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NUCLEAR REGULATORY COMMISSION

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IMPROVEMENT PROGRAM

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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BRIEFING ON STATUS OF TECHNICAL
SPECIFICATION IMPROVEMENT PROGRAM

- - - -

PUBLIC MEETING

Nuclear Regulatory Commission
One White Flint North
Rockville, Maryland

Tuesday, March 30, 1993

The Commission met in open session,
pursuant to notice, at 10:00 a.m., Ivan Selin,
Chairman, presiding.

COMMISSIONERS PRESENT:

IVAN SELIN, Chairman of the Commission
KENNETH C. ROGERS, Commissioner
JAMES R. CURTISS, Commissioner
FORREST J. REMICK, Commissioner
E. GAIL de PLANQUE, Commissioner

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STAFF SEATED AT THE COMMISSION TABLE:

SAMUEL J. CHILK, Secretary

WILLIAM C. PARLER, General Counsel

JAMES SNIEZEK, Deputy ED for NRR, Regions and Research

THOMAS MURLEY, Director, NRR

CHRIS GRIMES, Chief, Technical Specifications Branch,
NRR

JAMES PARTLOW, Associate Director for Projects, NRR

NANETTE GILLES, Technical Specifications Branch, NRR

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P-R-O-C-E-E-D-I-N-G-S

10:00 a.m.

CHAIRMAN SELIN: Good morning, ladies and gentlemen.

The Commission is pleased to welcome members of the staff to brief us on the status of the technical specification improvement program. Tech specs represent those specific characteristics of a reactor facility and the conditions for its operation which are required to provide adequate protection to the health and safety of the public. These specifications cannot be changed by a licensee without prior NRC approval.

Unfortunately, there's been a trend towards expanding the role of the technical specifications and including, probably inadvertently, not only those requirements considered necessary from the point of view of health and safety, but also many other Commission requirements governing the operation of nuclear power reactors. Many of these second set of requirements could otherwise be modified by a licensee subject to certain restrictions without affecting the health and safety of the public and therefore without having to come back to the Commission for approval.

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1 The Commission published an interim
2 Commission policy statement in 1987 on proposed
3 improvements to these specifications. Since issuance
4 of the interim policy statement, both the staff and
5 industry worked together to define more accurately
6 those conditions which are essential in a technical
7 specification and those which are not.

8 This morning, the staff will discuss a
9 proposed final policy statement which provides
10 criteria to permit an objective determination of those
11 conditions which would have to remain in the tech
12 specs and those which could be modified by a licensee
13 subject to appropriate regulation.

14 This sounds like a fairly dry topic, but
15 actually there's some very interesting pieces in
16 there. First, I find it amazing that so much specific
17 work has been able to added to what sounds like a very
18 general, loose job.

19 Second, there's a generic problem and that
20 is to make sure that when the licensee goes to the
21 standardized technical specification program that they
22 not use this as an opportunity to weaken the technical
23 specs, but merely to purify them and not to, in
24 effect, reduce the requirements that the Commission
25 has otherwise seen fit to put on the licensee.

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1 Then third, there's a bottom line question
2 which is even, once the Commission is satisfied with
3 the substance of the technical specifications, what
4 form should we take? You've heard in recent days
5 Commissioner Curtiss and Mr. Parler talk about the
6 role of policy statements. Is a policy statement the
7 appropriate vehicle for this material or is a rule
8 more appropriate for this material?

9 I'm sure there are other questions the
10 Commissioners would like to see addressed in the
11 presentation in addition to those that are presented
12 as well.

13 Commissioners?

14 Mr. Sniezek, would you introduce your team
15 and then --

16 MR. SNIEZEK: Okay. Good morning, Mr.
17 Chairman, Commissioners. We're pleased to be here
18 this morning to brief you on the technical
19 specification improvement program with an emphasis on
20 the progressing into the lead plant application of
21 them to the lead plant concept itself, and also the
22 content and rationale for our recommendation that we
23 issue a final policy statement on the technical
24 specification improvement program.

25 With me at the table are Tom Murley and

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1 Jim Partlow on my right, and on my left there's
2 Nanette Gilles, who is the project manager for the
3 tech spec improvement program, and Chris Grimes, who
4 is the responsible branch chief for that program.

5 I'd now like to turn the briefing over to
6 Tom Murley.

7 DOCTOR MURLEY: Thank you. Good morning.

8 You're right, Mr. Chairman, this is a dry
9 subject in some respects, but it gets to the very
10 heart of safety and how the plants are operated. So,
11 it is extremely important.

12 The program has its origins some ten years
13 ago and although it has gotten off the tracks at least
14 a couple times in that period it is ultimately a
15 success story, so I think the staff is pleased with
16 how it has ultimately come out. Going back to those
17 days, right after Three Mile Island accident, there
18 was an explosion of new regulatory requirements and
19 the staff felt that virtually all of these new
20 requirements had to be put into the tech specs. As a
21 result, the tech specs became very large and
22 cumbersome and difficult for the operating crews to
23 use. So, the staff decided back in the mid-1980s that
24 it was necessary to simplify and to improve the tech
25 specs. We were convinced even then that we could and

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1 would improve safety by making them simpler.

2 Staff is very interested in the actual
3 words of the tech specs. We want to be sure that the
4 safety intent of a regulation is met in actual
5 operation and in order to do that the actual words of
6 the technical specifications, which after all are the
7 licensed conditions, are very important. There have
8 been many examples over the years where a utility
9 would not maintain properly or even keep operable a
10 piece of equipment if it weren't required by a
11 specific technical specification. Similarly, the tech
12 specs are very important for the licensee because they
13 are the conditions that govern the day to day
14 operation of his plant. They have a vital impact on
15 the licensee's operations and as a result they also
16 take a keen interest in the precise wording of the
17 tech specs. This interest on both the part of the
18 staff and the licensees has led to some of the time
19 that it has taken to finally reach resolution on the
20 tech specs.

21 It's been difficult, particularly the last
22 two years, to bring this to resolution. The initial
23 draft standard technical specifications which were
24 issued for comment in early 1991 by the staff drew
25 over 20,000 comments and each of these comments had to

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1 be resolved. Over the years, the staff has spent some
2 35 full-time equivalents and \$4 million contract
3 dollars. We understand the industry has spent over
4 \$26 million.

5 You'll find in the policy statement that
6 the underlying much of the bases for the changes in
7 the tech specs is, in fact, a safety rationale.
8 Although it's not necessarily quantified using risk
9 numbers, there is a safety basis for many if not most
10 of the changes that we proposed to make. This has
11 been overall, we think, a highly useful forcing
12 function to face and resolve longstanding
13 controversial issues like the meaning of operability.
14 The tech spec improvement effort, I believe, will have
15 positive spinoff for many years to come. I think we
16 will be a more efficient agency and the industry as
17 they'd adopt these tech specs or parts of them will
18 also be more efficient.

19 Finally, I should mention that this tech
20 spec improvement program has been a voluntary program
21 from the very beginning. Because it's a voluntary
22 program, it is not easy to decide how much we should
23 require or try to require licensees to adopt these
24 versus how much we should allow a licensee to
25 optionally select for himself.

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1 In the very beginning, we insisted on an
2 all or nothing view. That is we expected a licensee
3 should take the entire tech specs and not pick and
4 choose among the various topics in there. We have
5 changed our views in recent years and it's because as
6 we've gained experience with approving the line item
7 improvements, that is specific areas of the tech specs
8 where we have reviewed them separately and have found
9 in lead plants that we can improve them, we have seen
10 that there are safety and operational benefits of more
11 flexibility along these lines. It also goes without
12 saying that in a voluntary program like this it's not
13 practical to insist on all or nothing. So, this
14 approach of approving line item improvements we
15 believe will maximize the safety benefits of all the
16 work that the staff and the industry has done over the
17 years.

18 With that introduction then, Chris Grimes
19 will take over.

20 MR. GRIMES: Nanette Gilles will start by
21 discussing the status of the tech spec improvement
22 program and then I'll conclude our presentation by
23 discussing the contents of the proposed final policy
24 statement.

25 MS. GILLES: Thank you.

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1 Before discussing the status of the
2 improved standard technical specifications, I'd like
3 to review a brief chronology of the development of
4 standard technical specifications, some of which has
5 already been touched on this morning.

6 (Slide) If I could have to take a look at
7 slide number 3, this discusses the chronology of the
8 standard technical specifications.

9 10 CFR 50.36, which contains the
10 regulations governing technical specifications, was
11 first published in December of 1968. The first
12 standard technical specifications were adopted around
13 the 1974 time frame. Since the publication of 10 CFR
14 50.36 and especially since the accident at Three Mile
15 Island 2, numerous requirements have been added to
16 technical specifications.

17 In the early 1980s, this caused many
18 people both at the NRC and the industry to question
19 whether the continual growth of technical
20 specifications might actually be detrimental to
21 safety. Because of this concern, in 1983 the Office
22 of the EDO established a task group on technical
23 specifications specifically to look at surveillance
24 testing and technical specifications. The task
25 group's findings were published in NUREG-1024.

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1 Following the publication of NUREG-1024, NRR
2 established the technical specifications improvement
3 project in 1984 to reconsider the entire subject of
4 technical specifications. The technical
5 specifications improvement project work was
6 coordinated closely with an industry effort by the
7 Atomic Industrial Forum and these two groups published
8 their findings in reports in SECY-86-010.

9 Based on the recommendations from these
10 two groups, the Commission published an interim policy
11 statement on technical specifications improvements in
12 February of 1987. The interim Commission policy
13 statement contained objective criteria for defining
14 the scope of technical specifications in the future.
15 Based on these criteria, the staff then published a
16 split report in May of 1988. The split report defined
17 which of the previous technical specification
18 requirements could be retained in new technical
19 specifications and which could be relocated to
20 licensee-controlled documents.

21 Based on the split report, each of the
22 four owners groups then submitted standard technical
23 specifications to the staff for review in mid-1989.
24 After reviewing the owners group submittals and
25 meeting with the owners groups several times, the

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1 staff published a final draft of the improved standard
2 technical specifications in January of 1991.
3 Following publication of the final draft, there was a
4 six month public comment period. After the public
5 comment period ended, the staff worked closely with
6 the owners groups to resolve all comments received.
7 It was during this time period that the staff last
8 briefed the Commission on the status of this program
9 in December of 1981.

10 Finally, the most recent and most
11 important milestone in this program came in September
12 of 1992 when Revision 0 of the improved standard
13 technical specifications was published.

14 (Slide) Slide number 4, please.

15 Some of the major features of the improved
16 standard technical specification include the most
17 obvious, which is a reduction in the number of
18 limiting conditions for operations of approximately 40
19 percent. These have been relocated to licensee-
20 controlled documents. Several locations of and
21 controls for relocated requirements will be discussed
22 later in the presentation. The improved standard
23 technical specification achieved substantial
24 consistency in requirements both across all sections
25 in the technical specifications and across all four

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1 owners groups. Previous technical specifications, you
2 would often find similar requirements, actually were
3 inconsistent from one owners group to another.

4 Another major improvement in the improved
5 standard technical specifications is that they present
6 requirements in a much more operator-friendly format.
7 Previous technical specifications were written in a
8 prose format and the operator often had to search
9 through several lines of text before he found the
10 actual required course of action. Improved technical
11 specifications are presented in a tabular format which
12 gives each required action and an associated
13 completion time and each surveillance requirement and
14 associated frequency in a much more operator-friendly
15 format.

16 Finally, the bases have been significantly
17 expanded to provide a more direct link between the
18 requirements and the safety analysis and to provide a
19 clear bases for each required action and surveillance
20 requirement.

21 (Slide) Slide number 5, please.

22 During the development of the improved
23 standard technical specification many longstanding
24 issues were clarified. Some of these include the
25 application of the definition of operability and

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1 specifically the relationship of support system
2 operability. Also, the standard technical
3 specification clarified longstanding questions
4 regarding surveillance practices. For example, the
5 improved standard technical specifications contain
6 provisions for missed surveillances, clearer
7 discussion of surveillance methods and some changes to
8 surveillance intervals which were based on industry
9 topical reports and NUREG-1366 which was the result of
10 an examination of all technical specification
11 requirements as recommended by the task group in
12 NUREG-1024.

13 Finally, allowed outage times or
14 completion times have historically caused a lot of
15 confusion when a condition existed where there were
16 multiple inoperabilities. The improved standard
17 technical specifications contained a new section which
18 discusses the application of AOTs or completion times.

19 These are just a few examples of some
20 issues that the staff and the industry worked closely
21 to resolve in the improved standard technical
22 specifications.

23 (Slide) Currently, the first lead plant
24 conversion is underway. That is Crystal River Unit 3.
25 The licensee currently plans to implement their new

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1 technical specifications in October of 1993 and if you
2 look at your handout there is a lead plant schedule on
3 page 6 which I don't believe we have an overhead for.
4 As you see, the rest of the lead plants are scheduled
5 to submit their conversions in mid to late 1993. The
6 staff is also currently reviewing the Watts Bar
7 license application. The technical specifications
8 were based on the Westinghouse owners group standard
9 technical specifications.

10 If there are no questions --

11 COMMISSIONER REMICK: Question. What
12 licensing actions are required for like Crystal River
13 3 to implement the tech specs?

14 MR. GRIMES: Implementation is a standard
15 license amendment, but the scope of the license
16 amendment is substantially larger than that that
17 typically is submitted to the staff.

18 COMMISSIONER REMICK: So it's a business
19 as usual standpoint? It requires a license amendment?

20 MR. GRIMES: That's correct.

21 COMMISSIONER REMICK: With the opportunity
22 for hearing, I assume.

23 MR. GRIMES: That's correct.

24 COMMISSIONER REMICK: Okay.

25 CHAIRMAN SELIN: Don't go on yet.

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1 DOCTOR MURLEY: As a side point on the
2 lead plant conversions, although it's not shown here,
3 the very first plant that will actually reference the
4 standard tech specs will be Sizewell B. They've made
5 a few changes to it, but they're basically adopting
6 standard tech specs.

