

NRC INSPECTION MANUAL

DLPM

PART 9900: TECHNICAL GUIDANCE

TG OpsNOED.wpd

OPERATIONS - NOTICES OF ENFORCEMENT DISCRETION

A. PURPOSE

This document provides guidance to staff in the Regional Offices and the Office of Nuclear Reactor Regulation (NRR) on the process for the NRC to exercise enforcement discretion with regard to limiting conditions for operation (LCO) in power reactor Technical Specifications (TS) or other license conditions. This type of discretion is addressed in Section VII.C of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy, NUREG-1600) and is designated as a Notice of Enforcement Discretion (NOED). An NOED can be issued for a power reactor at power, in startup, or in shutdown, provided the specific applicable criteria set forth below are met. This guidance is not applicable to non-power or permanently shutdown reactors. NOEDs may be warranted if compliance with a TS LCO or with other license condition would involve:

- (1) an unnecessary plant transient, or
- (2) performance of testing, inspection, or system realignment that is inappropriate for the specific plant conditions, or
- (3) unnecessary delays in plant startup without a corresponding health and safety benefit, or
- (4) the potential for an unexpected plant shutdown during severe weather or other natural phenomena that could exacerbate already degraded electrical grid conditions and could have an adverse impact on the overall health and safety of the public.

The NOED process is designed to address unanticipated temporary noncompliances with license conditions and TS only. NOEDs are not appropriate to allow planned entries into TS LCOs to perform maintenance or other activities. Further, NOEDs are not appropriate for nonconformances with regulations, Updated Final Safety Analysis Reports (UFSARs), or codes. Exemptions from regulations, non-compliance with UFSARs, and reliefs from codes must be processed in accordance with the provisions of Title 10, Code of Federal Regulations (10 CFR) Parts 50.12, 50.59 or 50.55a, respectively, and are not addressed by the NOED policy. In such situations, the licensee must perform a prompt safety assessment of the noncompliance and make an appropriate operability determination. The licensee should further determine what other NRC requirements apply to the situation, e.g., 10 CFR Part 50, Appendix B, Criterion XVI, 10 CFR 50.12, etc. and take the required actions. Generic Letter (GL) 91-18, "Information to Licensees Regarding NRC Inspection Manual Sections on Resolution of Degraded and Nonconforming Conditions," and

associated NRC Inspection Manual Chapter Part 9900 provide staff guidance for addressing such circumstances.

- | When an NOED is issued, it is recognized that the operating license will be violated, but
- | the NRC is exercising its discretion to not enforce compliance with the operating license for a specified time period. In all cases, appropriate enforcement actions consistent with
- | the NRC's Enforcement Policy must be considered for the root causes leading to the need for the NOED.

B. CRITERIA

1.0 General Considerations

A licensee may depart from its TS in an emergency, pursuant to the provisions of 10 CFR 50.54(x), without prior NRC approval, when it must act immediately to protect the public health and safety. However, situations occur occasionally that are not addressed by the provisions of 10 CFR 50.54(x), and for which the NRC's exercise of enforcement discretion may be appropriate. Provided that the licensee has not abused the emergency provisions of 10 CFR 50.91 by failing to apply for an amendment in a timely manner, it is appropriate that the NRC have the NOED procedure for expeditious notice to a licensee of NRC's intention to exercise enforcement discretion under limited circumstances.

- The NRC staff expects to issue NOEDs infrequently. Although requirements may dictate that a plant must be shut down, refueling activities suspended, or plant startup delayed, the NRC staff is under no obligation to issue an NOED. The decision to forego enforcement action is discretionary. An NOED is to be issued only if the NRC staff is clearly satisfied that such action is warranted from a public health and safety standpoint.
- | NOEDs should be issued on a case-by-case basis, considering the individual plant circumstances. If appropriate, the staff should perform a qualitative probabilistic risk assessment, in addition to the licensee's assessment, as an input to its decision process. Typically, this would involve a joint effort by the regional Senior Reactor Analyst and the NRR's Probabilistic Safety Assessment Branch. If the NRC decides not to issue an NOED, the licensee must take the action required by the TS (except as stated in 10 CFR 50.54(x)). In addition, if a Licensee Event Report (LER) is required by 10 CFR 50.73 as a result of the non-conformance, the licensee must submit that LER, notwithstanding the staff's issuance of an NOED.

2.0 Types of NOEDs

- There are two types of NOEDs: (1) "regular" NOEDs and (2) "severe weather-or other natural phenomena-related" NOEDs. Regular NOEDs are appropriate where forced compliance with the license would involve plant-related risks due to an unnecessary transient which may affect the radiological health and safety of the public. Severe weather or other natural phenomena-related NOEDs involve general (as opposed to only radiological) public health and safety considerations (i.e., need for power or grid stability). It should be noted that, regardless of the initiating cause for an NOED request, if the NOED is required only to avoid an unnecessary transient, it should be considered as a regular NOED. (e.g. severe hot weather conditions result in exceeding the TS temperature limit for the Ultimate Heat Sink (UHS). TS requires the plant to be in MODE 3 within 6 hours, and in MODE 5 within 36 hours. The grid condition is stable. The licensee requests an

extension to 72 hours for restoring compliance with TS limits for UHS. The licensee's request for an NOED is not based on the need for power or grid reliability. The staff should evaluate this condition as a regular NOED. Alternately, if the NOED request is based on considerations of the need for power or grid stability, it should be considered as a severe weather or other natural phenomena NOED. Thus the differentiation between the two types of NOEDs is based on the effects of the condition and not on the cause leading to the NOED request. The two types of NOEDs are addressed further in the following sections.

