

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

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TASK FORCE

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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BRIEFING ON FINAL REPORT OF REGULATORY
REVIEW TASK FORCE

- - - -

PUBLIC MEETING

Nuclear Regulatory Commission
One White Flint North
Rockville, Maryland

Monday, January 24, 1994

The Commission met in open session,
pursuant to notice, at 9:30 a.m., Ivan Selin,
Chairman, presiding.

COMMISSIONERS PRESENT:

IVAN SELIN, Chairman of the Commission
KENNETH C. ROGERS, 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 TAYLOR, Executive Director for Operations

THOMAS MURLEY, Director, NRR

ERIC BECKJORD, Director, Office of Research

JAMES SNIEZEK, Deputy ED for NRR, Regions & RES

ROY ZIMMERMAN, Deputy Director, Division of Reactor
Inspection and Licensee Performance, NRR

FRANK GILLESPIE, Director, Program Management, Policy
Development and Analysis Staff, NRR

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

9:30 a.m.

CHAIRMAN SELIN: Good morning, ladies and gentlemen.

The Commission is pleased to welcome the senior members of the staff who are to brief us on the final report of the Regulatory Review Task Force. It's a long awaited, very interesting topic. We were last briefed last spring on your interim findings. Today's presentation will focus not only on the findings of the task force itself, but more especially on the Agency's plan for implementing those recommendations.

These are terribly important to the Commission and to the industry that we regulate. Our first principle of regulation is safe operation and the second principle is openness and the third is to carry out these two principles with maximum economy for the regulated community. So, this is very high on the list of priorities. We commend Mr. Taylor and the staff for undertaking this activity.

I understand copies of the viewgraphs are available at the room.

Mr. Taylor, we look forward to your presentation this morning.

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1 MR. TAYLOR: Good morning. The Regulatory
2 Review Group's report has identified many areas where
3 the staff can improve the way which our programs are
4 implemented without impacting the safe operation of
5 licensed power reactors.

6 Since October, the staff has been
7 developing an implementation plan for the
8 recommendations. I met with the office directors and
9 regional administrators on December 15th to get their
10 endorsement of the plan and their endorsement of the
11 schedule to execute the plan.

12 The plan does contain general
13 implementation strategies and we have set target
14 completion dates. The plan is considered far-reaching
15 and though it is expected to have substantial resource
16 implications, each of the regions and offices have
17 endorsed it and they indeed have begun implementation.
18 In fact, I would note that a number of the initiatives
19 were underway or under development at the time the
20 reg. review group did their work.

21 The key element to the success of this
22 effort is that the staff at all levels be receptive to
23 change if improvements are to be meaningful. Many of
24 our inspectors, reviewers and supervisors have already
25 begun to implement similar ongoing burden reducing

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1 activities. We intend to use the report to build upon
2 these efforts. Industry representatives also share a
3 major role in causing -- in shaping change through the
4 identification of specific problems and solutions,
5 both generically and on an individual plant basis, and
6 the Commission is aware of some of this, particularly
7 with regard to an individual plant submitting changes
8 to the staff.

9 We've seen -- as I said, a number of these
10 efforts are underway and are related indeed to the
11 work and the concept of the Regulatory Review Group.

12 I will incorporate any changes to the
13 implementation plan that the Commission considers
14 necessary and we'll be preparing our response to a
15 Senate request for a detailed action plan within six
16 months of the final review group report. This
17 response is currently due by the end of February of
18 this year.

19 With me at the table today are people who
20 have played a part in this effort, Jim Sniezek, Tom
21 Murley, Frank Gillespie, Eric Beckjord and Roy
22 Zimmerman. Roy is the lead in taking the report and
23 helping to shape an implementation plan.

24 I'll now turn the presentation over to Roy
25 who will discuss the details of some of the key

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1 aspects of the plan.

2 MR. ZIMMERMAN: Thank you.

3 Good morning.

4 (Slide) May I have the first slide,
5 please?

6 This slide provides a brief chronology.
7 Since the Regulatory Review Group was established last
8 January, the Regulatory Review Group looked for areas
9 for regulatory flexibility with a move to a more
10 performance-based regulation rather than prescriptive
11 regulations with the goal of removing unnecessary
12 regulatory burden and improving our internal
13 regulatory processes.

14 The RRG's final report came out in August
15 and during that eight month period that the task force
16 was in effect, as you mentioned, Mr. Chairman, the RRG
17 met with yourselves, with the ACRS and the public in
18 the spring time to go over their initial findings.

19 The Implementation Task Force, which I
20 led, was established in the October time frame to
21 develop an action plan to implement the RRG
22 recommendations. And as Jim Taylor just mentioned, he
23 met with the office directors and the regional
24 administrators in the December time frame to review
25 the implementation plan that we had put together.

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1 Also, I'd note that the task force for implementation
2 met with NUMARC in the November time frame to gain
3 their thoughts on how they viewed the priorities for
4 the RRG recommendations and we found that the NUMARC
5 prioritization scheme was very similar to that which
6 is included in the Commission paper.

7 (Slide) Next slide, please.

8 The RRG report provided over 60 specific
9 recommendations in areas for potential improvement.
10 This morning I don't plan on going over all 60 of
11 those recommendations, but I'll focus on the principal
12 areas that we see for burden reduction. If there's
13 questions in areas addressed in the Commission paper
14 which I don't cover this morning, we'd be pleased to
15 address them as well.

