.
4. Who is required or asked to report: Commercial nuclear power plant licensees who wish to renew their operating licenses.
5. The number of annual respondents: 6 respondents annually based on an estimate of the receipt of 19 new renewal applications over three years.
6. The number of hours needed annually to complete the requirement or request: Approximately 432,333 hours (405,333 hours one-time reporting burden and 27,000 hours recordkeeping burden).
7. Abstract: 10 CFR Part 54 of the NRC regulations, "Requirements for Renewal of Operating Licensees for Nuclear Power Plants," specifies the procedures, criteria, and standards governing nuclear power plant license renewal, including information submittal and recordkeeping requirements, so that the NRC may make determinations that extension of the license term will continue to ensure the health and safety of the public.

Submit, by (insert date 60 days after publication in the Federal Register), comments that address the following questions:

1. Is the proposed collection of information necessary for the NRC to properly perform its functions? Does the information have practical utility?
2. Is the burden estimate accurate?
3. Is there a way to enhance the quality, utility, and clarity of the information to be collected?
4. How can the burden of the information collection be minimized, including the use of automated collection techniques or other forms of information technology?

A copy of the draft supporting statement may be viewed free of charge at the NRC Public Document Room, One White Flint North, 11555 Rockville Pike, Room O-1 F23, Rockville, MD 20852. OMB clearance requests are available at the NRC worldwide web site: <http://www.nrc.gov/NRC/PUBLIC/OMB/index.html>. The document will be available on the NRC home page site for 60 days after the signature date of this notice.

Comments and questions about the information collection requirements may be directed to the NRC Clearance Officer, Brenda Jo. Shelton, U.S. Nuclear Regulatory Commission, T-6 E6, Washington, DC 20555-0001, by telephone at 301-415-7233, or by Internet electronic mail at BJS1@NRC.GOV.

Dated at Rockville, Maryland, this 20th day of December 2001.

For the Nuclear Regulatory Commission.

/S/ /RA/

Brenda Jo. Shelton, NRC Clearance Officer
Office of the Chief Information Officer

Comments and questions about the information collection requirements may be directed to the NRC Clearance Officer, Brenda Jo. Shelton, U.S. Nuclear Regulatory Commission, T-6 E6, Washington, DC 20555-0001, by telephone at 301-415-7233, or by Internet electronic mail at BJS1@NRC.GOV.

Dated at Rockville, Maryland, this 20th day of December 20 2001.

For the Nuclear Regulatory Commission.

/S/ /RA

Brenda Jo. Shelton, NRC Clearance Officer
Office of the Chief Information Officer

*See Previous Concurrence

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