2.1 Situations Affecting Radiological Safety - Regular NOEDs

Granting this type of an NOED shall not involve any net increase in radiological risk. Licensees may satisfy this requirement by providing at least a qualitative risk assessment in support of the NOED request that considers any benefits of compensatory measures, as appropriate, and any identifiable risk attendant to complying with the TS action statement with degraded equipment.

The following are NOED criteria applicable for various plant conditions:

1. For an operating plant, the NOED is intended to:
 - a. avoid unnecessary transients as a result of compliance with the license condition and, thus, minimize potential safety consequences and operational risks, or
 - b. avoid testing, inspection, or system realignment that is inappropriate for the particular plant conditions.
2. For plants in a shutdown condition, the NOED is intended to reduce shutdown risk by avoiding testing, inspection, or system realignment that is inappropriate for the particular plant conditions, in that it does not provide an overall safety benefit or may, in fact, be detrimental to safety in the particular plant condition.
3. For plants attempting to start up,¹ the need for an NOED is expected to occur less often than for operating plants, because delaying startup does not usually leave a plant in a condition in which it could experience undesirable transients. Thus, the issuance of NOEDs for plants attempting to start up must meet a higher threshold, as described below. NOEDs for plants attempting to start up are to be issued only when the licensee and the NRC staff have concluded that:
 - a. the equipment or system does not perform a safety function in the mode in which operation is to occur (e.g., a TS which requires the equipment to be operable in a mode not required by the UFSAR); or,
 - b. notwithstanding that the safety function performed by the equipment or system may have only marginal safety benefit, the licensee must

¹ For purposes of this guidance, "startup" is defined as any condition with the reactor being in other than "operation" in Mode 1 or cold shutdown.

demonstrate that remaining in the current mode increases the likelihood of an unnecessary plant transient or,

- c. the TS or other license conditions require a test, inspection, or system realignment that is inappropriate for the particular plant conditions, in that it does not provide a safety benefit or may, in fact, be detrimental to safety in the particular plant condition.

The letter issuing an NOED should specifically address which of the above criteria were satisfied. If none of the criteria are satisfied, the licensee must comply with the license requirements until a license amendment is requested and issued.

2.2 Situations Arising from Severe Weather or Other Natural Phenomena

In granting this type of NOED, a determination must be made that safety will not be impacted unacceptably using both risk insights and informed judgements, as appropriate.

In unusual situations, severe weather or other natural phenomena may result in a government entity or a responsible independent entity (such as a regional power authority) making the assessment that the need for power and immediate overall public (non-radiological) health and safety considerations constitute an emergency situation. Such situations are expected to occur rarely. The licensee must provide the name, organization and telephone number of the official in the government or independent entity who made the emergency assessment. If deemed necessary, the staff may contact the appropriate official to independently verify the information provided by the licensee prior to making an NOED determination. In such circumstances, the staff may grant an NOED based on balancing the overall public health and safety implications of not operating, with the potential radiological or other hazards associated with continued operation of the facility while in nonconformance with the particular requirement. The request must provide details of the basis and nature of the emergency; its potential consequences such as plant trip, controlled shutdown, delayed startup; the condition and operational status of the plant (equipment out of service or otherwise inoperable); status and potential challenges to off-site and on-site power sources, and the impact of the emergency on plant safety. The licensee must identify actions that it took to avert and/or alleviate the emergency situation, including steps taken to avoid being in the noncompliance, as well as efforts to minimize grid instabilities (e.g., coordinating with other utilities and the load dispatcher organization for buying additional power or for cycling load, shedding interruptible industrial or non-emergency loads). In addition, the licensee's request must be sufficiently detailed for the staff to evaluate the likelihood that the event could affect the plant, the capability of the ultimate heat sink, on-site and off-site emergency preparedness status, access to and from the plant, acceptability of any increased radiological risk to the public and the overall public benefit.

3.0 General Expectations

Although the NOED process addresses unanticipated and time-critical conditions, the potential for NOED requests is usually predictable. Periodic communication between licensees and the staff, such as routine calls between licensees and their Project Managers (PMs), and daily plant status calls between the region and NRR, should identify potential NOED requests. Also, the staff, through its periodic interface with the Department of

Energy, Federal Energy Regulatory Commission, the North American Electric Reliability Council and communication with other government agencies, becomes aware of weather or other natural phenomena and their impact on grid stability. During periods of extreme weather-related power demand and/or grid instability, the Events Assessment, Generic Communications, and Non-Power Reactors Branch (REXB) should provide to the NRR Division Directors and Emergency Officers, on a periodic basis, a power demand situation report identifying geographic areas with potential problems and, when known, plants that might need NOEDs. As such, weather or other natural phenomena-related NOED requests should not come as a surprise to the staff. These routine communications provide adequate advance notice of potential NOED requests to the staff such that the cognizant PM and the regional staff can mobilize appropriate technical and project resources for participating in the licensee - staff teleconferences to discuss NOED requests and process them promptly.