16 This slide lists the primary areas for the
17 most significant reduction in unnecessary burden. A
18 number of these areas, as Jim Taylor mentioned, were
19 underway prior to the RRG and were supported by the
20 RRG effort and endorsed by it. The goal here is that
21 by reducing unnecessary burden in the areas listed on
22 this slide, we should -- a licensee should be able to
23 more effectively expend their resources on safety
24 matters resulting in safer plant operation.
25 Similarly, the staff would also be able to concentrate

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1 more heavily on safety matters and would expend less
2 of its time on activities such as reviewing
3 unnecessary relief requests.

4 (Slide) The next slide, please.

5 Cost beneficial licensing actions, or
6 CBLAs, is one of the main cornerstones for burden
7 relief for the industry. The RRG recommended that the
8 staff continue to be responsive to CBLAs. CBLAs are
9 basically licensing actions that have high licensee
10 cost, but low safety significance. Currently, NRR is
11 considering a new definition for a CBLA which would be
12 less subjective, more easily understood, and would aid
13 in our communication both internally and with the
14 industry and would aid us for our tracking purposes as
15 well. Most licensees are just getting started with a
16 formal CBLA program.

17 There's a number of staff actions that
18 have been ongoing in the CBLA arena, including the
19 CBLA Task Force, change in the NRR priority ranking
20 for CBLAs and the establishment of a technical
21 specification screening panel. The purpose of these
22 actions has been to ensure that CBLAs are given
23 appropriate staff attention without losing focus on
24 safety matters and also identifying ways where
25 licensees can improve their CBLA submittals.

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1 The CBLA Task Force was established in the
2 spring of '93. It was a full-time effort and it was
3 initially viewed as a short-term effort. However, NRR
4 recognizes the need to maintain a central point of
5 focus both internally and with the industry and NRR
6 now plans to maintain a several person task force for
7 the foreseeable future, probably at least through the
8 better part of this year. Also, the priority ranking
9 scheme within NRR was changed for CBLAs from a
10 priority 4 to a priority 3, which will allow for a
11 staff review to occur, likely at a much sooner pace.

12 The technical specification screening
13 panel also began in early 1993 and this panel reviews
14 all technical specification amendment requests and
15 they're looking to see if there are generic aspects to
16 these. If they find an amendment request that appears
17 to be generic, they will raise it as a possible
18 technical specification line item improvement for
19 consideration. If it's deemed to be a tech spec line
20 item improvement, a generic letter would be issued to
21 licensees where they can voluntarily enhance their
22 technical specifications.

23 Also, the tech spec screening panel has
24 been involved in the development of a database for
25 licensing actions that will have a word search

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1 capability and should increase staff efficiency in
2 working licensing actions. It will allow project
3 managers to look up previously completed similarly
4 licensing actions and, again, it's aimed at increasing
5 the consistency and timeliness of our licensing
6 actions. The technical specification screening panel
7 work goes beyond CBLAs. It applies to all tech spec
8 amendments that are submitted. But it will aid us as
9 well in the CBLA area.

10 There are several other staff actions to
11 ensure responsiveness to CBLAs that are underway. The
12 screening and tracking of all CBLAs to ensure that
13 they're handled in a consistent manner and the
14 definition revision which we're considering would
15 assist with that. Also, maximizing the project
16 manager's review would aid with the timeliness of the
17 reviews rather than having more than necessary go over
18 to the technical staff because of their heavy safety
19 workload. Also, it's important to continue to
20 communicate and discuss CBLA activities within NRR and
21 within the regions because it's a very dynamic area
22 and it's important that we keep the staff current on
23 the latest developments on working CBLA activities.

24 (Slide) Next slide, please.

25 COMMISSIONER ROGERS: Just before you

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1 leave that --

2 MR. ZIMMERMAN: Sure.

3 COMMISSIONER ROGERS: On the task force,
4 you said that you were going to maintain a several
5 person task force. Will they be full-time or will
6 they be part-time?

7 MR. ZIMMERMAN: They will be part-time in
8 that I will be heading up the CBLA task force, but
9 I'll also be involved with the implementation of this
10 overall action plan for NRR. So, there will be
11 several of us full-time that will be working both the
12 NRR implementation and the CBLA task force work.

13 I'll speak for a moment on the projected
14 savings in CBLAs. The Regulatory Review Group also
15 recommended that licensees review their licenses and
16 request relief from unnecessary burdens, that the
17 mechanism is in place to support it. NUMARC and the
18 licensees are considering a database of their own.
19 They're tracking all CBLA submittals and trying to
20 gain efficiencies by sharing information with each
21 other.

22 This slide shows some of the front runners
23 within the industry that have active formal CBLA
24 programs. As you can see, there is considerable
25 potential savings in a wide variety of areas. Some of

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1 the different areas where licensees have come in with
2 CBLA requests are in Appendix J and security and
3 seismic areas and control room design reviews, station
4 blackout. It covers a very broad spectrum.