7 CHAIRMAN SELIN: I'm a little confused as
8 to how this voluntary aspect that Doctor Murley
9 referred to gets handled in the license --

10 MR. GRIMES: Hopefully that will be
11 covered during my presentation.

12 CHAIRMAN SELIN: Okay.

13 MR. GRIMES: (Slide) If I could have
14 slide 7, please.

15 The proposed final policy statement on
16 technical specification improvements consists of two
17 elements: first, criteria that define the optimal
18 content of technical specifications; and second, the
19 practices by which existing plant technical
20 specifications, both the lead plants and any
21 subsequent volunteering plants, can be revised and
22 maintained.

23 The approach reflected in the policy is
24 derived from the experience gained during the
25 development of the improved standard technical

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1 specifications and the achievements during the
2 resolution of comments on the draft STS and the
3 initial implementation. The primary objective is to
4 first encourage complete conversions to the improved
5 standard technical specifications so as to achieve the
6 maximum safety benefits associated with those
7 improvements. Second, to apply the criteria to
8 determine where changes in technical specification
9 requirements are appropriate when the underlying
10 regulatory requirements change, and third, to provide
11 for line item improvements. That is generic actions
12 to provide technical specification changes that would
13 apply to a population of reactors in order to enhance
14 the standardization and consistency of particularly
15 significant technical specification requirements.

16 The policy is intended to enhance
17 standardization and consistency for both those plants
18 that volunteer to convert completely to the improved
19 standard technical specifications and those that
20 choose not to volunteer for complete conversions.

21 (Slide) If I could have slide 8, please.

22 The proposed policy statement indicates
23 that the NRC intends to place the highest priority on
24 complete conversions and a high priority on line item
25 improvements. This practice is intended to achieve

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1 greater standardization and consistency of technical
2 specification requirements. This is a necessary
3 feature of the policy because of the voluntary nature
4 of the program. Many of the safety benefits of the
5 improved standard technical specifications are
6 difficult to quantify and do not present compelling
7 justifications for backfitting on a broad basis.

8 While existing power reactor licenses
9 include technical specification requirements which are
10 arguably adequate to ensure public health and safety,
11 the inherent safety benefits of consistent readily
12 understandable technical specifications can best be
13 achieved through the incentives in the license
14 amendment practices.

15 (Slide) If I could have slide 9, please.

16 The 1987 proposed policy statement
17 included three explicit criteria for those safety
18 features that should be controlled through technical
19 specifications. First, are control room instruments
20 used to detect and indicate a significant abnormal
21 degradation in the reactor coolant pressure boundary?
22 Second, process variables that are initial conditions
23 for design basis accidents and transients that
24 challenge the integrity of a fission product barrier.
25 Third, structures, systems or components that are part

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1 of the primary success path which function or actuate
2 to mitigate a design basis accident or transient that
3 challenge the integrity of a fission product barrier.

4 The proposed final policy statement adds
5 a fourth criterion that was included in the 1987
6 policy statement as a further consideration. This
7 criterion provides for those requirements that either
8 operating experience or probabilistic risk assessments
9 have generally shown to be important to public health
10 and safety. The 1987 policy statement specifically
11 called out the reactor core isolation cooling system
12 and isolation condensers, residual heat removal,
13 standby liquid control and recirculation pump trip.
14 This criterion recognizes that risk insights can
15 reveal safety features that are so important to
16 overall plant safety that they are appropriate to
17 control and technical specifications.

18 COMMISSIONER REMICK: Chris, a question.
19 Why weren't some of those systems caught in the -- I
20 guess it was the second criteria on transients, design
21 basis transients?

22 MR. GRIMES: Because normally you would
23 find that some other system or the accident analysis,
24 the actual accident analysis, does not specifically
25 call those things out --

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1 COMMISSIONER REMICK: I see.

2 MR. GRIMES: -- in such a way that they
3 would clearly fall under those criteria.

4 COMMISSIONER REMICK: Okay. Thank you.

5 COMMISSIONER CURTISS: Chris, if I could
6 follow-up on that question. As I understand what the
7 staff is proposing, you would employ this PSA
8 criterion, this new fourth criterion to identify those
9 matters that might not be captured under the first
10 three, but some of which you have identified
11 specifically but which in the licensee's PSA or based
12 upon operating experience the safety significance of
13 that matter becomes evident. Have I characterized
14 what the proposal is accurately?

15 MR. GRIMES: Yes, sir.

16 COMMISSIONER CURTISS: Two questions here.
17 First, is it conceivable that you might have a
18 situation where a PSA demonstrates that a matter is
19 not safety significant, not important from a public
20 health and safety standpoint, but that item would
21 still be captured under 1, 2 or 3, any one of which
22 under your approach would bring it within the tech
23 specs?

24 MR. GRIMES: I believe so. I don't know
25 that I understood your question. Could you restate

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1 it, please?

2 COMMISSIONER CURTISS: Let me rephrase it.
3 Expand on why it is that the PSA could be used, would
4 be used to add things to the tech specs but not take
5 away things that the PSA demonstrates are not risk
6 significant.

7 MR. GRIMES: The objective of the tech
8 specs is to identify those things that are so
9 important to public health and safety they should be
10 controlled through tech specs. Consistent with the
11 Commission's policy statement on safety goal
12 implementation, the tech spec policy would not permit
13 such probabilistic analyses to be used to relocate
14 requirements that would otherwise be included in the
15 tech specs under the foregoing deterministic criteria.
16 Our experience during the development and
17 implementation of the improved standard technical
18 specifications demonstrates that this is a right way
19 to proceed with defining the scope of technical
20 specifications.

21 At some point in the future, when
22 probabilistic analysis have stabilized to the point
23 where uncertainties are better understood and there is
24 a confidence level for using probabilistic analysis to
25 reduce the scope, then we would consider amending this

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1 policy. But at the present time, we believe that
2 using the criteria, using a probabilistic and
3 operating experience criteria to add things that are
4 important to public health and safety, but not removed
5 them only for probabilistic reasons is an appropriate
6 policy.

7 COMMISSIONER CURTISS: Okay. Okay as in
8 I understand it, but I don't necessarily agree. Is
9 that the way that line goes?

10 CHAIRMAN SELIN: Yes, sir. Right.

11 MR. GRIMES: We would also expect, as with
12 the 1987 policy statement, we are recommending that
13 this policy statement be issued again for public
14 comment because such a long period has elapsed since
15 the comments on the 1987 policy. We would expect to
16 get similar comments on the role of probabilistic
17 analysis and its usefulness or possible application to
18 redefine the scope of technical specifications.

19 COMMISSIONER CURTISS: Okay. Second --

20 MR. SNIEZEK: Commissioner Curtiss, can I
21 elaborate --

22 COMMISSIONER CURTISS: Go ahead.

23 MR. SNIEZEK: -- on what Chris said? I
24 see no reason why if a PRA would show, for example --
25 a risk assessment would show that, for example,

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1 criterion 3, that whatever was on the tech spec is not
2 part of the primary success path, it would help
3 influence the decision relative to the other three
4 criteria. It could be used from that standpoint. But
5 I think by itself it would not be used as a basis just
6 to take something out of the tech specs. But I think
7 it would give you a lot of insights in judging whether
8 the other three criteria really cover that component
9 or structure or system that you're talking about.

10 COMMISSIONER CURTISS: Yes. I think
11 conceptually I agree that it's difficult to envision
12 a situation where something would be covered under 1,
13 2 or 3, but show up on your PSA as not risk
14 significant unless we've got something quirky in 1, 2
15 or 3, but we define it as the primary success path or
16 in the PSA and the PSA ought to demonstrate that those
17 issues in 1, 2 and 3 also are the safety significant
18 questions. So, it may well be that we don't have any
19 issues that come up, any matters that come up under
20 the PSA that are not risk significant at all.

21 MR. GRIMES: And it's also conceivable
22 that as we review the IPEs and we gain additional
23 experience with probabilistic analysis applications
24 that we'll find that those insights tend to affect
25 what are design basis accidents and transients. If

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1 the staff concludes that the nature of design basis
2 accidents and transients can be changed based on
3 probabilistic insights, then we would expect to make
4 conforming changes to the underlying standard
5 technical specifications. As I said before, one
6 feature of the future is to have line item
7 improvements that would change the standard to adapt
8 to conforming changes in the underlying regulatory
9 requirements.

10 COMMISSIONER CURTISS: Okay. Second quick
11 question is that --

12 COMMISSIONER REMICK: Jim, could I follow-
13 up your follow-up on that because it was an area I was
14 going to pursue. I assume through PSA you identified
15 the systems that you indicate RHR, RCIC, isolation
16 condenser and so forth, that the PSAs identify those
17 as being risk significant but then deterministically
18 it made sense. In other words, they might have
19 identified, but then just engineering judgment told
20 you yes, they should be included.

21 Suppose you have the situation that a PSA
22 identifies something that very little risk
23 significance. It draws your attention to it. It is
24 covered by one of the three criteria but you go back
25 and your best engineering judgment is that

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1 deterministically we agree that system doesn't make
2 sense in there. Would the staff in that case consider
3 elimination of that?

4 MR. GRIMES: I think the same comment
5 applies. In the event that we find that the
6 probabilistic insights tell us that something that
7 falls under criterion 1, 2 or 3 doesn't make sense
8 somehow, they we have to go back and examine the
9 underlying regulatory requirements that led us into
10 criteria 1, 2 or 3.

11 COMMISSIONER REMICK: So it wouldn't be a
12 case of the risk assessment eliminating, it just drew
13 your attention to it and causes you to go back. Good.

14 MR. GRIMES: That's correct. The purpose
15 for criterion 4 in this policy is to recognize the
16 fact that there have been significant risk insights
17 that call attention to things that don't normally get
18 captured by some deterministic criteria and we wanted
19 to leave that provision as a means to ensure that
20 safety requirements are clearly articulated in
21 technical specifications.

22 DOCTOR MURLEY: A good example of that, of
23 number 4, is the shutdown risk area. For many years,
24 we did not recognize the importance that shutdown
25 conditions can have to overall risk. It was toward

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1 1987, '88 that we began to see some events and analyze
2 them, loss of decay heat removal. So, operating
3 experience was telling us these were significant and
4 then at the same time there was actually a French PSA
5 came in and showed that one-third of the risk or more
6 was contributed during shutdown modes of operation.

7 So, it was that reason for adding the
8 fourth area where we get new insights from either
9 operations or PSA. Now, we've got 20 years of
10 experience practically in looking at PSAs and asking
11 ourselves what they mean. That experience has gone
12 into judging what's important and what's not
13 important. So, to some extent, to a large extent, I
14 think, what we've taken out of the tech specs has been
15 guided by our notions of what's risk significant and
16 what isn't. I think it's unlikely, at least
17 generically, that we'll get some results from a PSA
18 that shows generically that a system is not important.
19 There could be plant-specific areas where because of
20 redundancies in the plant or something a particular
21 system might not be important.

22 COMMISSIONER CURTISS: I have an unrelated
23 question on the same topic. Would the fourth
24 criterion bring within the scope of tech specs either
25 for the first time or in an expanded way matters in

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1 the balance of plant or is it likely that the PSA
2 criterion will, in fact -- the systems that you cite
3 here are all RCIC and RHR and so forth, all within the
4 envelope of what we've done in the past. Is it likely
5 that this would cause tech specs to expand out into
6 balance of plant matters on a PSA basis?

7 MR. SNIEZEK: Commissioner, we've already
8 had balance of plant components in the tech specs.
9 We've had fire protection system strainers in the tech
10 specs under surveillance and things of that nature.
11 Those are things we've taken out of the tech specs
12 that were in them. So, we've had balance of plant
13 equipment before in the tech specs. This wouldn't be
14 the first time. I would envision it could bring
15 something in if it was found to be very important to
16 operational safety of the shutdown.

17 COMMISSIONER CURTISS: Okay.

18 MR. PARTLOW: One of the first, that I
19 recall, major findings coming out of the IPES, which
20 is PSAs, was at Surry where it was a discovered
21 vulnerability caused by a potential flooding of the
22 main circulating water system, which is not a balance
23 of plant system. But in that case, the risk
24 information helped us to have the utility provide a
25 fix to greatly reduce the probability of something

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1 like that happening, but we did not end up requiring
2 technical specifications on that balance of plant
3 system.

4 COMMISSIONER CURTISS: Okay.

5 COMMISSIONER REMICK: Excuse me. Now that
6 we have you interrupted, one other question comes to
7 mind. The staff seems to be consistently singing out
8 of the hymnal of PSA versus PRA. Has the staff made
9 a conscientious decision to use PSA in terminology?

10 MR. GRIMES: I don't know about the rest
11 of the staff, but I got into that habit when I
12 presented SECY-84-133 on using probabilistic safety
13 analysis and I've developed that habit. I think most
14 of us are tending to go towards that.

15 DOCTOR MURLEY: I think you'll hear them
16 used interchangeably, quite frankly.

17 COMMISSIONER REMICK: Yes. I was just
18 wondering if there has been a conscious decision.
19 I'll try to be more consistent too. I still use them
20 interchangeably. Okay. Thank you.

21 MR. GRIMES: During the development of the
22 improved standard technical specifications in the
23 final policy statement, several implementation
24 considerations have been raised and are explicitly
25 addressed in the proposed final policy statement. The

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1 primary implementation issue involves the question of
2 whether or not the criteria in the proposed final
3 policy statement should be codified through rulemaking
4 in Part 50.36. Through a rulemaking, the criteria
5 would be binding on the licensees as well as the
6 staff. Otherwise, licensees could, at any time,
7 propose license amendments based on other criteria to
8 define the scope of their technical specifications.

9 The staff believes that Part 50.36
10 represents an acceptable performance requirement with
11 regard to the scope of technical specifications and
12 the provisions of the proposed final policy statement
13 can be effectively implemented under the license
14 amendment review practices. After further experiences
15 gained in the implementation of the technical
16 specification improvements, as I will describe later,
17 the staff would intend to incorporate the provisions
18 of the policy statement into the license amendment
19 review practices in NRR Office Letter Number 803
20 entitled, "Technical Specification Review Procedures."