There may be other emergent and unanticipated circumstances, e.g., inoperable equipment, missed surveillances etc. with associated short allowable outage times that occur during off-business hours, when a licensee may need an NOED. In such situations, licensees should call the Emergency Operations Center (Telephone Number (301) 816-5100), to request a teleconference with cognizant staff. In these cases, the Headquarter's Operations Officer (HOO) will contact appropriate staff personnel so that the NOED request is considered in a timely manner. To enable the HOO to contact the appropriate staff personnel in these circumstances, the TA, DLPM, will assure that the Emergency Operations Center always has an up-to-date roster of PMs and their backups, Section Chiefs (SCs), and Project Directors (PDs) for all plants. In the event of the need for an NOED teleconference, the HOO will attempt to contact the assigned PM, backup PM, cognizant SC, or PD, in that order, and the on-call Operations Support Team member, to inform the individuals of the teleconference and to determine which other staff members should be contacted for participation in the teleconference. If none of the project-specific DLPM staff can be contacted, the HOO will contact the DLPM Director, Deputy Director or another PD.

To enable the HOO to contact appropriate staff personnel, during regular business or non-business hours, in circumstances of severe weather or other natural phenomena-related NOED requests, the following procedure will be implemented.

1. The Grid Oversight Working Group, which consists of members of the Electrical and Instrumentation and Controls Branch (EEIB), REXB, DLPM TA, and Engineering Research and Applications Branch, Office of Nuclear Regulatory Research, is responsible for alerting the staff to potential grid-related concerns that might result in one or more NOEDs might be requested. In such cases, the Working Group will notify the appropriate DLPM Project Director, the Regional Director, Division of Reactor Projects, the chiefs of REXB and EEIB and the Operations Center, indicating the potential for NOED requests and will identify a point of contact in EEIB (including home telephone number) who will be available for NOED discussions.
2. The TA, DLPM, will coordinate with TAs from other divisions in NRR and appropriate regional management to identify the individuals who will be available to participate, as appropriate, in licensee-staff teleconferences to discuss and review the NOED requests. As a minimum, the following personnel (including their backups) should be included: cognizant PM, SC and PD, technical reviewers from EEIB, the Probabilistic Safety

Assessment, Reactor Systems, Plant Systems, Materials and Chemical Engineering, Mechanical and Civil Engineering branches, and the cognizant regional director, DRP. The TA, DLPM, will provide to the HOO the list of identified staff personnel, and the roster of PMs whenever it is updated.

C. NOED PROCESS

An NOED may be issued by a region or NRR. The scope and responsibilities for regional and NRR NOEDs are described below. Typically, licensees request an NOED orally. An oral NOED request must be followed by a written request by the licensee within 2 working days, except in the case of severe weather or other natural phenomena-related NOEDs. Because the staff is required to inform the Commission expeditiously of an NOED approval involving severe weather conditions or other natural phenomena, a written NOED request must be provided within a few hours of the oral request. If an NOED request involves a follow-up license amendment, the licensee's written NOED request must include a follow-up license amendment application. The staff may grant an NOED orally, but this must be followed by written authorization within 2 working days of the licensee's written request. Whenever an NOED is issued, the staff's evaluation of the licensee's request, including the applicable items in Section C.4 of this guidance, should be documented in a letter to the licensee. The letter should follow the format and content of Attachment A to this guidance, indicate the current operating mode of the unit, and specify and discuss the maximum period of time for which the NOED is in effect (not to exceed 14 days, or until a follow-up license amendment is issued). Resolution of the condition that led to the request for enforcement discretion or issuance of the follow-up license would return the licensee to a condition of compliance with the license and thus should terminate the NOED. All licensee - staff teleconferences to discuss NOED requests should be made through the NRC headquarter's Emergency Operations Center recorded telephone line (Telephone No. (301) 816-5100). This provides a record of the discussion and a basis for future verification of its consistency with the licensee's follow-up written request.

Licensees are encouraged to engage the staff immediately upon identifying a situation that might potentially require relief from a license condition. This provides an early opportunity for the licensee and staff to discuss the situation and determine whether NOED request criteria are satisfied or another process is more appropriate. This "screening" telephone discussion should take place before an actual NOED request is submitted and need not be made through the recorded line.

1.0 Regional NOED

A region-issued NOED is appropriate when the noncompliance is nonrecurring, will not exceed 14 days in duration, and a license amendment is not practical because the plant will return to compliance with the existing license in a short period of time. Matters that a region-issued NOED may address include:

1. A noncompliance of short duration with the limits of a function specified in an LCO.
2. A noncompliance with an action statement time limit.

3. A noncompliance with a surveillance interval or a one-time deviation from a surveillance requirement.

The authority to issue an NOED is assigned to the Regional Administrator, who may delegate the authority to the Regional Division Director of Reactor Projects (DRP). Before issuing an NOED, the region should obtain the concurrence of the cognizant NRR PD. The PD, in turn, should consult with the cognizant NRR technical branch chief(s) concerning the acceptability of issuing the NOED.

2.0. NRR NOED

Matters that an NRR-issued NOED may address include:

1. A noncompliance with a TS for a longer duration (i.e., exceeding 14 days).
2. A noncompliance for which a follow-up license amendment must be processed either as a one-time or a permanent change.
3. All severe weather or other natural phenomena-related NOEDs, regardless of the duration for which the NOED would be in effect.