5 From the work that the CBLA task force has
6 completed to date, they've identified a number of
7 lessons learned or efficiencies that are good keys to
8 success for licensees. They involve the fact that the
9 licensees should communicate frequently with their
10 project managers and keep them aware of their
11 activities regarding CBLAs and their priorities on
12 CBLAs and changes to those priorities. That is
13 important for licensees to maintain high quality
14 submittals and have good supporting documentation and
15 the licensees should work together where possible with
16 NUMARC and with the working groups and owners groups
17 to reduce overall licensee and NRC time by putting
18 together generic packages wherever possible.

19 COMMISSIONER ROGERS: Is there any
20 activity planned by the industry to knit these various
21 things together to make it a little bit more easy for
22 us to interact and communicate with single
23 organization rather than -- at least on what our
24 expectations and requirements are?

25 MR. ZIMMERMAN: Yes, Commissioner. This

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1 is an area that the licensees recognize is a very
2 important one to them. I attended a workshop in
3 Orlando in December that had all utilities represented
4 as well as the owners groups were present as well.
5 This was a topic that the licensees spoke about
6 amongst themselves in terms of trying to do things in
7 the generic fashion and to use the owners groups as
8 much as possible to assist in putting together generic
9 packages.

10 COMMISSIONER REMICK: Roy, of those
11 examples that you've shown us here, were there any
12 generic type of items?

13 MR. ZIMMERMAN: The Appendix J scheduled
14 a relief item as one that has generic overtones to it.
15 There's a security issue dealing with the use of
16 roving security patrols which also, I think, will have
17 generic implications to it. Those are two of the ones
18 that stand out to me right now.

19 DOCTOR MURLEY: Could I comment on this
20 just a moment? I think the lead utility in terms of
21 time but also in sophistication of their thinking is
22 Virginia Power. Many of the licensing actions they've
23 asked us to take are very plant-specific. I term them
24 over commitments that they've made over the years.
25 Maybe, for whatever reason, I'm sure the staff had a

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1 role in their over commitment. But they've
2 nonetheless gone beyond what we think is absolutely
3 needed. They've gone through, done a lot of thinking
4 and have come in and we've granted relief for most of
5 those.

6 The unique aspect of this CBLA effort, in
7 my judgment, is the fact that we're giving these
8 attention and not letting them sit in a low priority
9 in box, which would kind of normally be the case.
10 Now, we've been acting that way for -- well, I guess
11 going onto nine months now. The trouble is as you get
12 into more generic actions, it does become more
13 difficult because if it involves a rule change, that
14 takes a long time. If it involves a review by the
15 technical staff, then the trouble is we've got 80 some
16 different designs out there and you've got to make
17 sure that the relief, if any, that we grant covers all
18 of the relevant design. So, it becomes, I think,
19 progressively more difficult the more generic you get.

20 But nonetheless, I think you're exactly
21 right to focus on it. If Virginia Power were to
22 identify an area for their plants, it could very well
23 be that with slight modifications, it could apply to
24 several other plants and we're looking for that as
25 well as, we understand now, NUMARC is too.

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1 COMMISSIONER REMICK: I'd like to respond
2 to a point you made, Tom. I had planned to bring it
3 up later, but it seems opportune now. You mentioned
4 that some of these CBLA requests otherwise would sit
5 there for a long period of time. Don't we have to ask
6 ourself the question if licensees are really paying
7 for our efforts, don't we have an obligation to make
8 sure that those things don't sit there too long?

9 DOCTOR MURLEY: Yes.

10 COMMISSIONER REMICK: And like topical
11 reports and so forth. One of the areas where I guess
12 as being a Commissioner I've heard more complaints
13 about is length of time for topical reports. I'm not
14 belittling the staff resource difficulties, but I know
15 licensees say we're being charged for you to review
16 these things. Why can't you concentrate your efforts
17 more on some of these activities and give us that type
18 of relief? As I say, it's a matter I had planned to
19 bring up a little bit later and even ask the EDO the
20 question of has thought been given to whether the
21 resource needs are the size that it would justify a
22 separate branch to concentrate on carrying these out?
23 And I'm not belittling the resource implications, but
24 I think it's a thought and you might want to think
25 about that and we can talk about it later on. But Tom

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1 is mentioning that these CBLA requests sometimes sit
2 there for a long period of time caused me to interject
3 it now.

4 DOCTOR MURLEY: Well, the nature of them
5 is that they are not a high safety content. That's
6 almost in the definition. Because of our priority
7 system, they would normally go to the lower priorities
8 and we work on the most safety significant ones.

9 You said something about these folks
10 believe they're being charged for stuff and not
11 getting any work out. We don't charge anybody unless
12 we work on it.

13 COMMISSIONER REMICK: No, no. That was
14 not what I meant to say.

15 DOCTOR MURLEY: So, I don't know where
16 that's coming from.

17 COMMISSIONER REMICK: No, no. The fact
18 that they are paying --

19 MR. TAYLOR: Willing to be charged.

20 COMMISSIONER REMICK: Well, they are being
21 charged. When we do, they say, "Well, why don't you
22 then do it? We're paying for it."

23 DOCTOR MURLEY: Yes. The topical reports
24 are a different matter from the licensing actions.
25 They're licensing activities, we call them, but

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1 they're somewhat different from the licensing actions
2 that are in CBLAs. But you're right, it's a resource
3 question ultimately.