21 The staff has concluded that technical
22 specification improvements can be effectively
23 implemented and managed with a policy statement and
24 license procedures rather than through rulemaking.
25 Nevertheless, the Commission may wish to consider

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1 requesting public comment on the advisability of
2 rulemaking.

3 CHAIRMAN SELIN: The SECY seems to
4 indicate -- it's not clear to me whether this is the
5 same topic or not -- that the industry intends to file
6 a petition for rulemaking to add a subsection to a
7 different Paragraph 50.91. What's that about? Is
8 that different, Tom?

9 MR. GRIMES: The industry, in particular
10 NUMARC, has been working with their constituents to
11 develop a proposal for a proposed rule that would
12 change the license amendment practices in order to
13 facilitate conversions to standard tech specs.

14 CHAIRMAN SELIN: So, it's not that the
15 criteria for tech specs would be in a rule, but the
16 amendment and practice would presumably be simplified.

17 MR. GRIMES: As I understand it, that is
18 the path that they want to pursue.

19 CHAIRMAN SELIN: Do you mind if I ask the
20 General Counsel his opinion on this point that you
21 just -- not that one, but what you said about the
22 policy statement would be binding on the staff and the
23 benefits are --

24 MR. GRIMES: No, sir.

25 MR. PARLER: What's the question?

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1 CHAIRMAN SELIN: The question is do you
2 see from a policy point of view a difference as to
3 whether this is an appropriate topic to be in a policy
4 statement or whether there would be other benefits to
5 having a rule other than setting in concrete the
6 criteria that the licensees could use when deciding
7 whether to come in for the technical specification,
8 simplification or not?

9 MR. PARLER: The major benefit of having
10 a rule on areas such as this is that you can have the
11 matters that are involved resolved by a rule
12 generically and they do not have to be resolved and
13 they cannot be challenged at least in most instances
14 on a case by case basis.

15 I think that if a provision in a class or
16 a group of licenses need to be changed, that you can
17 approach that issue generically and change the
18 provision by rule. We tried to do that once some
19 years ago in connection with environmental
20 qualifications, not successfully but we were not
21 successful because we didn't follow the notice
22 provisions. But as far as the fundamental approach is
23 concerned, that is using our rulemaking to resolve
24 things in licenses generically, I believe that we can
25 do that. We have the legal authority to do that.

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1 The big advantage to rulemaking is to get
2 as many things settled at once as you can. Having
3 said that, I would imagine that rulemaking in this
4 area for these, I believe, five different sets of
5 specifications, would be a major, major undertaking.

6 CHAIRMAN SELIN: But the benefits would be
7 not exactly those Mr. Grimes brought up. It's not
8 just to tie the industry down as well as the
9 Commission, but to get certain generic issues
10 addressed in the rulemaking so that they not be
11 addressed each time in amendment --

12 MR. PARLER: That's the major benefit that
13 we see from the legal standpoint. That's it, yes.

14 MR. GRIMES: If I might clarify, I believe
15 that Mr. Parler just spoke about rulemaking that
16 NUMARC was considering in terms of trying to codify
17 the entire standard tech specs.

18 MR. PARLER: I was speaking -- Mr. Parler
19 was speaking generically. I'm not familiar personally
20 as to what NUMARC is proposing at all.

21 MR. GRIMES: There are two different
22 rulemaking issues. One is whether or not the criteria
23 on the scope of technical specifications should be
24 codified in 50.36. The NUMARC proposal to go to
25 rulemaking in 50.91 --

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1 CHAIRMAN SELIN: I'm not talking about
2 50.91. I'm talking about the first --

3 MR. PARLER: I wasn't talking about the
4 criteria either. Obviously if you have four criteria
5 and you want to codify those, that's fairly easy and
6 straightforward, but that would not necessarily
7 resolve any issues that might have to be resolved in
8 connection with a particular license and amending a
9 particular license.

10 COMMISSIONER de PLANQUE: Just following
11 up on that, how would a rulemaking approach interfere
12 with the voluntary nature of this?

13 DOCTOR MURLEY: Well, that depends on what
14 we set out to do as rulemaking. If we set out to
15 impose these standard tech specs on all plants, that
16 is, as Mr. Parler said, a major, major undertaking.
17 In fact, it would be quite a deviation from what we
18 had in mind when we started out.

19 CHAIRMAN SELIN: That wasn't the intent of
20 my question.

21 DOCTOR MURLEY: Okay.

22 CHAIRMAN SELIN: My question was to codify
23 the voluntary process by means of a rule, what would
24 be the benefits and disadvantage.

25 COMMISSIONER CURTISS: Could I step in?

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1 CHAIRMAN SELIN: Please.

2 COMMISSIONER CURTISS: I think we have an
3 apple, an orange and a grapefruit on the table.

4 DOCTOR MURLEY: And a pomegranate as well.

5 COMMISSIONER CURTISS: Three questions,
6 one of which I'd like to pursue now and one of which
7 we can come back to.

8 The issue that NUMARC raised, as I
9 understand their announcement of their intention to
10 petition the Commission, has to do with what they see
11 as the procedural difficulties of going through the
12 amendment process, the 50.91, and what they propose or
13 what I gather they are thinking about proposing is
14 that we incorporate by reference the five specific
15 improved tech specs so that they can be adopted
16 without the need to go through a hearing, the
17 attendant Sholly analysis and so forth. That's
18 question number one.

19 Question number two is should we make
20 these changes voluntary or mandatory? I don't want to
21 pursue either of those two at this point, although I
22 would like to pursue both of them later.

23 A third question, which I thought you were
24 raising, was a more narrow one, that is to say should
25 the four criteria that are being proposed by the staff

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1 to evaluate what ought to be in tech specs and that
2 are currently set forth in the policy statement
3 itself, should they as the staff, I understand,
4 proposes be retained in a policy statement format or
5 should we set those out in a regulation and
6 specifically in 50.36?

7 As I understand the staff position on that
8 latter issue, the staff is proposing -- its current
9 thinking is that we should set those out in the policy
10 statement but solicit comment on whether there's any
11 benefit to codifying those in a rulemaking. Is that
12 the gist of the staff's position?

13 MR. GRIMES: Yes, sir.

14 COMMISSIONER CURTISS: Okay. I have just
15 a couple of brief questions on that point. Is it
16 intended that these criteria be binding on the staff
17 even though set forth only in the policy statement in
18 fashion that would require the staff to find that one
19 or more of those criteria are met before including
20 something in the tech specs?

21 MR. GRIMES: Yes, sir.

22 COMMISSIONER CURTISS: On page 11 of
23 the -- I'm reading the line in/line out provision.
24 That saved me reading two copies of this thing. On
25 page 11 of the line in/line out version, the sentence

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1 that caused me to ask that question is at the very top
2 of that page. "The Commission will also consider,"
3 emphasis on that word, "the criteria in evaluating
4 future generic requirements for inclusion in tech
5 specs."

6 MR. GRIMES: Yes, sir.

7 COMMISSIONER CURTISS: Should I read that
8 word you will consider those criteria as meaning you
9 will be bound by the criteria and must first find one
10 or more of the criteria satisfied before adding
11 something to the tech specs?

12 MR. GRIMES: Yes, sir. As a practical
13 matter, when the staff proposes a generic action in
14 the future and they go to the committee for the review
15 of generic requirements with a proposal to take some
16 action, we would want that process to explicitly
17 review the criteria for tech specs and decide whether
18 or not those requirements should be included as
19 technical specification requirements. And if the
20 proposed action did not satisfy the criteria, we would
21 expect that we would not require technical
22 specification changes.

23 COMMISSIONER CURTISS: You would be bound
24 by a finding first to make -- you would be bound to
25 make a finding that one or more of the criteria has

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1 been satisfied?

2 MR. GRIMES: That's correct.

3 COMMISSIONER CURTISS: Second question.

4 Do I understand what the staff is proposing in the
5 SECY paper and the policy statement to -- I'll just
6 describe it and then tell me if I'm right. The staff
7 will not review a licensee's tech spec proposal unless
8 the licensee has demonstrated that one or more of the
9 four criteria have either been met or not been met.
10 It is a prerequisite to the staff acting. Is that an
11 accurate paraphrase?

12 MR. GRIMES: No, sir. The nature of this
13 proposal recognizes that we can't tell a licensee he
14 can't apply for an amendment to his license. So,
15 we've taken that as an introduction to how the process
16 should proceed from there. We will always expect that
17 licensees will come up with wonderful ideas on
18 different things to do to their license and apply for
19 changes. However, we would control that through the
20 license amendment review practices that say when
21 something comes in that we don't think merits our
22 attention, we adjust the priority accordingly.

23 COMMISSIONER CURTISS: Okay. Bottom of
24 page 4 in the SECY paper, and this is the language
25 that prompted this question. "On the other hand,

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1 there is currently a common understanding between the
2 NRC staff and the industry that the criteria provide
3 a template to develop improve tech specs and that the
4 criteria will be used by a licensee to prepare a tech
5 spec submittal to the NRC."

6 So far so good. That's an expectation.

7 MR. GRIMES: Right.

8 COMMISSIONER CURTISS: It's voluntary on
9 the part of the licensee. Reading on, "If the NRC
10 staff does not believe the criteria have been
11 appropriately applied, the staff will not issue the
12 license amendment."

13 MR. GRIMES: That's correct.

14 COMMISSIONER CURTISS: That seemed to
15 suggest to me that the staff is insisting upon the
16 criteria being met and hence kind of suggested a
17 rulemaking flavor to me rather than a policy
18 statement. But I want to understand what the staff's
19 position is about whether it will issue an amendment
20 if the criteria have not been met.

21 MR. GRIMES: The intent there was -- in
22 some cases the nature of the requirements for specific
23 systems or for specific required actions, the licensee
24 may come in and say that they've adapted the standard
25 to conform to their plant unique design configuration

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1 and by virtue of their design they have concluded that
2 the explanation of why the requirement is in the
3 standard, for example it says this is a criteria 2
4 parameter and they say, "Well, in our design, that's
5 not a criteria 2 parameter." We first must agree on
6 whether or not they've properly applied their
7 conclusion about how the technical specification
8 requirement should adapt to their specific licensing
9 basis.

10 CHAIRMAN SELIN: I'm not sure I understand
11 that. I read this paragraph as saying that if the
12 licensee came in and said they wanted to drop the
13 technical specification that they have to show that it
14 met none of the four criteria, otherwise we wouldn't
15 let them drop the technical specification. Is that an
16 over simplified reading of that paragraph?

17 MR. GRIMES: Yes, sir. The content of the
18 technical specifications has essentially been hammered
19 out over the last five years in negotiations between
20 the owners group and the staff, starting with the
21 split report where we looked at the general content
22 and then working through the comments on the draft in
23 1991 to get to the typical requirements as reflected
24 in the improved standard technical specifications.

25 Now looking forward to implementation,

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1 there has to be an adaptation of the requirements for
2 a typical plant as reflected in the improved standard
3 to a specific plant design. In those cases, there
4 will be questions, I'm sure, that will be raised
5 regarding whether or not the judgment about the
6 content for the standard applies to the particular
7 plant.

8 CHAIRMAN SELIN: The issue was always can
9 they drop something from the technical specs, isn't
10 it? That's the basis for these four criteria.

11 MR. GRIMES: Yes.

12 CHAIRMAN SELIN: It says, if you meet any
13 of these four criteria, you must include the topic and
14 the technical specifications.

15 MR. GRIMES: That's correct.

16 CHAIRMAN SELIN: Okay. Now, that leads
17 me to another question. We've said before that we
18 won't use this rule to force additional technical
19 specifications without a backfit scheduled. But I
20 hadn't realized when you first said that how clear
21 these criteria are. How can we avoid reading these
22 specifications as mandating the conditions which cover
23 any of those four criteria should be in the technical
24 specifications? If some old plant has sort of slipped
25 by without a tech spec covering an item that's very

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1 important in the PSA --

2 MR. GRIMES: I was going to cover that
3 later in my presentation --

4 CHAIRMAN SELIN: Okay.

5 MR. GRIMES: -- and hopefully a full
6 explanation of the role of backfitting and
7 applications for conversions.

8 COMMISSIONER CURTISS: I just have one
9 follow-up comment on the point, Chris, that we were
10 discussing in the policy statement. Again in the line
11 in/line out version, page 7, this is sort of
12 paraphrasing what was said in the SECY paper at the
13 bottom of the third full paragraph. "If the NRC staff
14 does not believe the criteria have been appropriately
15 applied, the staff will not issue a license amendment
16 until the licensee has properly applied the criteria."
17 That concluding sentence, "For these reasons, the
18 Commission believes codifying the criteria through
19 rulemaking would be an unnecessary duplication of
20 effort with regulatory benefit."

21 MR. PARLER: I don't know which I have in
22 mind, the apple, the orange or the grapefruit, but I
23 can tell you whichever one it is that you can't put
24 out criteria in a guideline and then have it -- even
25 though it's binding on the staff, and then have it

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1 binding on a licensee or anybody else other than the
2 staff. That's a fairly clear and fundamental
3 principle in the law.

4 COMMISSIONER CURTISS: Yes, and I agree
5 with that. The only question here is in terms of the
6 staff's expectations or intentions, is it your intent
7 to apply this in what sounds to me like a pretty
8 strict manner. That is to say as this says, the staff
9 will not issue a license amendment until the, to
10 paraphrase, "the criteria have been satisfied." I
11 don't disagree with that statement, but I would have
12 reached a different conclusion if that's the staff's
13 view. I would have said, and hence we ought to set it
14 out in a rulemaking.

15 MR. GRIMES: The point there, by putting
16 emphasis on different parts of that sentence, maybe
17 you can understand what our point is. We believe that
18 the criteria as are reflected in these standards can
19 be implemented through license amendment review
20 practices because we cannot come to the conclusion
21 required in order to justify the issuance of a license
22 amendment until we're satisfied that what we believe
23 are the appropriate underlying regulatory requirements
24 have been satisfied. So, to the extent that the
25 criteria provide guidance to the staff to discipline

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1 itself to ensure that we have reviewed all of those
2 matters that are necessary in order to come to a
3 conclusion that a license amendment can be justified,
4 we believe that the contents of this policy statement
5 can be implemented by staff procedures and not
6 necessarily burden the rule itself that we think is a
7 perfectly acceptable performance guide.