The authority to issue an NOED is delegated to the cognizant NRR PD, or acting PD. Before issuing an NOED, the NRR PD should obtain concurrence from the responsible Regional Director, DRP. In addition, the PD should consult with and obtain concurrence from the appropriate NRR technical branch chiefs. Follow-up license amendments for NRR-issued NOEDs should be processed on an exigent basis in accordance with the process for exigent amendments. The follow-up license amendment should be issued by the NRC staff within 4 weeks of the issuance of the NOED unless otherwise justified by any special circumstances. Such special circumstances should be documented promptly in a memorandum from the responsible PD to the Associate Director for Project Licensing and Technical Analysis (ADPT). If necessary, an NOED-related issue that is part of a larger license amendment request should be handled as a separate amendment if that will expedite issuance. When amendments involving NOEDs are issued, the transmittal letter should identify the NOED which the amendment supersedes. Also, the PM should ensure that an electronic copy of the letter issuing the follow-up license amendment is sent to the E-mail address: NOED and OE Internet Webmaster, E-mail: OEWEB (file MUST be the FINAL agency document).

NRR is responsible for all NOEDs involving severe weather conditions or other natural phenomena. NRR has the lead for staff determination of the validity of the emergency and whether to grant an NOED. The PM, with assistance from appropriate technical staff, should make reasonable efforts to assess the nature of the emergency. A teleconference should be held as soon as possible among senior licensee management, NRR and regional staffs. Participating staff personnel should include: NRR PM, PD, cognizant technical branch chiefs, including the EEIB chief, if possible, to evaluate the emergency assessment, Regional DRP, and Resident Inspector. Following the teleconference the licensee must immediately submit (within a few hours) a follow-up written request documenting all the bases, justifications, commitments and other considerations and conditions discussed and agreed upon in the teleconference. The PM should inform the Commission of the issuance of the NOED through the cognizant Regional Coordinator,

OEDO, as expeditiously as possible following granting of the NOED. See Attachment B for a sample memorandum from the OEDO to the Commission. The cognizant PM should prepare this memorandum in draft and give it to the cognizant Regional Coordinator, OEDO, for finalization and processing.

3.0 Multiple NOEDs

There may be occasions when several plants in different regions may request NOEDs simultaneously to address common conditions, e.g, a vendor advisory letter. In such cases, the regions and NRR should coordinate closely with each other to avoid potential duplication of effort and/or inconsistent approaches and to obtain any special assistance or expertise needed from NRR. In such cases, plant-specific NOEDs will be issued, either by the region or NRR, in accordance with Sections C.1 and C.2 of this guidance, to individual licensees. To assure consistency in staff determinations relating to the NOED requests, approvals, root cause violations and enforcement actions, the cognizant NRR technical branch chief(s) should be included in all discussions and decisions.

4.0. Request for an NOED

| The staff should ensure that the licensee's oral and written requests for an NOED address the following:

1. The TS or other license conditions that will be violated.
2. The circumstances surrounding the situation, including apparent root causes, the need for prompt action and identification of any relevant historical events.
3. The safety basis for the request, including an evaluation of the safety significance and potential consequences of the proposed course of action. This evaluation should include at least a qualitative risk assessment using both risk insights and informed judgements, as appropriate.
4. The justification for the duration of the noncompliance.
5. The basis for the licensee's conclusion that the noncompliance will not be of potential detriment to the public health and safety and that no significant hazard consideration is involved.
6. The basis for the licensee's conclusion that the noncompliance will not involve adverse consequences to the environment.
7. Any proposed compensatory measures.
8. A statement that the request has been approved by the facility organization that normally reviews safety issues (Plant On-site Review Committee, or its equivalent).
9. The request must specifically address which of the NOED criteria for appropriate plant conditions specified in Section B is satisfied and how it is satisfied.

10. If a follow-up license amendment is required, both the written NOED request and the license amendment request must be submitted within 2 working days. The licensee's amendment request must describe and justify the exigent circumstances (see 10 CFR 50.91(a)(6)).
11. For severe weather or other natural phenomena-related NOEDs, the licensee's request must be sufficiently detailed for the staff to evaluate the likelihood that the event could affect the plant, the capability of the ultimate heat sink, on-site and off-site emergency preparedness status, access to and from the plant, acceptability of any increased radiological risk to the public and the overall public benefit. In addition to items 1-10 above, as appropriate, the licensee must provide:
 - a. details of the basis and nature of the emergency; potential consequences of compliance with the license conditions to the plant and the emergency situation. The licensee must provide the name, organization and telephone number of the official who made the emergency assessment
 - b. status, and potential challenges to off-site and on-site power sources, and the impact of the emergency on plant safety.
 - c. demonstrated actions taken to avert and/or alleviate the emergency situation, including steps taken to avoid being in the noncompliance, as well as efforts to minimize grid instabilities (e.g., coordinating with other utilities and the load dispatcher organization for buying additional power or for cycling load, or shedding interruptible industrial or non-emergency loads).

The request from the licensee should normally be sent by facsimile or email to the NRR PD and the Regional Director, DRP. The signed original should be sent to the Document Control Desk. However, if circumstances do not permit time for a formal written request to be prepared and sent to the NRC, the licensee may make the request orally, describing to the best of its ability the information required by the staff.

If the request is made orally, the NRC must have sufficient information to reach the same conclusions as if it had received a written submittal. The follow-up written request must confirm the information that the staff relied upon in arriving at its conclusion to issue the NOED. If an NOED is authorized orally but the licensee subsequently determines that no violation of the license will occur and thus the NOED is not needed, the licensee and staff should still follow up with appropriate documentation. In such cases, the licensee must submit a letter within 2 working days, documenting its oral request, the NRC's oral approval, and the circumstances that led to the determination that the NOED is no longer needed.