4 MR. SNIEZEK: Commissioner Remick, I think
5 that's why I think Roy mentioned that the priority
6 system in NRR was changed to raise these up a notch to
7 a priority level 3 so they wouldn't get the attention.

8 COMMISSIONER REMICK: I appreciate that.
9 I don't know what going from 4 to 3 means in
10 implementation schedule, but it appears to be an
11 improvement, I must admit.

12 MR. TAYLOR: It is an improvement.

13 COMMISSIONER REMICK: Yes.

14 MR. ZIMMERMAN: Looking toward the future,
15 the industry indicates that we may see from 300 to 400
16 CBLA submittals a year for the next two years, which
17 should be a considerable increase. The NUMARC survey
18 found that two-thirds of the licensees plan of
19 developing formal CBLA programs in the near future and
20 right now about one-third to one-half of the utilities
21 have a formal CBLA program.

22 MR. TAYLOR: Commissioner, I think Tom
23 mentioned about the -- and you've heard about the
24 owners groups putting generic requests together. The
25 more thorough the work that is done by the industry,

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1 even, let's say, an owners group comes up with an
2 idea, it would be better to supplement the generic
3 information with plant-specific even as part of
4 pulling the whole package together because the better
5 the information, particularly as it may affect
6 specific plants that the staff receives, the easier it
7 is for the staff to act on it. It becomes a
8 conformation of the effect on the individual plants
9 rather than us having to dig.

10 Don't you agree, Tom, the individual plant
11 attributes out. So, it's a plea really. The better
12 it is, the easier it is for the staff to do that.
13 Excuse me.

14 CHAIRMAN SELIN: Well, Doctor Murley said
15 something quite significant that shouldn't be
16 overlooked. You know we have a legal system that's
17 based much more on case law than on statutory law.
18 The idea of establishing a precedent and then being
19 able to apply that with relatively increasing
20 efficiency is a very powerful idea. When you have a
21 generic rule, we should obviously be looking for
22 generic solutions. But generic solutions have to be
23 examined under every possible contingency and every
24 possible scenario. Whereas if the specific
25 improvements can be precedent setting, it should be,

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1 as Doctor Murley suggested, much easier and more
2 straightforward to apply a similar solution not
3 identical to a similar situation without the necessity
4 of thinking about every possibility that could happen
5 in every one of the 80 some plants that have this
6 similar situation.

7 MR. TAYLOR: Agreed.

8 MR. ZIMMERMAN: (Slide) The next slide,
9 please. I'll speak for a few moments on graded
10 quality assurance for operating reactors.

11 The Regulatory Review Group endorsed the
12 staff's development of guidance on the use of graded
13 QA. Appendix B already allows for a graded QA
14 approach. It states that QA criteria can be applied
15 to structures, systems and components to an extent
16 consistent with their importance to safety. So, the
17 regulations have built into them this graded QA
18 approach. However, past practice both by the industry
19 and by the staff has not generally incorporated this
20 approach.

21 This is a good example where guidance can
22 enhance safety of power plants by allowing licensees
23 to focus greater attention and resources in areas of
24 higher safety significance. There's considerable
25 flexibility that is provided for licensees in the

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1 graded QA area. Several examples would include Part
2 21 procurement where commercial grade dedication for
3 replacement parts. The rigor and completeness of the
4 dedication process can vary depending on the safety
5 significance of the replacement part. A different
6 type of an example would be periodic plant review
7 where the frequency and management attention applied
8 to review of specific procedures can vary depending on
9 whether the procedure being reviewed is that emergency
10 operating procedure or, say, routine operating
11 procedure that has low risk associated with it. The
12 same logic can apply to development of internal audits
13 that licensees conduct where the frequency and depth
14 of those audits can be built to vary depending on the
15 significance of the area that's going to be assessed.

16 NUMARC was following similar guidance
17 development approach for this area, as was done in the
18 maintenance rule implementation, using existing PRA
19 techniques. There was a kick-off public meeting with
20 NUMARC held last month and the staff plans to hold
21 monthly status meetings through the development of the
22 guidance in this particular area. Also similar to the
23 maintenance rule implementation, the NRC and NUMARC
24 are setting up a steering group to oversee the
25 guidance development efforts.

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1 NUMARC has two working groups, their
2 Appendix B working group and their PRA working group,
3 which they call their regulatory threshold working
4 group, which are planning on having draft guidelines
5 established during the springtime. This will divide
6 the equipment into various groups, depending on their
7 importance to safety. Some equipment on their quality
8 list or their Q list will probably come off entirely
9 based on PRA insights and other equipment on the Q
10 list may have less than the full rigor of Appendix B
11 applied as a result of this effort.

12 The industry is also planning pilot
13 programs at about five facilities. Right now Surry
14 and Grand Gulf are considering volunteering for the
15 pilot programs. In the pilot program that's
16 envisioned, different plants would look at different
17 topical areas. One may implement the pilot for
18 procurement, another may do it in design control and
19 so on, and the staff intends on monitoring these
20 pilots.

21 (Slide) The next slide, please.

22 COMMISSIONER ROGERS: Just -- I think you
23 did touch on it a little bit, but I had a question
24 about NUMARC developing guidelines and our development
25 of guidelines possibly running along in parallel but

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1 maybe not well coordinated paths. You said that there
2 is a steering group now that's a joint NRC-NUMARC
3 activity?