8 MR. SNIEZEK: Chris, let me say it a
9 little different way. Correct me if I'm wrong.

10 I would have viewed those criteria spot
11 out to be similar to what the staff would have in a
12 standard review plan. The words, "the submission must
13 pass a standard review plan test before the staff
14 would take the licensing action." I'd put it more in
15 that category.

16 CHAIRMAN SELIN: I really think you're on
17 thin ice, Mr. Sniezek. But if you said that the staff
18 may not require a technical specification unless it
19 meets one of these four criteria, that's probably
20 appropriate for a policy rule. But if you say the
21 staff may not approve a submission unless it doesn't -
22 - unless the criterion to be taken out avoids all four
23 criteria, that's clearly binding on the licensee, not
24 on the staff. That sounds an awful lot like what I
25 understand the rule is supposed to be. But at least

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1 this discussion is clearly focused, the arguments
2 about rules and non-rules at this point.

3 COMMISSIONER ROGERS: I'm just concerned
4 about exactly the same matter. I don't think I have
5 anything to add to it though.

6 CHAIRMAN SELIN: You have a couple of
7 other interesting topics. Don't stop now.

8 MR. GRIMES: Hope it goes uphill from
9 here.

10 CHAIRMAN SELIN: That was the easy one.

11 MR. GRIMES: Yes. There are a range of
12 controls over the control of relocated requirements.
13 When the Commission approved the issuance of the
14 proposed policy statement in 1987, all of the
15 Commissioners commented that the staff should ensure
16 that the licensee's safety evaluation processes as
17 required under Part 50.59 should be demonstrably
18 effective in accordance with approved regulatory
19 guidelines. In response to this concern, NUMARC and
20 EPRI developed NSAC 125, guidelines for 10 CFR 50.59,
21 Safety Evaluations. The staff has conducted a series
22 of inspections to assess the effectiveness of the
23 industry guidance.

24 Based on that experience, the staff
25 updated the associated inspection procedures and

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1 practices. The staff believes that the combination of
2 improvements afforded by the industry guidance and the
3 inspection procedures provides assurance that the
4 licensee's safety evaluation processes provide an
5 acceptable basis to relocate those technical
6 specification requirements that do not meet the
7 criteria in the proposed policy statement. Because
8 the industry guidance includes, in some cases, good
9 practices that go beyond the requirements of Part
10 50.59, the staff does not believe that NSAC 125 need
11 be endorsed or given any other regulatory stature for
12 this purpose. Continued attention is warranted in the
13 NRC's inspection process to ensure the continued
14 effectiveness of the licensee's safety evaluations.

15 Most of the relocated requirements and
16 technical specifications will be incorporated into the
17 final safety analysis report and will be controlled by
18 Part 50.59, Safety Evaluations. However, some of the
19 requirements will be more appropriately relocated to
20 the quality assurance plan or other programs that have
21 appropriate regulatory controls, including specific
22 provisions for changes to those practices. The staff
23 expects that the means of control for specific
24 relocated requirements will be worked out on a case by
25 case basis during the plan implementation.

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1 Are there any questions concerning
2 relocated requirements?

3 COMMISSIONER CURTISS: Yes.

4 MR. GRIMES: I saw it coming.

5 COMMISSIONER CURTISS: I wanted to let you
6 finish.

7 MR. GRIMES: Thank you.

8 COMMISSIONER CURTISS: I got a different
9 impression, Chris, in the discussion of NSAC 125 from
10 the discussion in the policy statement and maybe the
11 phraseology here doesn't capture what you intend to
12 capture. I understood you as saying that because NSAC
13 125 contains good practices, it's not appropriate for
14 endorsement in a reg. guide by the NRC. The flavor
15 that I got from the discussion on page 17 of the line
16 in/line out is that there are certain matters in NSAC
17 125 where the staff and the industry do not agree,
18 which suggested to me that we don't have a meeting of
19 the minds on how NSAC 125 implements 50.59. That
20 doesn't concern me if it doesn't bear on the control
21 mechanism that you seek to rely on in the context of
22 this initiative.

23 MR. GRIMES: It does not.

24 COMMISSIONER CURTISS: Okay. If those
25 areas of disagreement are unrelated to the control

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1 mechanism that you wish to establish here, then I
2 don't have any further questions on that point.

3 MR. GRIMES: It is my understanding that
4 the areas of disagreement involve those things about
5 what constitute a good practice or what are effective
6 ways to implement the guidance that go beyond the
7 rule. It is our view that with regard to those
8 matters that bear on satisfying the requirements of
9 the rule, that there aren't any disagreements.

10 COMMISSIONER CURTISS: Okay. Second
11 question. I take it from what you're saying, and I
12 have not looked at this issue independently, so the
13 staff's judgment on this is going to be important in
14 my view, that for those matters that are going to be
15 removed from the tech specs, the staff believes it has
16 today the necessary enforcement tools available to it
17 under other regulations or other provisions to ensure
18 that the extent to which we need to take enforcement
19 action is commensurate with the significance of the
20 matter addressed in some other document. Is that a
21 correct reading?

22 MR. GRIMES: That is the intent of the way
23 that we proposed the final policy statement, yes.

24 COMMISSIONER CURTISS: I thought your
25 responses generally to the dissenting views that were

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1 filed with the interim policy statement were generally
2 quite good. We have an improved maintenance program
3 these days, a whole host of things. 50.59 has NSAC
4 125. Would you expand on the fire protection question
5 that was raised in the dissenting views because there
6 seemed to be a concern at the time and with fire
7 protection being such a topical issue these days, that
8 removing fire protection matters from the tech specs
9 didn't give us the full enforcement capability. I'd
10 just like to understand what the staff's view is.

11 MR. GRIMES: It is our view that -- well,
12 first of all, we did not remove fire protection
13 completely. We left an administrative control in the
14 improved standard technical specifications that would,
15 in our view, provide an acceptable enforcement vehicle
16 for a licensee's failure to fully meet their plan,
17 their fire protection program.

18 COMMISSIONER CURTISS: Okay.

19 MR. GRIMES: That's our position.

20 COMMISSIONER CURTISS: All I'm looking for
21 is an assurance from you that with respect to fire
22 protection, for those things that would be left in the
23 tech specs, those things that would be removed from
24 the tech specs, we have an enforcement capability with
25 respect to every matter for which we might have to

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1 take some sort of enforcement action regardless of
2 whether they're in the tech specs or not. It may be
3 a different enforcement capability if a matter is not
4 in the tech specs, but we have an ability commensurate
5 with what the staff believes needs to be available to
6 us to take enforcement action.

7 DOCTOR MURLEY: We believe we have that
8 enforcement.

9 MR. PARTLOW: We've often found that in
10 one of the criteria of Appendix B to Part 50, the
11 quality assurance program.

12 COMMISSIONER CURTISS: Okay. That's
13 sufficient.

14 MR. GRIMES: Are there any other questions
15 concerning control of relocated requirements? If not,
16 I'll go on to your question about voluntary
17 implementation and the implementation means.

18 When the proposed policy statement was
19 issued in 1987, as Doctor Murley noted, it was
20 envisioned that there would be an all or nothing
21 implementation policy to encourage licensees to adopt
22 the improved standard technical specifications. Our
23 experience suggests that such an approach is
24 impractical, particularly for a voluntary program.
25 Adoption of whole parts of the improved standard

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1 technical specifications, that is related sets of
2 requirements, can also provide safety benefits through
3 enhanced standardization and consistency of
4 significant technical specification requirements.
5 This is particularly important for the older plants
6 with varied custom technical specification
7 requirements that may not otherwise be able to justify
8 the cost of a complete conversion.

9 For those standard technical specification
10 requirements that are not included in the licensee's
11 current technical specifications, and are not
12 voluntarily adopted by the licensee as part of the
13 implementation of all or part of the improved STS, the
14 policy statement clarifies that for staff-suggested
15 changes, including -- that staff-suggested changes
16 would be subject to the Commission's regulations on
17 backfitting in Part 50.109, including any changes that
18 would be necessary to the technical specifications
19 necessary to find the licensee's conversion acceptable
20 with respect to compliance with the Commission's
21 regulations or adequate protection.

22 The staff believes this clarification of
23 backfitting is an appropriate feature of the policy
24 statement because, as previously noted, the voluntary
25 nature of the program that will cover the full range

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1 of plant design considerations and the difficulty in
2 quantifying the safety benefits associated with
3 standard and consistent requirements requires an
4 implementation policy that will encourage voluntary
5 adoption of the improved STS to the greatest extent
6 practical. The policy statement also clarifies that
7 with respect to format and typical conditions,
8 licensees are expected to voluntarily adopt standard
9 provisions unless there are clearly unique design
10 differences that justify departure from the standard.

11 Are there any questions concerning the
12 role of backfit?

13 CHAIRMAN SELIN: Yes. No, it's a comment
14 basically. See, I think you've significantly under
15 estimated the quality and the achievement that you've
16 pulled off in this piece of work. You've done not one
17 but two quite extraordinary pieces. The first is that
18 you've taken a look from a point of view of, shall we
19 say, convenience or neatness or standardization or
20 simplification and maintenance, a set of rules to
21 separate out the wheat from the chaff. If you were
22 starting all over, you would put in the tech specs
23 versus you wouldn't put in the tech specs. That is
24 truly a question of convenience for the licensees and
25 for the inspectors and is it worth the one-time cost

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1 to shift from today's messy system to some other
2 system? On that basis, that it be voluntary, that it
3 be partial as long as you get whole clusters so you
4 don't take the simplifying ones without the
5 compensating ones, that makes a lot of sense.

6 But you've also done something which we've
7 never done before. You've said, here are the four
8 criteria which implicitly are both necessary and
9 sufficient for something to be in a technical
10 specification. Not just sufficient, but necessary and
11 sufficient. When we say that these four criteria are
12 really the necessary and sufficient test, it seems to
13 me we're pretty close to having gone past the backfit
14 rule and say, "These are necessary areas for safety."

15 So, it seems to me that in addition to the
16 first set of questions, which is how do you implement
17 a set of voluntary rules to clean up the paperwork,
18 simplify the operations, et cetera, et cetera, et
19 cetera, you have quite extraordinarily come up with a
20 set of conditions which define what should be and what
21 should not be both in tech specs. I think we have to
22 take very seriously what the implications of that set
23 of rules are. Do we need to go through the backfit
24 rule if a -- I understand there are plant-specific
25 tests to say whether some technical specification

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1 meets the fourth criterion or not. But do you really
2 have to go through the backfit rule if it turns out
3 that some plant has a high risk, like the Surry
4 flooding risk and that wasn't covered in a tech spec,
5 do you have to go through a backfit rule or is that
6 required for reasonable assurance of health and
7 safety?

8 So, I think you've raised really a very
9 interesting issue because of the quality and the power
10 of what you've been able to achieve, which is not the
11 voluntary implementation issue, but the basis to which
12 you've defined what should and what should not be in
13 a tech spec and therefore what conclusions we should
14 draw. Would you care to comment on that?

15 MR. GRIMES: Yes. I'd like to try and
16 clarify the nature of the consideration that leads to
17 the need for backfitting and I will use a specific
18 example.

19 In the case of Crystal River, given the
20 vintage of that plant design, the licensee does not
21 now have the full complement of surveillance
22 requirements for their diesel generators that are
23 typically required of newer plants and are reflected
24 in the standard technical specifications. In looking
25 at the cost benefit of converting, although Crystal

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1 River has hung in there throughout the development of
2 the standard tech specs and are now looking to try and
3 complete the conversion process, they had to ask
4 themselves the question about whether or not the costs
5 associated with rewriting the procedures that they
6 current use for diesel testing requirements justifies
7 that the benefits that they would see by having them
8 in the technical specifications.

9 From the licensee's perspective, there
10 aren't a whole lot of benefits of having technical
11 specification requirements. So, they have to face it
12 from a cost benefit perspective where they believe
13 they currently have procedures to provide adequate
14 testing of their diesel generators and looking forward
15 to the controversies that you are all well aware of
16 concerning a resolution of B-56 and diesel generator
17 reliability. They're not enamored with the
18 possibility of buying into the standard technical
19 specifications and then possibly having new
20 requirements evolve in the future.

21 So, they have consciously decided that
22 their current licensing basis, which is arguably
23 adequate to protect the public health and safety, is
24 sufficient and that they do not want to voluntarily
25 adopt an additional set of surveillance requirements

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1 in their technical specifications. I would argue that
2 all other plants will go through the same kind of
3 conscious soul searching to decide how far they want
4 to go to be standard and consistent. If we are going
5 to realize the maximum benefits of standard and
6 consistent requirements, we're going to have to face
7 on a plant by plant basis questions about the degree
8 to which they convert to the standard.

9 CHAIRMAN SELIN: But talking about
10 standard, I'm talking about how can we be satisfied in
11 this particular example you brought up that the diesel
12 generator surveillance program is adequate if there's
13 no technical specification to cover it, whether it's
14 standard or otherwise.

15 MR. GRIMES: It's the matter of the degree
16 of control. They have certain requirements for diesel
17 generator surveillances in their existing license and
18 they have certain procedures to do testing beyond what
19 is required in the technical specifications. We will
20 look at that and we will consciously -- actually, a
21 benefit of this is during the course of the conversion
22 process we will have to examine those differences and
23 we'll have to consciously decide and the licensee will
24 have to consciously decide.

25 CHAIRMAN SELIN: Let me just say

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1 something. It's conceivable that I misunderstand
2 this. It's conceivable I'd mis-express myself. It's
3 also conceivable that you didn't understand what I'm
4 saying. I'm not talking about whether they should be
5 in the standard specifications or not. I'm saying
6 that when you go back and you look at the entire
7 universe of technical specifications, all non-
8 standardized at a plant, and they don't have a tech
9 spec to cover some system or procedure which would be
10 called for under your four criteria, it seems to me
11 you've made a pretty strong argument that some
12 technical specification, standard or otherwise, should
13 be written to cover that procedure from a safety point
14 of view by the quality of the work you did on those
15 four criteria.