D. STAFF EVALUATION AND DOCUMENTATION

Prior to issuance of an NOED, to the extent practicable, the regional Projects Branch Chief and/or the PM should verify the licensee's oral assertions, including root cause and compensatory measures, and that the NOED request is consistent with the staff's policy and guidance. If any of the verifications cannot be made prior to issuance of the NOED, this should be done subsequently, as soon as time permits. The results of the verification activities are to be documented in a subsequent inspection report. When an NOED is

issued either by the region or NRR, the responsible resident inspector should open an Unresolved Item (URI) to facilitate prompt tracking, documentation and closure of inspection, verification and resolution activities, including enforcement action determinations, associated with the NOED.

The staff's letter documenting the NOED should be self-standing, address the appropriate items in Section C.4 of this guidance, and demonstrate that issuance of the NOED is consistent with the policy and guidance. The NOED letter should also clearly specify which of the licensee's reasons the staff accepted in reaching its decision and the NOED criterion that is satisfied. The sequence of events in the staff's letter should be clear and include: how and when the licensee first requested the discretion, what the length of the AOT/surveillance interval involved was, when the allowed time will end, when (if applicable) oral discretion was issued, the date of the licensee's follow-up written request (if the original was made orally), the specific period of discretion starting at the end of the AOT and, if the NOED was terminated before the staff's letter is issued, the letter should contain the time the NOED was actually terminated. The staff should document in the NOED letter its verification of the consistency between the licensee's oral and written requests. The letter should also identify by name and title, the key NRC staff who participated in the NOED evaluation and approval and, if applicable, when the licensee's follow-up license amendment request will be or was submitted.

Once an NOED request is made, either orally or in draft or final written form and the licensee-staff teleconference to discuss the request has been made through the NRC headquarter's Emergency Operations Center recorded telephone line, the staff must follow up with a letter documenting its decision and bases for its decision even if the NOED request is denied or if the need for the NOED dissipates (see Attachment A).

It is not acceptable to permit the licensee not to follow a TS or license condition while the staff considers a request for discretion. If the licensee is unable to provide the staff an adequate basis before the LCO time ends, the licensee must take the required actions to comply with the TS while endeavoring to provide the staff an adequate basis for granting the NOED. It is recognized that in cases involving short LCO times or complex issues, the staff may have to act before all the information is available. In such cases, if the information presented provides a clear basis that public health and safety is assured and that the criteria of the NOED policy are satisfied, then an NOED may be issued. If subsequent information fails to support the initial issuance of the NOED, it should be terminated, as discussed in Section E.

E. ENFORCEMENT

1.0 Early Termination of NOED

The NRC may terminate an NOED for any reason before the time specified in the NOED as a matter of its discretion. In such cases, the staff should verify that the licensee takes steps to achieve the appropriate plant status and implement the existing TS required actions upon oral notification of the termination by the appropriate NRR PD or Regional Division Director.

Upon notification of termination of the NOED, the licensee must inform the NRC of the proposed course of action to restore the plant to a condition of compliance with the license.

The termination of the NOED by the NRC should be documented in a letter to the licensee and should address the actions taken or planned by the licensee, including the time necessary for the licensee to achieve the required plant conditions in the most prudent manner considering safety.

2.0 Consideration of Enforcement

The decision to exercise enforcement discretion by issuing an NOED does not change the fact that a violation will occur, nor does it imply that enforcement discretion is being exercised for any violation that may have led to the need for the NOED. In each case where the NRC staff has chosen to exercise enforcement discretion, appropriate enforcement action in accordance with the NRC's Enforcement Policy, will normally be taken for any violations that contributed to the root causes leading to the noncompliance. Such enforcement action is intended to emphasize that licensees should not rely on the NRC's NOED process as a substitute for compliance or for requesting a license amendment. Root cause determinations should be appropriately considered in the Reactor Oversight Process and the Significant Determination Process.

NRR-issued NOEDs should be closely coordinated with the appropriate region to ensure that the region considers the need for enforcement action for any root cause violations that led to the NOED issued by NRR. The staff should follow the guidance in the NRC Enforcement Manual located on OE's website (<http://www.nrc.gov/OE>), to evaluate the need for and process appropriate enforcement action. OE approval is required if more than a minor violation is involved and the staff determines not to issue an enforcement action, i.e., notice of violation or a non-cited violation. The enforcement action should reference the NOED number. All staff determinations regarding enforcement action associated with the issuance of an NOED should be documented by the region in the next appropriate inspection report under the URI established to track that NOED, regardless of whether or not the determination is to take enforcement action. If the root cause underlying an NOED request results in an escalated action, the time during which the NOED is effective will not be counted in considering the impact of the violation.