4 MR. ZIMMERMAN: Yes. We had great
5 success, as you're aware, in the maintenance rule
6 implementation. We want to learn from that experience
7 and set up a similar approach here. So, there will be
8 a steering group that will oversee this effort. The
9 staff will develop its own guidelines in parallel with
10 NUMARC's efforts to the extent necessary to ensure
11 that the guidelines are in place at the prescribed
12 time, whether they be ones that we can endorse that
13 were developed by NUMARC or, if we're not satisfied
14 with those, that we have our own. We are optimistic
15 though based on the maintenance rule implementation.

16 The next topic to discuss briefly is
17 probabilistic risk assessment area. The Regulatory
18 Review Group endorsed the development of an overall
19 Agency plan to increase uses of PRA. A separate
20 Commission briefing on the PRA working group and the
21 development of this integrated PRA plan is scheduled
22 for January 31st, a week from today. Therefore, we'd
23 like to defer discussion on the status of this
24 initiative until next week.

25 CHAIRMAN SELIN: Are they going to say

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1 that this topic was covered today?

2 MR. ZIMMERMAN: You've caught us already.

3 (Slide) The next slide.

4 Again, this is the copy of the action plan
5 that was associated -- or was attached to the
6 Commission paper. There was a senior management
7 meeting held a couple of weeks ago. The PRA
8 initiative was discussed at that management meeting
9 and again a status update next week will discuss this
10 in-depth.

11 (Slide) Next slide, please.

12 Moving into commitment management,
13 commitment management is another area for considerable
14 burden relief. Some licensees indicate that they're
15 tracking thousands of commitments that have been made
16 to the NRC over the years, many of which have minor
17 safety significance. The Regulatory Review Group
18 recommended rulemaking to define the term "commitment"
19 and to establish a change process for commitments.
20 Currently there's no definition or change process
21 specified in the regulations. However, the licensees
22 usually discuss changes to commitments with a project
23 manager or the regional office before the changes are
24 implemented. Although it's an informal process, it
25 has worked fairly well over the years. But it's the

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1 large number of commitments, just the massive size,
2 that makes it unacceptable to have to have unnecessary
3 staff and licensee interaction for each and every one
4 of these commitments that a licensee wishes to change.

5 In order to get a handle on the safety
6 significance of how well licensees are implementing
7 their commitment management program, NRR performed
8 seven audits of a week apiece during 1993 and
9 concluded that all safety-significant commitments were
10 being properly implemented and maintained. So, there
11 was no indications of lack of regulation resulting in
12 a safety issue.

13 COMMISSIONER ROGERS: How were those seven
14 plants selected? Just totally random or was there
15 some --

16 MR. ZIMMERMAN: They tried to pick plants
17 that were -- some were older -- tried to get some
18 older ones, tried to get some new ones and also
19 different NSSS suppliers. They tried to vary it based
20 on plant type and age.

21 The results of the audit will be provided
22 in a Commission paper shortly that will document the
23 audit results and the conclusions. NUMARC also has an
24 initiative underway in this area to develop a
25 definition of commitment and to describe an acceptable

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1 change process. However, NUMARC does not feel that
2 rulemaking is necessary. They do not support going to
3 rulemaking. They feel that what is in the field is
4 working now and this needs to be refined.

5 CHAIRMAN SELIN: You realize if there were
6 rulemaking the number of commitments included there
7 will be many fewer than what people recognize today as
8 being commitments. A commitment is basically a
9 contract between the NRC and the licensee. It's not
10 a tech spec, it's not a license condition, et cetera,
11 and therefore is subject to whatever procedure led the
12 commitment to be made in the first place. In fact, I
13 have a question about what would happen if a licensee
14 just suddenly sent a letter that said, "We don't
15 intend to carry out anymore of our commitments
16 starting tomorrow." Since they're not in a licensing
17 basis --

18 MR. ZIMMERMAN: Right.

19 CHAIRMAN SELIN: -- that would make it --
20 you know, really be a difficult situation for us.

21 MR. TAYLOR: It would make it very
22 difficult.

23 DOCTOR MURLEY: That would give us a
24 problem.

25 CHAIRMAN SELIN: Because we have used

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1 commitments in lieu of our formal tools for so long
2 and yet they have no status other than the fact that
3 somebody agreed to do something and we accepted what
4 amounts to a unilateral agreement to do that.

5 MR. ZIMMERMAN: Right now though we would
6 view that the commitments would be part of the current
7 licensing basis by the definition. But I agree with
8 you that --

9 CHAIRMAN SELIN: We'd have a very tough
10 time enforcing that.

11 MR. ZIMMERMAN: Yes. We would need to be
12 able to find the appropriate regulation, otherwise it
13 would not be enforceable.

14 DOCTOR MURLEY: Many of these commitments
15 were undertaken in response to an enforcement
16 activity, notice of violation or something like that.
17 The reason I said it would give us a problem is we
18 would -- if we were confronted with that situation, we
19 would have to go back and look at every one of the
20 commitments and decide. Now, if a utility were to
21 systematically go through all of their commitments and
22 do a review, like a 50.59 process, and peck those out
23 and then notify us, it's conceivable that we could
24 agree with them on that kind of a basis. But a
25 blanket walking away from --

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1 CHAIRMAN SELIN: I used that provoke
2 something of a reaction, in fact.