16 MR. PARTLOW: But these criteria can be
17 viewed as being new positions, different perhaps from
18 the basis upon which that particular plant was
19 licensed in the first place.

20 CHAIRMAN SELIN: Necessary for health and
21 safety or nice to have in a backfit sense?

22 MR. PARTLOW: That's what we would have to
23 look at on a specific case at a specific plant and
24 make that regulatory analysis and then either require
25 it or live with it.

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1 CHAIRMAN SELIN: Okay. I don't have
2 anything else to say.

3 COMMISSIONER CURTISS: Could I pursue
4 this? Tom, did you have anything to add?

5 I guess I would, at this point, demur from
6 the general conclusion that it's necessary to protect
7 the public health and safety that all licensees adopt
8 these tech specs. The staff has allowed for a result
9 where in analyzing specific plants on specific issues,
10 it may in fact conclude that it's necessary to protect
11 the public health and safety and I'm confident under
12 the provisions of 50.109 would proceed to impose that
13 requirement without regard to cost or going through
14 the backfit analysis that would otherwise be required,
15 period.

16 CHAIRMAN SELIN: Are you talking to my
17 point? Because I didn't mean to say that under any --
18 I didn't mean to say that any plant should be required
19 to take the standard technical specifications in any
20 form. I was trying to make a different point, that if
21 in doing the analysis it turns out that the plant has
22 no technical specification for some system which meets
23 one of those four criteria, that it seems to me
24 reasonably likely that they should have to fill in
25 that gap with a standard tech spec or not. Not on the

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1 backfit rule, but on the grounds that you've made a
2 pretty strong argument that all systems that meet
3 those four criteria should be covered by some
4 technical specification or not, standard or otherwise.

5 Obviously it's something I have to think
6 about, but I was trying to separate out the question
7 of standardized from whether there's a tech spec at
8 all to cover a specific system or procedure.

9 COMMISSIONER CURTISS: I guess it's
10 conceivable that we might have a case where we have an
11 important system that emerges in applying the four
12 criteria that we have missed to date.

13 CHAIRMAN SELIN: In a specific plant.

14 COMMISSIONER CURTISS: Yes. Unlikely --

15 DOCTOR MURLEY: I would say some of the
16 older tech specs that are very simple probably don't
17 have the testing that would fall out by applying these
18 four criteria. I think that's almost certain. But,
19 first of all, that doesn't mean that there is not
20 adequate protection for that plant.

21 COMMISSIONER CURTISS: Yes. That's the
22 point I'm trying to make.

23 DOCTOR MURLEY: There is -- the staff is
24 satisfied that those plants, even the older plants,
25 are safe. The question that comes up is they can be

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1 made safer. You can do more testing and more
2 surveillance, but it probably would not pass the
3 substantial additional protection criteria in the
4 backfit rule and that's what the application of the
5 four criteria would drive you to on some of those
6 older tech specs. That's the nub of the issue between
7 a voluntary or mandatory program here.

8 I probably didn't mention at the
9 beginning, but it was really almost a necessity to get
10 this program off the ground, that we make it voluntary
11 in the beginning or we would not have had the support
12 and active help of the industry as we went along,
13 because they were just really afraid of what would
14 come out.

15 COMMISSIONER CURTISS: Could I pick up on
16 that point and pursue it because I'm not sure I
17 understand what Chris has said?

18 The decision to adopt these standard tech
19 specs is a decision wholly within the discretion of an
20 individual licensee. Is that right, a licensee --

21 MR. PARTLOW: Correct.

22 COMMISSIONER CURTISS: New plant, old
23 plant, in between plant could say, "I'm perfectly
24 comfortable with my seven day LCO for my diesel
25 generators and I'd like to stay with that,

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1 notwithstanding all those other arguable benefits in
2 the other aspects of the tech spec," and we would be
3 satisfied. That would be an acceptable approach for
4 a licensee to say, "I don't want to adopt these tech
5 specs at all?"

6 MR. PARTLOW: That's correct.

7 MR. GRIMES: That's correct. But I would
8 like to point out, the benefit that I tried to point
9 out before, and maybe I'm not getting my point across,
10 is during the course of a conversion for all or part
11 of the standard tech specs, we would first ask the
12 question -- we'd ask the question and the licensee
13 would have to stop and think, "Do we now have
14 procedures? Could we put those procedures in tech
15 specs? Could we do better?" If they consciously
16 decide, "No, we're perfectly satisfied with our seven
17 day LCO," and they make that decision with full
18 awareness about its potential impact, then the staff
19 has to stop and ask itself, "Are we satisfied with the
20 seven day LCO? Can we make a case either from the
21 standpoint of substantial additional protection or the
22 test for compliance or adequate protection to require
23 them to change that practice?"

24 COMMISSIONER CURTISS: Okay.

25 MR. GRIMES: So, to that extent, we're

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1 getting a mini-systematic evaluation program.

2 I apologize, Tom. It's in my blood.

3 We're getting a relook at those old
4 licensing bases as we're questioning --

5 COMMISSIONER CURTISS: Let me rephrase
6 what I just said. Whether a licensee decides to come
7 in voluntarily or not, they will not escape that kind
8 of review. Is that an accurate way to put it? We
9 have identified some things here that are important,
10 some for the old plants in particular, but we ought to
11 be taking a look at whether it's the SEP terminology
12 in some fashion.

13 MR. PARTLOW: Yes, sir. And also, those
14 kinds of reviews come up all the time, from
15 inspections, AITs, just all kinds of places questions
16 come up about the adequacy of this or that old tech
17 spec in the old custom tech spec someplace.

18 COMMISSIONER CURTISS: Okay.

19 MR. PARTLOW: And they get addressed.

20 COMMISSIONER CURTISS: At the other end of
21 the spectrum, a licensee that comes in and says, "I
22 want to adopt the whole thing," would be in, with the
23 exception perhaps of the procedures that NUMARC is
24 concerned about, in pretty good shape in terms of
25 doing the whole nine years. Is that correct?

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1 DOCTOR MURLEY: In the sense that we have
2 reviewed all of these issues and the industry and the
3 owners groups have so there would be general agreement
4 that they could adopt what's in the standard tech
5 specs. It's where they would want to deviate that
6 would take some time.

7 COMMISSIONER CURTISS: Okay.

8 MR. PARTLOW: If the second B&W plant
9 would want to adopt the same tech specs as Crystal
10 River, it would be a very easy go of it and it should
11 be.

12 COMMISSIONER CURTISS: Okay. The issue in
13 between those two extremes is the one that the CRGR
14 raised, the option of a licensee coming in and picking
15 and choosing. We've just recently also received
16 something anonymously on exactly that point at the
17 Commission level, I don't know if it's gotten to the
18 staff, but raising the question about the pick and
19 choose option. Would you expand upon that? I've read
20 the explanation in the policy statement and in
21 particular expound on how it is if a licensee comes in
22 and picks and chooses that the overall level of safety
23 and then safety with respect to those things that are
24 selected and not selected will be focused on by the
25 staff?

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1 DOCTOR MURLEY: Let me give an overall
2 view and then, Chris, you could help.

3 The concern several years ago was that a
4 licensee would come in and pick those areas that
5 relaxed some requirements, but he would not pick those
6 that tightened up some others. The thought was that
7 we would view this whole tech spec improvement area as
8 a coherent whole and we would have the notion of
9 overall safety in mind so that when we relaxed one
10 thing, we might tighten up over here, and there was a
11 counterbalancing effect. And I think that was a valid
12 concern at the time. That's why we didn't allow it
13 until we got some experience. But now we've got
14 several years of addressing an issue on its own merits
15 and we call these line item improvements. Those line
16 item improvements have been evaluated, as I said,
17 pretty much on their own merits, stand alone issues,
18 and we have satisfied ourselves that there can be
19 changes, usually relaxations from these line item
20 improvements.

21 So, it's a result of the experience we've
22 had over the years that has allowed us to grant the
23 line item improvements now. If a utility wants to
24 come in and pick an area for relaxation that is not a
25 line item improvement, our view is, my view is that

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1 he's got to go through the same process, and the staff
2 does, that we granted all the other line item
3 improvements. That is we have to view it on its own
4 merits as a change in and of itself.

5 So, we're still not letting a utility come
6 in willy-nilly and pick this or that and the other
7 thing. Until it's reviewed as a line item change,
8 then they can't do it.

9 Chris?

10 MR. GRIMES: As I mentioned in an earlier
11 part of the discussion, the key is adopting whole
12 parts, the related sets of requirements. I can tell
13 you that project managers don't like us. We are
14 viewed as a burden because we're constantly causing
15 project managers and licensees to step back and ask
16 themselves, "Is this a whole change? Are these all
17 related requirements?"

18 In another example, there was a recent
19 amendment request from Sheron Harris to modify their
20 main steam safety limits. During the course of
21 reviewing that license amendment, we asked the
22 question, "Why don't you have a limiting condition for
23 operation for your atmospheric dump valves?" The
24 licensee properly pointed out, "Well, we're in the
25 half of the population of plants that got licensed

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1 before you figured out to have a limiting condition
2 for operation for atmospheric dump valves. We've
3 decided that we don't want to volunteer to put one in
4 our tech specs."

5 So, in the course of applying the
6 standard, and when I get to slide 11 I think I'll
7 provide a more complete discussion, but I think just
8 asking a completeness test is sufficient to define
9 appropriate scope of what the industry refers to now
10 as the cherry picking. As long as they pick a whole
11 cherry, we should be satisfied.

12 CHAIRMAN SELIN: What did Sheron Harris
13 finally decide to do?

14 MR. GRIMES: They elected not to volunteer
15 to adopt. They were satisfied that their procedures
16 for maintaining their atmospheric dump valves worked
17 just fine without extra help from the regulators.

18 CHAIRMAN SELIN: Did the regulators agree
19 with it?

20 MR. GRIMES: We settled for getting at
21 least standard and consistent requirements for the
22 main steam safety and auxiliary feedwater system.

23 COMMISSIONER REMICK: Tom, going back to
24 your point that the staff has proved some line item
25 relaxation, I assume that's a relaxation of tech spec

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1 requirements or specificity, not of safety. We're
2 talking about relaxation, we're not talking about
3 relaxing safety. We're talking about requirements.

4 DOCTOR MURLEY: Generally they are
5 relaxations of requirements that don't affect safety.
6 For example, taking organization charts out of the
7 tech specs is a sensible thing to do. A lot of fire
8 sprinkler operability requirements were in tech specs.
9 But there are some -- for example, surveillance
10 intervals have been changed, but they have been done
11 only after a very careful thorough safety analysis.
12 So, on the surface one could say that that does affect
13 safety, but in practice and after careful evaluation,
14 we don't think it's a substantive change.

15 MR. SNIEZEK: And those are some areas
16 where we use the risk analysis techniques to help us
17 make those judgments.

18 COMMISSIONER REMICK: I'm not sure
19 relaxation is the best word.

20 MR. PARTLOW: I was going to interrupt and
21 say in many cases they are relocations, not
22 necessarily relaxation.

23 COMMISSIONER REMICK: Yes.

24 MR. GRIMES: (Slide) I will now proceed
25 with slide 10.

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1 Lead plant implementation of the approved
2 standard technical specifications was originally
3 envisioned as a means to identify any further
4 refinements or corrections to the standard technical
5 specifications that should be made before widespread
6 implementation. Refinements and clarifications to the
7 standard technical specifications will likely continue
8 in the future as new issues evolve and are resolved.
9 For example, the incorporation of new requirements to
10 resolve low power and shutdown risk concerns, once
11 those requirements have been approved for generic
12 implementation and eventually the evolution of further
13 improvements and enhancements to the standard
14 technical specifications likely to result from
15 operating experience feedback and, we hope, more
16 widespread use of the improved standard technical
17 specifications.

18 Consequently, the staff expects to
19 maintain the standard technical specifications as a
20 living document. Maintenance of the standard will
21 therefore require an ongoing commitment by the
22 industry and the NRC staff at a substantially lower
23 level of effort than during the development of the
24 improved standard technical specifications to maintain
25 the quality, consistency and usefulness of the

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1 standard technical specification.

2 (Slide) Could I have slide 11, please?

3 One area where the improved standard
4 technical specifications are already providing a
5 benefit is a process developed by the project staff to
6 screen license amendment requests so as to improve the
7 effectiveness and efficiency of the processing of
8 license amendments.

9 A screening panel composed of experienced
10 project managers and a member of the Technical
11 Specifications Branch has screened over 300 license
12 amendments submitted over about the last eight months.
13 A little more than half of those amendments involve
14 generic changes -- that is, requirements that could
15 apply to several plants. Many of those amendments
16 involve generic requirements that have direct or
17 related counterparts in the improved standard
18 technical specifications.

19 Where the implementation of the improved
20 STS involves a substantial change from the past
21 standard tech spec requirements, particularly where
22 the requirements are being relocated, the staff's
23 review of the license amendment is treated as a lead
24 plant for that line item improvement.

25 The Technical Specifications Branch

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1 currently is developing 14 generic letters related to
2 various line item improvements. Of those, seven were
3 identified by the amendment screening process. The
4 other generic amendment request involved technical
5 specification changes that may represent potential
6 improvements to the STS or may represent optional
7 approaches that could be added to the improved STS for
8 a particular class of plants.

9 Of the amendments screened thus far by the
10 panel, nearly a quarter of those involve duplicate
11 requests for particular changes by identifying similar
12 license amendment requests. Technical evaluations can
13 be conducted more efficiently and produce more
14 consistent results by collecting those amendments
15 together. Here again, potential backfitting questions
16 may arise as the staff attempts to apply the improved
17 STS to determine the adequacy of the licensee's
18 proposed license amendment request. Appropriate
19 management oversight will ensure that standardization
20 and consistency of the requirements are maximized
21 while providing suitable flexibility for plant
22 specific requirements.