F. DISTRIBUTION

Copies of the letter to the licensee are distributed according to established regional and NRR procedures and should include the following:

1. Regional Coordinator, OEDO
2. Regional Administrator
3. ADPT, NRR
4. Division Director, Division of Licensing Project Management (DLPM), NRR
5. Director, Office of Enforcement
6. Public
7. Technical Assistant, DLPM, NRR
8. Electronic copy (WordPerfect file) to E-mail address: NOED
9. Electronic copy (WordPerfect file) to OE Internet Webmaster, E-mail: OEWEB (file MUST be the FINAL agency document).
10. Appropriate Branch Chiefs (Region and NRR)
11. Appropriate NRR PD and Section Chief
12. Appropriate NRR PM

13. Appropriate Senior Resident Inspector

Further, the issuing office should ensure that the licensee's request is profiled into the Agencywide Documents Access and Management System (ADAMS) as "publicly available" in accordance with agency policy. Electronic copies of NOEDs should also be prepared in accordance with Attachment C. OE will post the staff's NOED approval or denial letter on the NRC external web page (<http://www.nrc.gov/OE>) for easy public access. The NOED database manager in DLPM, NRR, will maintain a file of all NOEDs. Also, for NRR-issued NOEDs, the PM should send an electronic copy of the letter issuing the follow-up license amendment to the E-mail address: NOED.

G. TRACKING OF NOTICES OF ENFORCEMENT DISCRETION

The NRR PM should open a Technical Assignment Control (TAC) number under Licensing Action code LD for all NOED actions (including assistance provided for regional NOEDs) involving significant (4 hours or more) NRR resources.

Each NOED request will be assigned a number to permit tracking (regardless of whether issued or not). The issuing office will assign a number consisting of eight digits (six numbers and two dashes) in the format XX-X-XXX. The first two numbers indicate the year, the third number indicates the number of the region (use "6" for NRR), and the last three numbers are the sequential number of the NOED for the issuing office. For example, NOED 00-3-002 is the 2nd NOED issued by Region III in 2000. The NOED number should be included in parenthesis at the end of the subject line for the NOED, for example: (NOED 00-3-002) and in the ADAMS profile per the ADAMS template. The DLPM NOED database manager will track and assign numbers for all NRR NOEDs. Regional NOED numbers will be assigned and tracked by designated regional personnel. OE will post the staff's NOED approval letter on the NRC external web page (http://www.nrc.gov/OE/rpr/NOED/oe_5a.htm).

Each office (region or NRR) is responsible for tracking the NOEDs it issues and for entering the required data into its tracking system. Additionally, each region is responsible for inspection, follow-up, and enforcement for all NOEDs issued, including those issued by NRR, for plants in that region.

On a semi-annual basis, the DLPM NOED database manager will request the regions to provide updated database information regarding follow-up actions to previously issued NOEDs. This should include references to documents and dates for verification of licensees' oral assertions in the NOED requests, the determination to take or to not take enforcement action for any violations that may have led to the need for the NOED, and any follow-up inspections of licensees' root cause determinations, and corrective actions.

H. NOED CHECKLIST

An NOED checklist is provided in Attachment D as an aid to the staff in assuring adherence to this guidance. Its use is discretionary and it is a companion, not a substitute, for the detailed guidance.

I. REFERENCE

END

Attachments:

- A. Sample Letter for NOED Issuance
- B. Sample Letter for Notification to the Commission Regarding Issuance of NOEDs for Severe Weather or Other Natural Phenomena. |
- C. File Format for Electronic Copy (WordPerfect file) of NOED Approval / Disapproval Letters.
- D. NOED Checklist

Attachment A
SAMPLE LETTER FOR NOED ISSUANCE (*)

Addressee

SUBJECT: NOTICE OF ENFORCEMENT DISCRETION FOR [LICENSEE NAME]
REGARDING [PLANT NAME(S)] [TAC NO. XXXXXX (if applicable), NOED
NO.XXXX]

By letter dated [date of letter], you requested that the NRC exercise discretion not to enforce compliance with the actions required in [TS or license condition citation]. Your letter documented information previously discussed with the NRC in a telephone conference on [date] at [time]. The principal NRC staff members who participated in that telephone conference included [list name and titles of the principal staff participants]. You stated that on [date and time] the plant(s) would not be in compliance with [TS/license condition] which would require [statement of the requirement including the AOT and the date and time when the action statement was entered]. You requested that a Notice of Enforcement Discretion (NOED) be issued pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section VII.C, of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, and be effective for the period [state licensee's requested period for the NOED]. This letter documents our telephone conversation on [date and time] when we orally issued this NOED. [If appropriate: We understand that the condition causing the need for this NOED was corrected by you causing you to exit from the [TS/license condition] and from this NOED on [date and time].

[Briefly restate the licensee's description of the events leading up to the request for the NOED and a summary of the safety rationale, including risk insights and informed judgements provided by the licensee and evaluated by the staff, for issuing the NOED. Include any compensatory measures that the licensee has proposed.]

[Summarize the staff's evaluation of the licensee's request and supporting safety rationale including the items in Section C.4 of this guidance, state which of the licensee's justifications the staff accepted to the extent that staff verification of the licensee's oral assertions including root causes and compensatory measures, has been made prior to issuance of this letter, such verification should be documented here], and cite the explicit criterion in Section B of this guidance that the licensee satisfied.]

On the basis of the staff's evaluation of your request, we have concluded that issuance of this NOED is consistent with the Enforcement Policy and staff guidance, and has no adverse impact on public health and safety. Therefore, it is our intention to exercise discretion not to enforce compliance with [TS/license condition] for the period from [date and time] until [if region-issued: date and time; if NRR-issued: until issuance of a license amendment, and state when the amendment request was or will be submitted; state if the approved NOED effective duration differs from the requested time and why]. [For NRR-issued NOEDs: The staff plans to complete its review and issue the license amendment within 4 weeks of the date of this letter].