3 DOCTOR MURLEY: Shock. You did provide
4 shock.

5 CHAIRMAN SELIN: But since we don't have
6 a formal process, 50.59 does seem like an attractive
7 mode to go forward.

8 COMMISSIONER REMICK: Well, in fact, I
9 agree with what Roy said. My reaction was they are a
10 part of the current licensing basis. If that is true,
11 my inclination is to say they are too, then is there
12 any obvious reason why 50.59 does not apply?

13 MR. ZIMMERMAN: It's our intent to go down
14 that path. We do feel that there's a need to have a
15 definition for commitment, starting very basic, that
16 a commitment is something that a licensee puts in
17 writing and submits to us on the docket. There's not
18 full understanding even of that basic point throughout
19 the Agency.

20 CHAIRMAN SELIN: My understanding is that
21 many things that are listed as commitments you'd have
22 a hard time finding in writing someplace.

23 MR. ZIMMERMAN: Right. Exactly. So,
24 starting with the definition, working up the change
25 process is important. Again, our intentions,

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1 Commissioner, is to look at a 50.59-like process.
2 Whether it's the same questions or similar ones,
3 that's the work that the task force has laid out that
4 needs to be done in the near future.

5 MR. SNIEZEK: Commissioner Remick, 50.59
6 wouldn't apply to these because it only applies to the
7 plant, the procedures and the task as described in the
8 FSAR. Most of these commitments are not in the FSAR.
9 But we'd use a similar type approach in this case.

10 COMMISSIONER REMICK: Is 50.59 so limited?
11 I didn't remember that.

12 MR. SNIEZEK: Yes, sir.

13 MR. TAYLOR: Yes. It's in the language.

14 COMMISSIONER REMICK: I see.

15 MR. PARLER: There's another point perhaps
16 that could be made in this context. That is the
17 definition of current licensing basis does include
18 commitments, but that definition is in Part 54 for
19 plant life extension. It is not in Part 50, at least
20 as far as I've been able to determine.

21 COMMISSIONER REMICK: I see. Thank you.

22 MR. ZIMMERMAN: Where we envision this
23 standing up is that we will provide the guidance
24 necessary to allow licensees to make changes to
25 commitments on their own and there also will be a

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1 population of certain commitments where they would
2 need -- licensees would need to come into us ahead of
3 time in order to get our approval, and we'll be
4 working at defining those criteria and working closely
5 with the industry on that.

6 CHAIRMAN SELIN: I would just like to stop
7 and say you have three characteristics of commitments
8 which indicate that this is certainly a fruitful area
9 for a lot of attention. Number one, they appear to be
10 pervasive and very expensive to the licensees. Number
11 two, they have a very vague basis in our statutory,
12 regulatory and precedent-setting pieces. And three,
13 in many cases we don't even know what they are. It's
14 hard to sit down and get an agreement as to what the
15 specific commitments are. You put all those together
16 and you say this is an area that really is worth
17 putting a lot of effort into regularize -- not only to
18 reduce, which is one of the objectives, but to put on
19 a better document and more predictable basis.

20 MR. ZIMMERMAN: I totally agree. It's
21 very fruitful.

22 CHAIRMAN SELIN: It also leads to the
23 further observation that at some point, not now, but
24 not in far -- I believe we're going to have to segment
25 the current licensing basis into areas which can be

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1 documented and set down. There's a lot of stuff in
2 the CLB which has very little to do with health and
3 safety and phone numbers where you call people, but we
4 are going to have to do a parsing of the CLB and say,
5 here's an area that we understand. Here's an area we
6 understand. Here's an area that we did -- this
7 vagueness comes back to bite us over and over again.

8 MR. ZIMMERMAN: Agreed.

9 (Slide) The next slide, please.

10 The action plan for commitment management
11 is that we plan to work closely with the industry in
12 public meetings and either endorse the industry
13 guidelines that are currently under development or to
14 develop our own and promulgate our own guidance. We
15 also plan to reassess the need for rulemaking after
16 we've gained some experience with the guidance, so
17 we're not ruling out the potential that rulemaking may
18 be appropriate down the road.

19 CHAIRMAN SELIN: I think we should have
20 the objective by some specific date, that for each
21 plant there should be available a list of the
22 commitments that we and the licensee understand to
23 have remained after the scrubbing is done. Now, it
24 may be that a whole lot of things can be ruled out as
25 not being that important anymore, but once it's done,

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1 my own personal opinion is there should be a document
2 someplace that says, "Between such and such a plant
3 and the NRC, the following commitments are mutually
4 recognized." Otherwise, when we can't even write them
5 down, I don't see how we can say that they are
6 effectively part of the current licensing basis.

7 MR. ZIMMERMAN: This effort then would be
8 aimed at getting to a manageable set of commitments
9 that could be agreed upon.

10 DOCTOR MURLEY: This will be discussed in
11 a forthcoming Commission paper, but I really don't
12 want to leave the impression that there's a lot of
13 oral commitments or things. All of these that I'm
14 aware of are on the docket somewhere described. But
15 we'll discuss this more fully in the paper.