23 When there has been sufficient experience
24 with the license amendment screening process and the
25 associated technical work load management practices,

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1 we intend to incorporate these practices consistent
2 with the resolution of comments on the proposed final
3 policy statement into the staff's technical
4 specification review procedures in NRR Office Letter
5 Number 803.

6 (Slide) Slide 12, please.

7 Improved Standard Technical
8 Specifications, as implemented by the criteria for the
9 technical specifications in the proposed final policy
10 statement, will enhance safe operation of commercial
11 power reactors by focusing attention on those
12 conditions that are most important to controlling
13 plant safety.

14 The improved STS also reflect appropriate
15 application of risk insights with due consideration
16 for uncertainties by providing a measure of safety
17 importance in the surveillance intervals and
18 completion times for required actions, formerly called
19 the "allowed outage time."

20 The improved STS will also enhance safe
21 operation through format improvements and more
22 detailed bases by making the requirements clear and
23 easier for the plant operators to understand.

24 The staff has proposed a final policy
25 statement on technical specification improvements to

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1 be issued for public comment in order to confirm that
2 the policy issues have all been clearly addressed and
3 provide a means for any additional refinements to the
4 policy that the public comments might offer.
5 Following the resolution of those comments the staff
6 would present a final policy statement to the Advisory
7 Committee for Reactor Safeguards and the CRGR for
8 their review and comment prior to recommending
9 issuance of a final policy statement.

10 That completes the staff's presentation.

11 CHAIRMAN SELIN: I'll save my summing up
12 remarks for later, but I do have a couple of related
13 questions to ask you, quite different. These are not
14 legal and rule questions. These are management
15 questions.

16 If the policy statement were issued
17 exactly the way it stands now -- in other words, if
18 there were no changes whatsoever based on the
19 comments, et cetera -- how many of the plants do you
20 think would adopt rather extensively, maybe not
21 completely, but rather extensively the program?

22 MR. GRIMES: The policy statement as
23 proposed in its final form or the 1987 form?

24 CHAIRMAN SELIN: No, no, today's proposed
25 policy statement. You put it out. We allowed you to

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1 put it out as a policy statement and miraculously it
2 survived without a single comment and that was the
3 policy statement.

4 MR. GRIMES: My suspicion would be that,
5 based on the count we've heard so far, that we'd have
6 about a couple dozen plants out of --

7 CHAIRMAN SELIN: Out of 70 some.

8 MR. GRIMES: -- 70 sites. I think that
9 we've already got about 20 to 30 interested that have
10 indicated the desire and are right now looking at cost
11 benefits.

12 One of the things that will affect cost
13 benefit is the time that it takes to complete a
14 conversion review. So, if we complete Crystal River
15 on schedule, 20 to 30 might go to 30 or 40. If we
16 miss the schedule, 20 to 30 might go to 15.

17 DOCTOR MURLEY: So approximately one-third
18 of the sites that we see now. My own view is the same
19 as Chris. I think as time goes on people will see the
20 benefit of these and will -- and the logic. There is
21 a certain logic and clarity to them that's missing
22 from some of the early tech specs.

23 CHAIRMAN SELIN: Well, let's go on.

24 This question is even a little more
25 hypothetical. Let's assume for a plant that doesn't

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1 have to add any tech specs that it doesn't have -- in
2 other words, they already have some technical
3 specification to cover every system, procedure, et
4 cetera, that would be required under these criteria --
5 what would it cost them to go to the -- the one-time
6 cost to go to the full set of technical
7 specifications? In other words, I'm not saying how
8 much will it cost them to put in procedures they don't
9 have, but, assuming they have to just rewrite and
10 retrain on these new standardized tech specs compared
11 to where they are today.

12 DOCTOR MURLEY: A plant like Kewaunee, for
13 example, an older plant that's got simple tech specs.

14 Do you have an estimate?

15 MR. GRIMES: The only estimate I've got so
16 far is an estimate that San Onofre has given us, and
17 they're a reasonably up to date plant with fairly
18 comprehensive tech spec requirements and they've
19 estimated the cost a million and a half.

20 CHAIRMAN SELIN: That's all? What's it
21 going to cost Crystal River?

22 MR. GRIMES: I haven't been given a figure
23 on Crystal River. As a matter of fact, in response to
24 the last staff requirements memo, we had intended on
25 collecting together the cost information this summer

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1 based on Crystal --

2 CHAIRMAN SELIN: Well, if the costs are
3 that small, then the deterrent can't be the cost of
4 preparing the --

5 MR. PARTLOW: Mr. Chairman --

6 CHAIRMAN SELIN: -- but the fear that
7 they'll be stuck with a lot of tech specs they don't
8 have today.

9 MR. PARTLOW: -- another one of their
10 fears when you talk to them, although it's surprising
11 to us, the regulator, is the vulnerability to
12 enforcement as they go through the transition process.
13 All their operators are comfortable and know the old
14 tech specs. They're moving to the new and they are
15 vulnerable, therefore, to some kind of noncompliance
16 and they're concerned about that.

17 CHAIRMAN SELIN: Let me rephrase the
18 question. Including, not just writing the tech specs,
19 but then training people and then getting them up to
20 the point where they could pass requals and they could
21 withstand inspections about as well as they can today,
22 what are you talking about? If I'm a plant operator,
23 what am I figuring, the one-time cost spread over say
24 five years of writing the specs, getting them
25 approved, installing them, getting people trained, et

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1 cetera?

2 MR. SNIEZEK: I don't think we know. We
3 can get that information, Mr. Chairman.

4 CHAIRMAN SELIN: I mean, is this tens of
5 millions of dollars, hundreds of millions?

6 MR. GRIMES: No. It's at most several
7 million dollars. We were hoping to get that
8 information this summer, because all the lead plants
9 and some other plants currently are doing detailed
10 studies of the costs associated with training programs
11 and rewriting procedures and the start-up curve, but
12 we're not talking tens of millions. To the best of my
13 knowledge, we're talking a million to three.

14 CHAIRMAN SELIN: So if the amount of
15 mutual trust could be established that this is not an
16 opening towards tripling the number of technical
17 specifications or hardening the inspection regime,
18 given the benefits that you've discussed so far, this
19 should be a big winner for the plants that have more
20 than a few years left in their lifetime.

21 DOCTOR MURLEY: I think so, yes.

22 MR. PARTLOW: If the number of LCOs can be
23 logically reduced without reducing safety, that has to
24 factor into capacity factors somehow.

25 COMMISSIONER ROGERS: Aren't they worried

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1 about legal challenges when they change their license?

2 MR. PARTLOW: I haven't heard that
3 expressed.

4 MR. GRIMES: No, that is a factor. Some
5 of the licensees are including in their cost benefit
6 evaluations litigative risk figures.

7 COMMISSIONER ROGERS: That's a far bigger
8 question mark than these other dollar matters that
9 we're talking about.

10 MR. GRIMES: That's also a factor that
11 will drive some utilities to go for line item
12 improvements -- that is, piecemeal implementation
13 rather than a complete conversion -- because they can
14 cut out the big advantageous parts of the
15 improvements. Some have even asked the question about
16 what the review costs would be for just updating the
17 bases and we've had a number of discussions with the
18 General Counsel's Office about what finding do we have
19 to come to to update bases and that's something that
20 we're exploring as well.

21 COMMISSIONER ROGERS: Yes. I was just a
22 little puzzled about how you implement this, your
23 point of view that you can't simply pick and choose,
24 that there are clusters of requirements that must go
25 together. How do you do that and what's the process

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1 that you envision for guaranteeing on a piecemeal
2 basis that you will insist that appropriate
3 requirements are all treated together at one time?

4 MR. GRIMES: We do it very carefully. It
5 boils down to after you've done a few of these you get
6 a flavor for it, and the screening panel helps
7 considerably because through their experience they
8 know where there are related things.

9 But the obvious ones are: if a licensee
10 comes in and wants to change the required actions in
11 a limiting condition for operation and he doesn't pick
12 up the balancing surveillance requirements, then he's
13 only picked a part of the change; if the licensee
14 proposes to relocate something outside the tech specs
15 but fails to pick up the administrative control that
16 goes along with it.

17 An obvious example is one that the
18 industry has asked about repeatedly, and that is the
19 question of cascading technical specifications. It's
20 not just an administrative control that says, "check
21 for loss of safety function." It's also linkage
22 between support and supported system required actions.
23 It's a big job to pull together all those pieces that
24 compensate for cascading required actions.

25 So, it's a doable thing. It's very

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1 difficult to explain in general terms, but through
2 license amendment screening and through appropriate
3 management oversight of the line item improvements, we
4 would expect that it be a fairly consistent thing that
5 we can do.

6 COMMISSIONER ROGERS: Now is there a
7 different panel for each type of reactor or is there
8 one panel?

9 MR. GRIMES: No, there's one panel. It
10 started out that there was one panel for the East
11 Division and one for the West Division, the two
12 project major divisions, but now they have combined
13 forces and there's one panel that screens all the
14 amendments for all of Projects.

15 COMMISSIONER ROGERS: How many people are
16 on that panel?

17 MR. PARTLOW: Four, isn't it?

18 MR. GRIMES: Four or five.

19 COMMISSIONER ROGERS: And what's the
20 background of those people? It seems to me this is a
21 very, very important part of this process, this panel.
22 it seems to me it's vital to the success of the whole
23 thing.

24 MR. GRIMES: As I indicated during my
25 presentation, we've got senior project managers and

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1 one of the Technical Specifications Branch staff.

2 And I'd also like to point out I expect
3 that that process will improve with time as well,
4 because as it becomes a habit then we can get better
5 at screening amendments. In the past, we've seen
6 license amendments go out and we've seen
7 standardization and consistency diverge. And now the
8 process of work load management, the initiatives that
9 Mr. Partlow has instilled over the years, is now
10 causing the standard tech specs to be the vehicle by
11 which we're achieving a lot more efficiency in our
12 processes.

13 COMMISSIONER ROGERS: You indicated in the
14 SECY that it may not always be practical to apply all
15 the human factors principles used in the improved tech
16 specs and yet you want to encourage their use. Could
17 you give me some examples of what you're talking about
18 here?

19 MR. GRIMES: For line item improvements,
20 we would not expect, for example, licensees to adopt
21 a new LCO for a particular area and change from the
22 prose format to the table format. You have to do that
23 across all the tech specs, otherwise the internal
24 inconsistency in a license would be detrimental and
25 the operator is going to get confused.

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1 Whether or not we can convert just the
2 bases to pick up the enhanced clarification of the
3 requirements, that's something that we can pursue.

4 Whether or not there are just format
5 changes to tech specs, some licensees have asked
6 whether or not they can take their existing tech spec
7 requirements and just recast them in tabular format.
8 That's essentially complete conversion, but it's the
9 extent and depth of review that's involved, and it
10 also affects the no significant hazards consideration
11 finding that they have to make in order to apply for
12 a license amendment.

13 COMMISSIONER ROGERS: Well, isn't that an
14 example of where you would require a sort of
15 uniformity --

16 MR. GRIMES: For complete conversions,
17 we're hoping that all licensees will submit them
18 according to the writers' guide that NUMARC recently
19 issued for widespread implementation by the industry.

20 COMMISSIONER ROGERS: Is that really the
21 only area you're talking about, human factors then in
22 the --

23 MR. GRIMES: No, some of it has to do with
24 consistency in language, expressing surveillance
25 requirements in the same way so that the operator

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1 always understands what requirement he's supposed to
2 satisfy, he or she. Some of the choice of the
3 language. There were a lot of debates about how to
4 best express requirements. Those are some other human
5 factors considerations.

6 COMMISSIONER ROGERS: Okay. I guess I've
7 got the flavor of what you're talking about.

8 Moving tech spec requirements to the FSAR,
9 is there a problem doing that with all kinds of
10 requirements? Is there some possibility that you need
11 a rule change to do that or not?

12 MR. GRIMES: No, sir, I don't believe so.
13 Most of the relocated requirement issues that have
14 come up, it's been a matter of getting it moved to the
15 FSAR in such a way that the NRC and the licensee both
16 clearly understand how 50.59 applies. But 50.59 says
17 it applies to things that are in the FSAR and the only
18 way you can get something out of the FSAR is to apply
19 50.59 the right way.

20 COMMISSIONER ROGERS: Yes, but how about
21 putting things in?

22 MR. GRIMES: Putting things in, there's
23 nothing wrong with that so far as I know unless
24 there's a legal question that I've missed.

25 COMMISSIONER ROGERS: Well, my impression

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1 is that the FSAR, according to 50.34, is only supposed
2 to include proposed tech specs, not final tech specs.
3 Now this looks like it's a little different
4 interpretation. Am I missing something there?

5 MR. PARLER: I'm not too sure that you
6 are. I think that if you have something in the tech
7 specs, the tech specs are a part of the license. To
8 get something out of the tech specs you would have to
9 amend the license and be concerned with that from the
10 procedural standpoint. Then if the things that have
11 been removed from the tech specs are put into the FSAR
12 or some other -- I think earlier in this briefing it
13 was referred to as licensee control documents, you can
14 have changes to those covered by either the 50.59
15 procedure or something like that. But the procedural
16 issue would be the process to have the license amended
17 to take the things out of the tech specs and put them
18 someplace else.

19 COMMISSIONER ROGERS: It's really just the
20 question of putting them in the FSAR.

21 MR. PARTLOW: When one of these things is
22 taken out of the tech specs and moved to the FSAR, it
23 is no longer a tech spec, it is now -- it's not called
24 that anymore. It's now more in the form of a
25 commitment to the NRC. So, it might end up as an

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1 administrative procedure. It might end up in the
2 quality assurance manual or it might be a couple of
3 sentences or a paragraph in the FSAR, but it's not
4 called a tech spec anymore.

5 MR. PARLER: Commissioner Rogers, whatever
6 as a regulatory agency we call a tech spec by law by
7 the Atomic Energy Act has to be in the license and no
8 place else.