As stated in the Enforcement Policy, action will be taken, to the extent that violations were involved, for the root cause that led to the noncompliance for which this NOED was necessary.

signature

Project Director, NRR
or
Regional Administrator or designee

Docket No(s): 50-xxx

* Note: A similarly formatted letter should be used for situations when an NOED request is denied based on its technical/safety merits.

Attachment B

SAMPLE MEMORANDUM FOR NOTIFICATION OF NOED FOR SEVERE WEATHER
OR OTHER NATURAL PHENOMENA

(Date)

OFFICE OF NUCLEAR REACTOR REGULATION
NOTIFICATION OF ISSUANCE OF AN NOED
FOR SEVERE WEATHER OR OTHER Natural phenomena

Licensee: (Name of Licensee)

Facility:

Docket No:

NOED No.

To: Chairman and Commissioners

SUBJECT: ISSUANCE OF AN NOED FOR [Be specific: SEVERE WEATHER OR
OTHER Natural phenomena]

This is to inform the Commission that a Notice of Enforcement Discretion (NOED) as a result of [severe weather or other natural phenomena] was issued on [date] to [licensee name and facility].

This action is based on the licensee's request on [date] for an NOED. This is an information memorandum and requires no Commission action.

[Describe in summary form: the name, organization and telephone number of the official that made the emergency assessment, Details of the basis and nature of the emergency; consequences of compliance with the license conditions to the plant and to exacerbation of the emergency situation; status, and potential challenges to off-site and on-site power sources, and the impact of the emergency on plant safety; demonstrated actions taken to avert and/or alleviate the emergency situation, including steps taken to avoid being in the noncompliance, as well as efforts to minimize grid instabilities (e.g., coordinating with other utilities and the load dispatcher organization for buying additional power or for cycling load, shedding interruptible industrial or non emergency loads).

Contact:(name), NRR, 415-XXXX

Distribution:

Regional Administrators

Director, NRR

Cognizant PM/PD

Attachment C

FILE FORMAT FOR ELECTRONIC COPY (WORDPERFECT FILE)
OF NOED APPROVAL LETTER

1. Replace the WordPerfect Letterhead Paper Size with Standard Paper Size and include typed letter heading, and letter issue date, as follows:

UNITED STATES
NUCLEAR REGULATORY COMMISSION
Washington, D.C. 20555-0001
October 5, 2000

or for a Region

UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
U.S. Nuclear Regulatory Commission
61 Forsyth Street, SW., Suite 23T85
Atlanta, GA 30303-3415
October 5, 2000

2. Remove the concurrence page and any attached internal distribution list.
3. Include the following above the letter author's name:

/original signed by (identify person who signed letter)/
4. Save the WordPerfect file with the following filename: NEyyrser.wpd

where the number of the NOED is yy-r-ser, for example, NOED 00-1-01 for the first NOED issued by Region 1 in 2000. (WPD just tells users that it is a WordPerfect document.)
5. E-mail WordPerfect file to OEWEB (file MUST be FINAL agency document) and NOED.
6. ADAMS accession number

Attachment D

NOED CHECKLIST

NOTE: This is an aid to the staff in assuring adherence to this guidance. It's use is discretionary and it is a companion, not a substitute, for the detailed guidance.

Oral Request Date: _____
 NOED No. _____

TAC No. _____
 NRC NOED Letter Date

I. APPLICABILITY

Item	Check		Guidance
1. Non-compliance related to non-power or permanently shutdown power reactors	Yes	<input checked="" type="checkbox"/>	Stop. NOED is not applicable.
	No	<input type="checkbox"/>	
2. Non-compliance with TS or license condition	Yes	<input type="checkbox"/>	
	No	<input checked="" type="checkbox"/>	Stop. NOED is not applicable.
3. NOED is for short duration (≤ 14 days), one-time situation.	Yes	<input type="checkbox"/>	Regional issuance
	No	<input type="checkbox"/>	NRR issuance
4. Non-compliance related to severe weather or other natural phenomena that require balancing of overall public health and safety with radiological safety.	Yes	<input type="checkbox"/>	NRR issuance. NOED per Section B2.2. Review justification per Section C 4, item 11. Inform the Commission of the NOED issuance expeditiously.
5. Has TS violation already occurred?	Yes	<input checked="" type="checkbox"/>	NOED is not appropriate.
	No	<input type="checkbox"/>	