16 CHAIRMAN SELIN: Okay.

17 MR. ZIMMERMAN: (Slide) If I could have
18 the next slide, please.

19 The next area for discussion is 10 CFR
20 50.54 plan changes. Licensees are required to have an
21 NRC-approved security QA and emergency preparedness
22 plan which implements their programs in each of these
23 areas. There's three separate plans. They plans
24 provide for plant and site-specific implementation
25 usually at a level of detail greater than the

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1 regulations themselves. The Regulatory Review Group
2 recommended rulemaking to allow changes without NRC
3 approval as long as the plan meets the regulations.
4 Currently QA security and emergency preparedness plan
5 changes require NRC approval if plan effectiveness is
6 reduced or decreased. This term, a "decrease in
7 effectiveness," is actually in the regulations, but
8 there's no guidance provided on what type of changes
9 are allowed without NRC approval.

10 Some licensees have over committed, as we
11 stated earlier, in plans and need NRC approval to make
12 changes under the current system. The staff intends
13 to provide the necessary guidance to allow licensees
14 to remove plan over commitments without prior NRC
15 approval by focusing on what constitutes a decrease in
16 plan effectiveness. We want to define with examples
17 what constitutes a decrease in effectiveness for each
18 of these plans.

19 COMMISSIONER ROGERS: Do you have any
20 quantitative measures of how many plants have made
21 over commitments and what this might amount to in
22 dollar savings? Any measures of that at all?

23 MR. ZIMMERMAN: I would not want to
24 provide them at this time. We can get back to you on
25 that. What I have done is tried to research in some

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1 areas submittals that have come in to get an idea of
2 what our acceptance and rejection rate has been
3 because I think by going back and looking at some of
4 the previously submitted plan changes and whether we
5 found them acceptable or not, it will provide us
6 insights to help us with our guidance development.
7 But I'm not in the position to really talk a dollar
8 amount right now, Commissioner.

9 COMMISSIONER ROGERS: It's really the over
10 commitment aspect of this that I'm particularly
11 interested in, when you have something.

12 MR. ZIMMERMAN: Okay. We will get back to
13 you.

14 COMMISSIONER REMICK: Don't we have other
15 parts -- I know we do -- of our regulations where
16 people can make changes as long as they don't decrease
17 and do we have guidance there that's necessary to --

18 MR. ZIMMERMAN: So that I'm clear, in this
19 area, as long as the plan effectiveness is not
20 decreased, the licensee can make the change without
21 NRC approval, but it's the vagueness of what a
22 decrease in effectiveness is. That's the point of
23 demarcation.

24 COMMISSIONER REMICK: But don't we have
25 other parts of our regulations that have similar type

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1 of working and people do submit or they do make,
2 excuse me, decreases and it's not -- without guidance,
3 without NRC guidance? What I'm really questioning, is
4 the guidance absolutely necessary?

5 MR. ZIMMERMAN: In this particular area,
6 the term "decrease in effectiveness or reduction in
7 effectiveness is used and I can't recall that
8 terminology being used in other areas where a licensee
9 needs to make the determination -- make the call on
10 whether they need to submit it to the NRC or not.
11 50.59 has its own set of questions and there is
12 guidance that exists that we have issued and that
13 NUMARC has issued to help in that area. But I believe
14 the biggest problem that we currently have is that we
15 do not have guidance on the street in this area. I
16 think by providing that and by providing
17 illustrations, examples, of what does and does not
18 constitute a decrease in effectiveness, that will
19 remove and clarify for the licensees. They'll feel
20 that they're in a much better position to make the
21 call with comfort that the NRC supports their
22 conclusion that they don't need to come to us first.

23 COMMISSIONER REMICK: So, you don't think
24 then, if that's the case, that an amendment to the
25 regulations would be necessary? Is that the gist?

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1 MR. ZIMMERMAN: This is another area like
2 the prior one where we feel guidance is the
3 appropriate course of action now, and then to hold the
4 option for rulemaking to a later date to see, after
5 we've lived with the guidance for a period of time,
6 whether we need to go further. The concern is if we
7 went to rulemaking now, the variabilities in the
8 different plants based on their age, their regulatory
9 history, are different. What may appear as an over
10 commitment may very well not be for a particular
11 licensee. If we went to rulemaking and had to fight
12 some of those battles individually, it could be a
13 rockier road than the one that we've laid out. We
14 think that this is a smoother transition by providing
15 the guidance.

16 COMMISSIONER REMICK: Well, it certainly
17 makes some sense. However, I thought, and maybe I'm
18 wrong, I thought I read it in the Regulatory Review
19 Group report, that we do have cases in the regulation
20 similar to this that people can make changes --

21 MR. PARLER: Commissioner Remick, there
22 are at least three areas that I'm familiar with from
23 looking at the regulations as well as from our
24 recollection of the report. The quality assurance
25 area, the safeguards, physical safeguards

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1 effectiveness area and also the emergency planning
2 area, and each of those areas or regulations do
3 include the phrase "do not increase the effectiveness
4 of the plant," et cetera.

5 COMMISSIONER REMICK: But not others, is
6 that it? I was under the impression that --

7 MR. PARLER: There may be others, but
8 those are the only ones that I'm sure of right now.

9 COMMISSIONER REMICK: Yes. And these are
10 the ones that the staff seems reluctant to forge ahead
11 with rulemaking at this point. In every case I
12 noticed that you were taking what the review group
13 recommended and suggesting alternatives which are
14 basically a more go slow, develop guidance and so
15 forth. Am I correct?

