

September 6, 2006

MEMORANDUM TO: Samuel J. Collins, Regional Administrator, Region I
William Travers, Regional Administrator, Region II
James L. Caldwell, Regional Administrator, Region III
Bruce Mallet, Regional Administrator, Region IV
Jim Dyer, Director, Office of Nuclear Reactor Regulation
Jack R. Strosnider, Director, Office of Nuclear Material Safety
and Safeguards
Roy Zimmerman, Director, Office of Nuclear Security and
Incident Response
Janet R. Schlueter, Director, Office of State and Tribal Programs

FROM: Cynthia A. Carpenter, Director/RA/
Office of Enforcement

SUBJECT: ENFORCEMENT GUIDANCE MEMORANDUM 98-002, REVISION 2,
SUPPLEMENT 1 – DISPOSITION OF VIOLATIONS OF
10 CFR PART 50, APPENDIX R, SECTIONS III.G AND III.L,
REGARDING CIRCUIT FAILURES

This Enforcement Guidance Memorandum (EGM) pertains to the disposition of potential noncompliances involving fire induced circuit failure vulnerabilities that have the potential to affect safe shutdown of a facility. The initial guidance was published during March 1998, and it was revised during July 1999 and February 2000. The last revision (EGM-98-002, Revision 2) can be accessed in the agency wide documents access and management system (ADAMS Accession No. ML003710123).

The purpose of this supplement is to extend the 6-month time frame for the enforcement discretion published in the *Federal Register* on March 6, 2006 (71 FR 11169), "Fire Protection Program–Post-Fire Operator manual Actions," which states:

The NRC plans to terminate the enforcement discretion guidance in EGM 98-02 6 months after the publication date of this Federal Register notice. During this 6-month period, the application of the enforcement guidance in EGM 98-02 in combination with the criteria in [Inspection Procedure IP 71111.05T, "Fire Protection (Triennial),"] will ensure the adequacy and appropriateness of compensatory measures in the form of operator manual actions implemented in accordance with the licensee's fire protection program. Manual actions that fail to meet the criteria in the inspection procedure are not considered to be feasible or adequate compensatory measures. The continuation of enforcement discretion guidance for [6] months is intended to provide a reasonable amount of time for licensees that have implemented feasible and reliable operator manual actions as compensatory measures to initiate corrective actions. The corrective actions could involve compliance with [10 CFR Part 50, Appendix R, Sections] III.G.2 or III.G.3; adoption of [National Fire Protection Association (NFPA) Standard 805,

"Performance-Based Standard for Fire Protection for Light Water Reactor Electric Generating Plants," 2001 Edition,] through 10 CFR 50.48(c); or submission of exemption requests or license amendments.

Licensees that have initiated corrective actions within the 6-month period, for noncompliances involving operator manual actions used to address fire-induced circuit failures, will receive enforcement discretion for those noncompliances provided licensees complete the corrective actions in a timely manner. The NRC expects timely completion of the corrective actions consistent with [Regulatory Issues Summary (RIS)] 2005-20, "Revision to Guidance Formerly Contained in NRC Generic Letter 91-18," dated September 26, 2005 (ADAMS Accession No. ML052020424) not to exceed 3 years from the date of this Federal Register notice, or consistent with the licensee's NFPA 805 transition schedule.

Based upon the information documented in 71 FR 11169, the 6-month period for enforcement discretion would end on September 6, 2006. However, completion of a generic letter and an associated EGM has been slightly delayed due to ongoing dialog with industry. Therefore, the discretionary period referenced in 71 FR 11169 will be extended from September 6, 2006, until issuance of the generic letter and an associated EGM.

This EGM will be in effect until completion of the generic letter and an associated EGM.

Please contact Doug Starkey at 301-415-3456 or drs@nrc.gov or David Solorio at 301-415-0149 dls2@nrc.gov if you have any questions.

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