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July 9, 2003

Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
U. S. Nuclear Regulatory Commission
Mail Stop T6-D59
Washington, DC 20555-0001

SUBJECT: **Comments on Proposed Generic Communication;
Requirements for Steam Generator Tube Inspection – 68 FR 25909**

- Reference:
1. Federal Register, Vol. 68, No. 93. Wednesday, May 14, 2003, pp. 25909 – 25912.
 2. Steam Generator Tube Integrity (SGTI) - Plans For Revising The Associated Regulatory Framework, SECY-03-0080, May 16, 2003
 3. Regulatory Analysis, Regulatory Approach for Steam Generator Tube Integrity, May 1997
 4. Presentation "Steam Generator Generic Letter, SG Tube Integrity, Backfit Justification," ACRS Materials and Metallurgy Subcommittee and Severe Accidents Subcommittee, August 26, 1997

Dear Sir or Madam;

Entergy, as the operator of Indian Point Units 2 and 3, Arkansas Nuclear One Units 1 and 2, and Waterford Steam Electric Station, Unit 3, takes this opportunity to comment on the draft generic letter (GL) on requirements for steam generator tube inspections (SGTI) published in the May 14, 2003 Federal Register (Reference 1).

Entergy believes that this GL would not provide the NRC, or licensees, with any new information or insights about SGTI. Completing the actions requested in the GL would only serve to confirm the already well-known limitations of existing SGTI technical specification (TS) requirements. If this GL is issued, it would divert NRC and industry resources from initiatives already underway to address many of the issues raised in the GL. Licensees routinely provide the staff with SG inspection results via required reports and informally during mid-outage conference calls. Information requested by the proposed GL is similar to previous requests for information from the NRC (e.g., GL 95-03 also asked for an assessment of SGTI programs.)

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*E-RFDS = ADM-03
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P. Klein (PAK)*

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Rather, Entergy suggests that the NRC and the industry focus on moving quickly towards a solution. The most direct and effective path to the resolution of outstanding SGTI issues is for NRC and industry representatives to redouble their efforts and bring the current initiatives to a final resolution.

Technical Specification for SG Tube Inspections

The GL asks licensees to evaluate their compliance with technical specification (TS) requirements for SGTI in conjunction with 10 CFR Appendix B requirements. Technical specifications for steam generator inspections vary widely amongst plants. It is generally acknowledged that minimum SGTI requirements warrant improvement. Many TSs include overly prescriptive requirements and do not complement current inspection technologies. The NRC acknowledged weaknesses in TS requirements for SG inspections as early as 1994 when it began to work on a new regulatory framework.

The NRC Staff and licensees have recognized these shortcomings and have accordingly developed technology and guidance to address emerging steam generator issues. This effort has led to an industry initiative (NEI 97-06) and a proposed TS that emphasizes steam generator tube integrity. They represent a significant improvement over most current specifications and should be the point of departure.

NEI Steam Generator Task Force

Over the past several years, both the NRC and the nuclear industry have invested significant time and resources on resolving the issues surrounding steam generator integrity and inspections. The Nuclear Energy Institute Steam Generator Task Force is one such forum; the EPRI Steam Generator Management Project is another.

Several industry initiatives are in progress that address the concerns the Staff may have relative to appropriate inspection techniques in areas of concern and meeting TS requirements. The initiatives include the current NEI 97-06 (and associated EPRI documents) and the generic license change package that was developed and has been submitted by Catawba.

In 1997 the NRC started to work with the industry on the development of a generic license change package for steam generators. This package, currently under review by the NRC, is a significant improvement over the existing TSs and provides the regulatory framework for a proven and effective SG program to assure tube integrity. The industry has been using a similar program since 1999 under guidance provided by NEI 97-06 "Steam Generator Program Guidelines." The technical specification proposed by the industry also has requirements for inspection scope and methodology consistent with the NRC's position expressed in the proposed GL. This is done by the preparation of SG degradation assessments prior to each refueling outage.