9 COMMISSIONER CURTISS: I think Jim's point
10 is the key one, that this wouldn't be a tech spec
11 anymore. The relevant regulatory provision at that
12 point would probably be the FSAR update rule. That is
13 to say to inform us as the FSAR changes. I think Bill
14 Parler's comment that the big procedural problem comes
15 with the amending of the license to take the tech
16 specs out is really the crux of the issue.

17 I'll be brief here. First, I thought the
18 work here and the presentation was really top flight.
19 I was impressed with everything that I've seen. The
20 questions that I had really focused on specifics, but
21 everybody who was involved with this, I think, ought
22 to be commended. I know it's been a long effort and
23 you've been under duress from Jim Sniezek instilling
24 things into you to the project manager's perhaps
25 looking with disdain at your effort. But I really

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1 think this is a significant effort that the staff and
2 the Agency ought to be proud of.

3 With respect to the incentive for the
4 licensees to come in, I'm hopeful that a lot of them,
5 many of them, maybe all of them come in and seek the
6 whole nine yards because I think the thought that has
7 gone into this, both lead plants and here at the
8 Agency, reflects how important we think that is. I do
9 think there are three considerations, and they've been
10 touched upon, that will bear upon a licensee coming
11 in.

12 I think Commissioner Rogers' point is the
13 key one, that the procedural implications of coming in
14 and making all these changes are not insignificant.
15 That's exactly the point that was raised in NUMARC's
16 December 21st submittal on a whole range of issues
17 that included a proposal to amend 50.91. I think they
18 are still looking at that question and if they
19 ultimately decide to submit a petition for rulemaking
20 to essentially incorporate these improved tech specs
21 in the regulations, that's something that I'll be most
22 interested in seeing. I don't know if I endorse that
23 approach yet, but it's clearly a concern.

24 Secondly, the operator training question
25 is one that I'm pleased to see that the staff has

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1 touched on because it's not an insignificant anxiety
2 on the part of the licensees when you go about
3 changing the tech specs.

4 Third and finally, and maybe in this
5 order, a licensee that does come in and seek these
6 amendments, whether on a line item basis or the whole
7 nine yards, does kind of open the backfit door, if you
8 will. It provides a vehicle for considering things
9 that we might wish to impose through a backfit
10 analysis and maybe in a more focused way than a
11 licensee that doesn't pursue them at all, and I think
12 that concern is probably one that I hear out there.

13 I just have some very quick specific
14 questions. The second concern that the CRGR raised
15 was the question of taking the reactor vessel PT
16 curves out of the tech specs. Would you just briefly,
17 and I mean very briefly, explain to me the difference
18 between having the curves versus the limits in the
19 tech specs and has the CRGR concern been addressed?

20 MR. GRIMES: As briefly as I can, the
21 issues concerned whether or not the curves should be
22 in the tech spec so that every time a licensee pulled
23 its specimens and recalculated the brittle fracture,
24 whether or not a license amendment would be involved
25 or whether or not the tech specs could simply say,

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1 "You have to maintain the plant within the established
2 pressure and temperature limits and use an
3 administrative control to do the calculations outside
4 a license amendment." It was the judgment of NRR
5 management that the process was well enough
6 established that the methodology could be maintained
7 as an administrative control. We currently have three
8 license amendments that have been submitted to try and
9 adopt that concept and we're in the midst of working
10 with the materials folks to figure out how to
11 establish an appropriate NRR approved methodology for
12 doing those calculations.

13 COMMISSIONER CURTISS: Okay. This is one
14 issue on which the CRGR was not united and the CRGR
15 usually is. I would encourage you just informally
16 with respect to the two members of the CRGR that
17 didn't see it the same way, if there's any value in
18 further explanation, and I think there might be --

19 MR. GRIMES: We would go back to the CRGR
20 with the line item improvement.

21 COMMISSIONER CURTISS: Okay.

22 MR. GRIMES: Once we've established the
23 safety basis upon which we would intend to grant the
24 license amendments, we would go back with a generic
25 letter that says, "This is the way that we expect that

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1 feature to be implemented generically and thereby give
2 the CRGR yet another opportunity to express their
3 concern.

4 COMMISSIONER CURTISS: So, we'll have
5 another bite of the apple at that point?

6 MR. GRIMES: Yes, sir.

7 COMMISSIONER CURTISS: Okay. Just two
8 other quick questions. On decay heat removal, the
9 response as I understand it to the views that were
10 filed in '87 and the position of the staff today is
11 the approach that you're proposing to take on decay
12 heat removal is something that you're comfortable with
13 because we've got the issue being examined in the
14 context of the shutdown risk initiative. Is it the
15 staff's intention to make sure that whatever actions
16 are taken in the context of shutdown risk on decay
17 heat removal and shutdown tech specs in particular is
18 done in parallel with this tech spec effort?

19 MR. GRIMES: Yes, sir.

20 COMMISSIONER CURTISS: So, it would be
21 resolved before or at least on the table at the same
22 time as?

23 MR. GRIMES: They're on parallel tracks.
24 We are working very closely with the shutdown risk
25 study group to make sure that the tech spec

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1 requirements that evolve with their recommendations
2 are consistent with the philosophy and approach that
3 we've used in the development of the improved
4 standards.

5 COMMISSIONER CURTISS: Okay. That's all
6 I have. It was a good piece of work.

7 CHAIRMAN SELIN: Commissioner Remick?

8 COMMISSIONER REMICK: Following up on
9 Chairman Selin's question about industry costs, what
10 are our estimates of what it's going to take within
11 the NRC, and I realize that depends on the assumption
12 of how many people and how extensive they make the
13 conversion, but do we have any guess or estimates of
14 what resources it's going to take on our part?

15 MR. GRIMES: All we've stated up until
16 this point is the planning wedge that we use for
17 projecting our resources over the next several years
18 and that's one to two FTE conversion and about
19 \$50,000.00 in contract assistance. But it would be my
20 intention, even though that is a figure of merit that
21 we've presented to the industry so that they could
22 start making some decisions, in particular those
23 figures were contained in a letter to Palisades in
24 response to an inquiry about possible conversion
25 interest that they had.

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1 It would be our intention that one of the
2 objectives of the lead plant implementation would be
3 to identify the most efficient and effective way to go
4 through a conversion from the standpoint of NRC
5 resources. So, I would hope that those figures go
6 down and that we identify an optimum resource level
7 for a conversion review.

8 COMMISSIONER REMICK: Have we budgeted in
9 any outgoing years any budgeted number of FTE?

10 DOCTOR MURLEY: Well, I can't recall the
11 number, but generally our planning assumptions are
12 that we're going to work through these lead plant
13 conversions and as time goes on and if we're
14 successful, I think we will be, we'll start to get
15 more -- we'll also start to get more efficient. So,
16 I think Chris' staff plus the normal support that we
17 give through the technical staff is enough to handle
18 it. I don't see any serious mismatches in our
19 resources.

20 MR. PARTLOW: Commissioner, I believe we
21 owe you a paper this summer on methods of further
22 making efficient our conversion processes. Isn't that
23 right?

24 MR. GRIMES: It was a follow-up to the
25 initial staff requirements memo last year that asked

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1 us about cost, time lines and measures of success,
2 interesting competing effects. One of the measures of
3 success is how many conversion applications you can
4 get an interest in that would essentially drive up the
5 resources and costs associated with maintaining the
6 program. But nevertheless, we've promised to come
7 back to you this summer. Specifically I think we
8 committed to June to provide a follow-up to that.

9 COMMISSIONER REMICK: That's fine.

10 Is there anything about the standard tech
11 specs that will facilitate or impede the operability
12 determinations that are -- process we have underway,
13 the improvement in that area under Generic Letter 91-
14 18, I believe? Do you foresee that having effect one
15 way or the other?

16 MR. GRIMES: As I mentioned, the industry
17 has asked that we allow the approach for the improved
18 standard tech specs to be implemented on a wide basis.
19 That is using administrative control. As I said, it
20 wasn't that simple in the standard. It's a
21 combination of an administrative control to search for
22 losses of safety functions in combination with cross
23 linked required actions between support and supported
24 systems.

25 So, yes, there's a general support and

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1 industry interest in going to this concept in the
2 improved standard on a wide scale basis.

3 COMMISSIONER REMICK: I'd also join in
4 stressing the importance of the program and the job
5 that the staff is doing. If I had any criticism it's
6 just unfortunate that it's taken us this long to get
7 to the point where we are.

8 I'd like to add just a little bit of
9 personal perspective. I hate to admit it, but I go
10 back to a time of having responsibility for a facility
11 before there was something called tech specs. In
12 other words, there were no appendices to the license
13 and the license admittedly is a pretty general type of
14 statement and typically might have a power level in it
15 and so forth, but not much technical.

16 Licensees had problems with the AEC
17 Compliance Division at that time, and the Compliance
18 Division had problems in knowing what to expect when
19 they inspected facilities because there wasn't very
20 many things that were specifically identified. I
21 remember having that responsibility, participating in
22 the discussions with the AEC at that time, headed up
23 by Marvin Mann, and a young fellow fresh from Savannah
24 River Laboratory called Harold Denton, if I recall.

25 From a licensee's perspective, we argued

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1 at that time that technical specifications should be
2 things that are observable, measurable or testable,
3 not calculations and all kind of other things.
4 Naively at that time, we thought for a non-power
5 reactor there'd be two or three pages of these things
6 that you could measure or observe and therefore an
7 inspector could check on whether you were complying or
8 not or there was a chart or something that he could
9 check and maybe five or six pages for power reactors,
10 which were almost non-existent at that time. Of
11 course this has grown far even before TMI and to be
12 voluminous, ponderous, highly unreadable documents
13 with just all kind of material in them.

14 I had a slightly different perspective
15 having served as a consultant operator licensing
16 examiner and when senior reactor operators came into
17 existence and they were supposed to be examined on
18 their knowledge of tech specs, of trying to do that
19 and understand the tech specs because they were so
20 ponderous and difficult.

21 So, I think it's an extremely important
22 effort. I think it will indirectly improve safety by
23 having a more efficient, understandable process that
24 people will know where they stand, our inspectors will
25 know what's expected of the people and so forth. So,

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1 it's very important.

2 I am pleased that effort will go on
3 rewriting some of the bases. Those are very important
4 documents. In fact, I can even remember when safety
5 evaluation reports from the AEC and the NRC were
6 interesting documents to read from a technical
7 standpoint because they had a lot of explanations in
8 there where one comes out rather than saying, "So and
9 so complies with Section point so and so." There was
10 actually an explanation. The bases are an excellent
11 instructional and training tool inasmuch as they give
12 the insight on why these LCOs and so forth are
13 important.

14 So, I'm pleased that effort is going into
15 rewriting those, that hopefully effort will go into
16 the human factors aspects of a standard way of
17 presenting this information because tech specs, like
18 many operating procedures from years past have major
19 inconsistencies because they were written either by
20 consultants or written by 100 different individuals at
21 different times and no consistency on such things as
22 unit, site, plant facility and hundreds of other
23 things. Just major inconsistencies that add to the
24 confusion to the people who are trying to live within
25 the requirements and those who are trying to see we do

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1 so.

2 My only point is to say it's a very
3 important project. I applaud your efforts and I hope
4 we can get on and actually get some of these tech
5 specs cleaned up with time.

6 I apologize for taking so much time, Mr.
7 Chairman.

8 CHAIRMAN SELIN: Thank you. Thank you
9 very much.

10 Actually, the first technical
11 specification is in Genesis, right after Adam and Eve
12 were kicked out of the Garden of Eden. We've been
13 trying to get rid of them since then.

14 COMMISSIONER de PLANQUE: Yes. In the
15 interest of time, I'll try to be brief.

16 Let me also express my appreciate for the
17 work you've done and for the excellent briefing.

18 One area where I'm trying to get a clear
19 understanding is how much of an inhibiting factor is
20 the amendment process for adopting these tech specs in
21 terms of cost and effort and uncertainty? I think you
22 mentioned there was some NUMARC work in that area,
23 looking into changing that process. Could you just
24 tell us a little more about that?

25 MR. GRIMES: As best I understand it, they

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1 would attempt to codify by rule the standards
2 themselves in order to narrow the scope of a potential
3 hearing. And if I could explain it this way and then
4 I will ask Mr. Parler to correct me and/or augment my
5 explanation as he sees fit. There are two major costs
6 that are outside of the licensee's control. One is
7 how much it costs to get the NRC to review something.
8 Some of the past technical specification reviews have
9 taken upwards of four years. So, the time that it
10 takes to review the amendment is one cost. The other
11 is the potential litigative cost and that is if
12 challenged by hearing, the scope of the hearing grows
13 proportional to how big the amendment is and obviously
14 an amendment that covers the full range of technical
15 specification requirements offers lots of
16 opportunities for a hearing that would challenge any
17 part of that.

18 So, if by rule you say those things that
19 are in the standard are not fair game for a plant-
20 specific hearing, that would tend to narrow the
21 potential uncertainty costs associated with the
22 license amendment.

23 On the other side, if a licensee enjoys a
24 region where they're not particularly challenged by
25 intervention and the license amendment process works

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1 fairly smoothly, that cost isn't going to be as big an
2 uncertainty or as big a factor in their decision
3 making.

4 COMMISSIONER de PLANQUE: Okay. Then I
5 thought I heard something a little different earlier
6 and I guess I didn't. They weren't looking for a
7 change in the amendment process itself, but rather
8 codifying the standards in a rule.

9 MR. GRIMES: They were proposing -- as I
10 understand it, they were proposing a change to the
11 amendment practice to say that the standard is a
12 change to the standard or part of the standard, that
13 aspect of the license amendment would not be subject
14 to litigation.

15 COMMISSIONER de PLANQUE: To a hearing.
16 Okay.

17 COMMISSIONER CURTISS: To be precise, I
18 don't think they're avoiding the litigation issue and
19 amending the license. What they're doing is propose
20 to amend 50.91 on this point in two important
21 respects. Number one, to incorporate by reference in
22 50.91 your new tech specs and, number two, I'm just
23 reading here from their proposal, allow plant-specific
24 standard tech specs to become effective unless the NRC
25 notifies the licensee to the contrary. So, the

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1 details remain to be seen because they said they're
2 going to submit their petition in January and they're
3 overdue. It's not that they are proposing that we go
4 ahead and amend the license, but not have the hearing,
5 not have the litigation. That's an important
6 distinction. I think they would propose an
7 alternative process to the amendment process.