II. SAFETY CONSIDERATIONS

Item	Check		Guidance
1. NOED is for a plant operating at power.	Yes	<input type="checkbox"/>	Item 1a or 1b, must be satisfied.
	No	<input type="checkbox"/>	Proceed to Item 2.
a) NOED is for avoiding undesirable plant transient, i.e., shutdown or	Yes	<input type="checkbox"/>	Item 1a or 1b, must be satisfied. Note: Granting this type of an NOED shall not involve any net increase in radiological risk. Licensees may satisfy this requirement by providing at least a qualitative risk assessment in support of the NOED request that considers any benefits of compensatory measures, as appropriate, and any identifiable risk attendant to complying with the TS action statement with degraded equipment.. (See section 2.1)
	No	<input checked="" type="checkbox"/>	
b) NOED would eliminate testing, inspection or system realignment that is inappropriate for particular plant conditions.	Yes	<input type="checkbox"/>	
	No	<input checked="" type="checkbox"/>	
2. The plant is in a shutdown condition?	Yes	<input type="checkbox"/>	Item 2a must be satisfied.
	No	<input type="checkbox"/>	Skip 2a and proceed to Item 3.
a. NOED would reduce shutdown risk by avoiding testing, inspection or system realignment that is inappropriate for particular plant conditions.	Yes	<input type="checkbox"/>	
	No	<input checked="" type="checkbox"/>	NOED is not appropriate.
3. Is the plant in a startup condition?	Yes	<input type="checkbox"/>	Item 3a, 3b or 3c must be satisfied
	No	<input checked="" type="checkbox"/>	
a) the equipment or system does not perform a safety function in the mode in which operation is to occur, or	<input type="checkbox"/>	<input type="checkbox"/>	Item 3a, 3b or 3c must be satisfied
b) remaining in the current mode increases the likelihood of an unnecessary plant transient, or	<input type="checkbox"/>	<input type="checkbox"/>	
c) TS required test, inspection or system realignment is inappropriate for the particular plant conditions because it does not provide a safety benefit, or may be detrimental to safety	<input type="checkbox"/>	<input type="checkbox"/>	

III. PROCESS

Item	Chk	Guidance
1. Licensee's request		<ol style="list-style-type: none"> 1. May be oral. Arrange licensee-staff telephone discussions thru the recorded line (301) 816-5100. 2. Written request within 2 working days for regular NOEDs, and within few hours for Severe weather or other natural phenomena. Address items in Section C.4 including risk insights and informed judgements, as appropriate. 3. Submit follow-up license amendment along with the written NOED request.
2. TAC number assigned		Licensing Action Code: LD.
3. Verification		Region Project's Branch Chief/ NRR PM - Verify licensee's oral assertions, to the extent practical.
4. Concurrence		<p>Region-issued: Requires NRR (PD) concurrence.</p> <p>NRR-issued: Requires regional Divisional Director of Reactor Projects and cognizant NRR technical branch chief(s) concurrence.</p>
4. Issuing authority		<p>Region: Regional Administrator or designee</p> <p>NRR: Project Director</p>
5. NOED number		<p>NRR: Obtain from NOED database manager, DLPM.</p> <p>Region: Per Regional guidance</p>
6. NOED granting		May be oral, to be followed by NOED letter within 2 working days of the licensees' written request.
7. Specify maximum period for which NOED is in effect		<p>Region: Maximum 14 days</p> <p>NRR: Until the issuance of amendment (4 weeks maximum).</p>
8. NOED letter		<ol style="list-style-type: none"> 1. Follow sample (See Attachment A). 2. If subsequent to oral granting of an NOED, the licensee determines that no violation of the license will occur and thus the NOED is not needed, the licensee and staff should still follow-up with appropriate documentation. 3. Document consistency between the oral and written requests. 4. Cite and demonstrate how the specific NOED criteria are satisfied. 5. Identify, by name and title, principal staff participants in the NOED approval. 6. Evaluate and document applicable items in Section C.4 7. Specify time period for which NOED will be in effect. (See item 7 above).
9. Follow-up license amendment (NRR)		<ol style="list-style-type: none"> 1. Issue exigent amendment within 4 weeks. If not, justify promptly by a memo to ADPT, NRR. 2. Send a copy of the amendment letter to email:NOED
10. Root cause violations		Determination made. NRR coordinates with the regions
11. Inspection Report		Region to open an URI and document root cause violation determination, NOED approval basis, results of verification activities to close URI.
12. Enforcement action		Coordinate with OE. Document determinations in the next appropriate inspection report.
13. Licensee LER		Required even if NOED is issued (if otherwise required).
14. Distribution		See Part 9900. Note: Electronic copy of Word Perfect file to Email addresses: NOED and OEWEB.

IV. LICENSEE REQUEST FOR ENFORCEMENT DISCRETION

Item	Chk	Remarks
1. The TS or other license conditions that will be violated.		
2. The circumstances surrounding the situation, including root causes, the need for prompt action and identification of any relevant historical events.		
3. The safety basis for the request, including an evaluation of the safety significance and potential consequences of the proposed course of action.		
4. The justification for the duration of the noncompliance.		
5. The basis for the licensee's conclusion that the noncompliance will not be of potential detriment to the public health and safety and that a significant hazard consideration is involved.		
6. The basis for the licensee's conclusion that the noncompliance will not involve adverse consequences to the environment.		
7. Any proposed compensatory measure(s).		
8. A statement that the request has been approved by the facility organization that normally reviews safety issues (Plant Onsite Review Committee, or its equivalent).		
9. The request must specifically address which of the criteria specified in Section B is satisfied and how.		
10. If a follow-up license amendment is required, the written NOED request must include marked-up TS pages showing the proposed TS changes.		
11. For severe weather or other natural phenomena-related NOEDs, the licensee must provide: <ul style="list-style-type: none"> a. details of the basis and nature of the emergency; potential consequences of compliance with the license conditions to the plant, and the emergency situation. The licensee must provide the name, organization and telephone number of the official who made the emergency assessment b. status, and potential challenges to offsite and onsite power sources, and the impact of the emergency on plant safety. c. demonstrated actions taken to avert and/or alleviate the emergency situation, including steps taken to avoid being in the noncompliance, as well as efforts to minimize grid instabilities (e.g., coordinating with other utilities and the load dispatcher organization for buying additional power or for cycling load, shedding interruptible industrial or non-emergency loads). 		