For a variety of reasons, progress has been slow. Recent developments, such as Catawba's recent proposal for technical specifications, and the promise of a generic technical specification, give us reason to believe that the essential elements of success are at-hand. NRC staff time allocated to issue and assess the information collected from this proposed GL should be spent on implementing the industry's steam generator generic license change package. With increased attention from the Commissioners, and the continued cooperation of the industry agreement can be reached regarding the improved SGTI requirements.

Use of Quotes from 10 CFR 50 Appendices A and B

The background section of the draft GL includes several quotes from Appendices A and B to 10 CFR 50. These quotes are used to support the position that licensees are limiting the scope of their specialized inspections based on their own analyses, and consequently are not complying with their technical specification requirements. Understandably, the GL only included short excerpts from Appendices A and B. However, some of the words omitted from the quotes in the GL significantly affect how the requirements are implemented. For example, the following quote, with the bolded phrases omitted, from General Design Criteria (GDC) 14 (Reactor coolant pressure boundary) appeared in the draft GL:

... the RCPB shall be 'designed, fabricated, erected and tested so as to have an extremely low probability of abnormal leakage, of rapidly propagating failure, and of gross rupture.

The draft GL also quotes from GDC 32, (Inspection of reactor coolant pressure boundary) stating that the RCPB shall be

... designed to permit (1) periodic inspection and testing of important areas and features to assess their structural and leaktight integrity, and ...

In both of these cases, the phrases in bold significantly affects the meaning of the criterion and were omitted from the generic letter. These omitted phrases acknowledge the possibility of failure, and that inspection and testing should focus on important areas and features. The omitted text also supports the use of engineering judgment when conducting steam generator inspections.

Appendix B defines "quality assurance" as "those planned and systematic actions necessary to provide adequate confidence that a structure, system or component will perform satisfactorily in service." This is further amplified in Criterion XI where test programs are required to "demonstrate that structures, systems, and components will perform satisfactorily in service..."

Technical Specification Change Process

As proposed, the GL does not ask licensees to assess their SGTI programs against their technical specifications and Appendices A and B of 10 CFR 50. Rather, it asks licensees to evaluate themselves against an interpretation of regulatory requirements where engineering judgment by a licensee is not acceptable.

The NRC has long held that licensees cannot re-interpret TS requirements by issuing so-called "tech spec interpretations"— and that licensees should refer to the NRC safety evaluation report(s) associated with the TS to clarify just what the NRC staff approved. But the proposed generic letter does precisely this - it reinterprets the TS of most pressurized water reactors to require the use of new eddy current technology, or to expand the scope of SGTIs, and cites Appendix B requirements as the basis for the reinterpretation.

Applicability of the GDC

The draft GL correctly notes that the GDC do not apply to older commercial reactors licensed before Appendix A to 10 CFR 50, pointing out that similar requirements exist in their licensing basis. If this GL is issued, it should be revised to take these pre-GDC plants into full consideration and explicitly permit the use of plant-specific licensing basis in lieu of the GDC.

Proposed Response Period

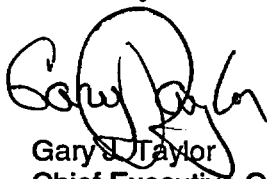
The reporting time frame proposed in the GL is too short and not commensurate with the implications of the described condition. Previous generic communications of similar steam generator issues (GLs 95-03 and 97-05), provided response times of 60 and 90 days, respectively. A more appropriate response time of 60-90 days for this GL would avoid the need for evaluating and processing multiple extension requests, and would still meet the Staff's objective of determining the adequacy of licensee inspection programs.

Conclusion

Entergy believes that thorough SGTIs, using modern inspection equipment and techniques, are important to the continued safe operation of our plants. Entergy is committed to working with the NRC and the industry to improve these inspections and our confidence in the integrity of steam generator tubes.

There are no new commitments made in this letter. If you have any questions, please contact Ms. Charlene Faison at 914-272-3378.

Sincerely,



Gary D. Taylor
Chief Executive Officer
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cc: (See Next Page)

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