8 MR. GRIMES: Yes. The only thing I could
9 offer is my explanation is based on my fuzzy
10 understanding of the objective that they're trying to
11 achieve. Until they make a specific proposal and
12 outline specific objectives of what it is that they
13 hope to achieve to reduce burdens associated with the
14 license amendment practices, most of it is speculation
15 anyhow.

16 COMMISSIONER de PLANQUE: That's fine. We
17 can wait until we see it.

18 MR. PARLER: Just to perhaps to try to add
19 briefly to eliminate some possible confusion, under
20 the law as it now exists, if issues such as the ones
21 that we're talking about are eliminated from hearings
22 in licensing proceedings or amendments to licenses of
23 the type we're talking about, you have to go through
24 a rulemaking proceeding to resolve the issue. You
25 can't by going through a rulemaking proceeding which

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1 simply says that something that is cross referenced
2 someplace that the public has not had an opportunity
3 to participate in a rulemaking proceeding in
4 developing, that will not work that way.

5 COMMISSIONER de PLANQUE: Okay. That's
6 all. Thank you.

7 CHAIRMAN SELIN: Thank you.

8 Look, I think this is a terrific job.
9 It's really hard to work at such an abstract level and
10 come up with concrete results. I would like to say
11 four things.

12 First, I think the critical issue is
13 whether there should be a rule or not. In my own
14 opinion, there's no sense putting this out asking
15 people what they think of a rule. We should decide
16 ourselves and that's what we should do. So, I'm just
17 telling you that my question may have misled you. I'm
18 not interested in the second option myself. It's
19 either one or three. I may ask some questions be put
20 into the SRM to help illuminate that point.

21 Second is I think it's very important to
22 look for confidence-building measures. This is a very
23 attractive program. It's a win/win situation both for
24 us and for the licensees. So, in carrying it out --
25 this has nothing to do with the policy statement per

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1 se, but I would implore you to really put yourself in
2 the licensee's shoes and see where you can make this
3 easier to implement without undercutting the safety.
4 In other words, simply the procedures or address the
5 subliminal concerns that somehow they're going to be
6 hung there in limbo for five years while we review the
7 tech specs and be wide open to attacks of some kind.
8 This is a good program and we should try to address
9 those issues.

10 The third, in spite of my earlier
11 questions, I'm satisfied on the question of backfit.
12 It's really quite analogous to the license extension
13 rule. We're saying that there's a satisfactory
14 licensing basis. Up until now, the fact that we have
15 a better way to do tech specs doesn't make it less
16 satisfactory and therefore there's no automatic
17 implication that tech specs have to be written. I
18 didn't realize that until you went through the cases.

19 The fourth is I am a little concerned
20 about what you've called cherry picking in that the
21 examples you came up with, Mr. Grimes, really said
22 that if we're going to change a rule we have to make
23 sure -- change a procedure, we have to make sure we
24 change the surveillance and the reporting. But that's
25 kind of a vertical integration. I'm more concerned

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1 about horizontal integration, that if we're going to
2 take a look at diesels, we have to take a look at
3 everything that affects diesels, not just some rules
4 that lease pieces.

5 For the present, I'm satisfied, but only
6 for the present, that one could work our procedures.
7 What you really need is something like a bill of
8 materials program that does all the linking. So, it
9 says, "These tech specs are linked to these tech
10 specs. If you fiddle with this one, take a look at
11 this one as well." I mean that's what you do when you
12 bill ordering systems and -- well, bill of material
13 systems to make sure you have all the linkages
14 automatically. It's not the connection between the
15 administrative system, surveillance system and the
16 physical system that I'm worried about, I think that
17 Commissioner Rogers is worried about, but to make sure
18 you really have clusters of systems and procedures
19 which together cover the whole set of technical
20 specifications so that they can't just take the ones
21 that ease things and not the offsetting ones that
22 would tighten things.

23 But I think it's just a terrific job.
24 Obviously my colleagues had the same opinion. There
25 will be clearly some work that has to be done on the

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1 SRM. It's not just around the corner. There are some
2 issues that really have to be addressed. There may be
3 some questions on some of these cost questions,
4 confidence building measures and particularly the rule
5 question.

6 Thank you very much.

7 (Whereupon, at 12:04 p.m., the above-
8 entitled matter was concluded.)
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CERTIFICATE OF TRANSCRIBER

This is to certify that the attached events of a meeting
of the United States Nuclear Regulatory Commission entitled:

TITLE OF MEETING: BRIEFING ON STATUS OF TECHNICAL SPECIFICATION
IMPROVEMENT PROGRAM

PLACE OF MEETING: ROCKVILLE, MARYLAND

DATE OF MEETING: MARCH 30, 1993

were transcribed by me. I further certify that said transcription
is accurate and complete, to the best of my ability, and that the
transcript is a true and accurate record of the foregoing events.

Carol Lynch

Reporter's name: Peter Lynch

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

April 12, 1993

MEMORANDUM FOR: The Chairman
Commissioner Rogers
Commissioner Curtiss
Commissioner Remick
Commissioner de Planque

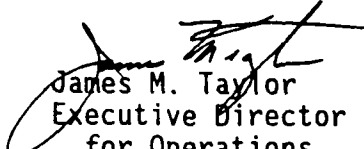
FROM: James M. Taylor
Executive Director for Operations

SUBJECT: CLARIFICATION OF THE BRIEFING ON STATUS OF TECHNICAL
SPECIFICATION IMPROVEMENT PROGRAM, MARCH 30, 1993

During the Commission briefing on March 30, 1993, on the status of the Technical Specification Improvement Program, Chris Grimes described projected implementation costs for conversions to the improved Standard Technical Specifications. Specifically, on page 88 of the transcript, Mr. Grimes stated that the staff has estimated a fee-recoverable level of effort of one to two FTE and \$50,000 in contract assistance for each conversion review. The contract assistance needed for lead plant conversions may have been underestimated.

Actions are currently under way to implement an administrative support contract to assist the staff with the lead plant conversion reviews. The administrative support includes computer file management, quality reviews of the plant-specific technical specifications, and completeness checks for plant specific issues. The administrative support contract assistance was not reflected in the figures Mr. Grimes stated during the Commission meeting. On the basis of the present scope of that contract, the total contract assistance costs for each lead conversion review could be as much as \$250,000.

The staff will give the Commission additional information regarding the costs for conversions as experience is gained. The next update in this regard is scheduled for July 1993.


James M. Taylor
Executive Director
for Operations

cc: SECY
OGC
OCA
OPA

Contact:
Christopher Grimes, NRR
504-1161

**STATUS OF TECHNICAL SPECIFICATION
IMPROVEMENT PROGRAM**

MARCH 30, 1993

**THOMAS E. MURLEY
NANETTE V. GILLES
CHRISTOPHER I. GRIMES**

**Contact: Christopher I. Grimes
Phone: 504-1161**

BRIEFING TOPICS

- **STATUS OF TECHNICAL SPECIFICATION IMPROVEMENT PROGRAM (TSIP)**
- **PROPOSED FINAL POLICY STATEMENT**

CHRONOLOGY OF STS

- **1968 - 10 CFR 50.36**
- **1974 - STANDARD TECHNICAL SPECIFICATIONS**
- **1983 - TASK GROUP ON TECHNICAL SPECIFICATIONS**
- **1987 - INTERIM POLICY STATEMENT**
- **1988 - NRC "SPLIT REPORT"**
- **1989 - OWNERS GROUPS PROPOSED STS**
- **1991 - NRC IMPROVED STS, DRAFT**
- **1992 - NRC IMPROVED STS, REVISION 0**

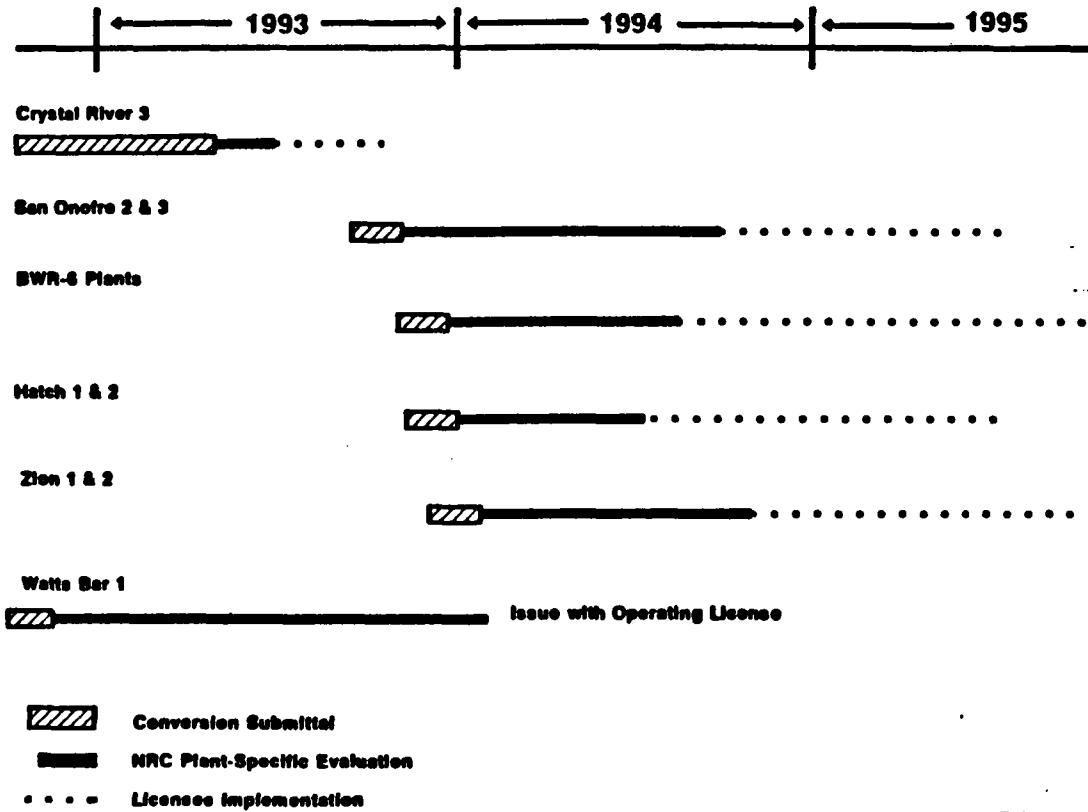
IMPROVED STS REVISION 0

- **SIMPLIFIES (REDUCES LCOs BY \approx 40%)**
- **ACHIEVES SUBSTANTIAL CONSISTENCY IN REQUIREMENTS**
- **PRESENTS REQUIREMENTS IN OPERATOR-FRIENDLY FORMAT**
- **ENHANCES BASES: LINKS REQUIREMENTS TO SAFETY ANALYSES**

IMPROVED STS REVISION 0 (CONTINUED)

- **CLARIFIES LONG-STANDING TECHNICAL SPECIFICATION ISSUES**
 - **OPERABILITY**
 - **SURVEILLANCE PRACTICES**
 - **ALLOWED OUTAGE TIMES (COMPLETION TIMES)**
- **LEAD PLANT CONVERSIONS UNDERWAY**

LEAD PLANT CONVERSION SCHEDULES



PRIMARY OBJECTIVES OF PROPOSED FINAL POLICY STATEMENT

- **ENCOURAGE COMPLETE CONVERSIONS TO IMPROVED STS**
- **PROVIDE CRITERIA FOR SUBSEQUENT ADDITIONS TO STS**
- **USE IMPROVED STS AS BASIS FOR LINE-ITEM IMPROVEMENTS**

**PRIMARY OBJECTIVES OF PROPOSED
FINAL POLICY STATEMENT
(CONTINUED)**

- **HIGHLIGHT GOAL OF GREATER STANDARDIZATION AND
CONSISTENCY**
 - **COMPLETE CONVERSIONS WILL BE HIGHEST
PRIORITY**
 - **LINE-ITEM IMPROVEMENTS WILL BE HIGH
PRIORITY**

LESSONS AND ISSUES ASSOCIATED WITH PROPOSED FINAL POLICY STATEMENT

- **EXPERIENCE DEMONSTRATES ORIGINAL CRITERIA
APPROPRIATE**
- **RISK CONSIDERATIONS AND OPERATING EXPERIENCE
EMPHASIZED BY BREAKING OUT FOURTH CRITERION**
- **IMPLEMENTATION ISSUES**
 - **RULEMAKING**
 - **PARTIAL IMPLEMENTATION OF IMPROVED STS**
 - **APPLICATION OF BACKFITTING REGULATIONS**

EFFICIENCIES IN HANDLING LICENSE AMENDMENTS

- **MAINTENANCE OF IMPROVED STS AS LIVING DOCUMENT**
 - **INCORPORATE ENHANCEMENTS WHEN CONSENSUS ACHIEVED WITH OWNERS GROUPS**
 - **INCORPORATE NEW GENERIC REQUIREMENTS WHICH MEET CRITERIA**

EFFICIENCIES IN HANDLING LICENSE AMENDMENTS (CONTINUED)

- **LICENSE AMENDMENTS**
 - **≈50% OF AMENDMENTS RECEIVED ARE GENERIC**
 - **GENERIC ITEMS ARE DEVELOPED AS LINE-ITEM IMPROVEMENTS**
 - **ENSURES CONSISTENCY IN REVIEW OF GENERIC ITEMS**
 - **AVOIDS DUPLICATION OF REVIEW EFFORT**

ACHIEVEMENT

- **INCREASE IN SAFETY**
 - **FOCUSES LICENSEES AND STAFF ON MOST SIGNIFICANT ISSUES**
 - **FORMAT IS OPERATOR-FRIENDLY**
 - **REASONS FOR REQUIREMENTS EXPLAINED (IN BASES)**