16 MR. ZIMMERMAN: That's correct. We are
17 not ruling out going to rulemaking in the future. But
18 again, we do see some -- what could be some conflicts
19 or additional hurdles in going to rulemaking
20 initially. It may not be necessary. What we can do
21 is look at whether there is already existing guidance
22 that does exist on a decrease in effectiveness and use
23 it to the extent possible and build upon that.

24 COMMISSIONER REMICK: I understand your
25 caution. I was hoping that we don't take too long so

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1 that people can feel free to make changes that are
2 justified and so forth and if that does require
3 ultimately rulemaking, then we eventually come to that
4 conclusion. If it doesn't require it, we can do it
5 more simply, I certainly favor it. I understand your
6 caution.

7 MR. ZIMMERMAN: We clearly feel, as did
8 the Regulatory Review Group, that this is an important
9 area for burden relief. That's why in our mind we
10 viewed it as what we termed a priority one item from
11 a burden standpoint and we'll work aggressively to put
12 out the guidance in a timely way.

13 MR. PARLER: The issue that is being
14 discussed is an issue that would be common under any
15 performance-oriented rule as contrasted with a
16 prescriptive rule. So, it's perhaps generically that
17 eventually there should be some way to work out how
18 the acceptable guidelines could be changed, et cetera.

19 COMMISSIONER REMICK: Just off the top of
20 my head, how about training? People can make changes
21 to their training programs and so forth. I'm still
22 thinking that somewhere I recently read in a staff
23 document that there are other example areas, but let's
24 not pursue it now.

25 MR. ZIMMERMAN: We will look for those.

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1 CHAIRMAN SELIN: But I would like to come
2 back to one point and make sure I don't understand
3 this incorrectly. You're not arguing -- I don't hear
4 you arguing that we're going to do less than the RRG
5 report recommends. I hear you arguing that you
6 believe we may be able to achieve the same results of
7 anything faster by not going to rulemaking, but
8 through guidance.

9 MR. ZIMMERMAN: Exactly. Exactly. We
10 don't view this as any less significant.

11 CHAIRMAN SELIN: There is a fundamental
12 question I think that's been sort of fuzzed over. If
13 the standard is can people simplify the rules without,
14 in effect, reducing the safety margin, should they be
15 able to go ahead quickly? That's one standard. A
16 second standard is different, which is if a plant came
17 in and said, "You know, we've committed to a safety
18 margin that's excessive," our regulations don't allow
19 them to change. So, if you're talking about having a
20 clear way to decide whether the impact on regulatory
21 performance is negligible, you get one set of things.
22 If you get a second case and say, "Well, we just think
23 we've over committed in the sense that we've committed
24 to a level of regulatory performance beyond what is
25 required," then that's a much tougher situation. That

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1 probably would require rulemaking. Once commitments
2 are made, our rules require that the regulatory
3 performance not be impacted. Maybe you could argue
4 impacted significantly.

5 MR. ZIMMERMAN: Well, that's what we'll
6 need to address in the guidance where we try to spell
7 out what, in fact, is a decrease in effectiveness of
8 the plan. From the RRG's point of view, as long as
9 you meet the regulations, if there are over
10 commitments then the licensees ought to be able to
11 change those without coming to us first. From a
12 purist standpoint, I'm in full agreement with that
13 approach.

14 CHAIRMAN SELIN: You'd better be careful.
15 There's a big difference between saying the decrease
16 in effectiveness in plain English is not the same as
17 meeting the regulations. If they already exceed the
18 regulations and then they drop back to meet the
19 regulations, that's clearly a decrease in
20 effectiveness. Whether we should require that
21 decrease or not is a different -- but there are two
22 levels of test. So, what I'm suggesting is we at
23 least concentrate on the relatively easy level, give
24 people clear guidance about what it takes to show that
25 there isn't -- or to be prepared to show that there's

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1 no decrease in effectiveness and let those get taken
2 care of and spend some time thinking about how much
3 further and what form would be taken to let people get
4 back to working to rule, if they're already beyond
5 that in their current set of commitments and their
6 current operational regime.

7 MR. ZIMMERMAN: Understand.

8 CHAIRMAN SELIN: I'm not expressing a view
9 of the desirability of either one of these positions
10 at this point, but they are quite different tests.

11 MR. ZIMMERMAN: Understand. And again, I
12 think one of the best means of communication in this
13 topic area is going to be through actual examples that
14 we're considering using as our method of explaining.
15 There's a lot of training that's going to be necessary
16 in this area, both internally and with the industry,
17 again for there to be a smooth transition in this
18 area. This is not, in our mind, a simple issue. It's
19 clearly one that needs to be done in a timely way and
20 we are setting out to get that guidance as quickly as
21 possible.

22 DOCTOR MURLEY: May I make a comment
23 without -- I hope I can clarify it. In many ways this
24 is similar to what we're doing in the CBLA effort.
25 That is, for whatever reason, over the years people

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1 have made over commitments that go beyond perhaps the
2 minimum regulations. They can change those over
3 commitments, but it takes approval on the part of the
4 staff. In the CBLA effort, for example, sometimes
5 they've been embodied in tech specs. Here they've
6 been embodied in a plan.

7 CHAIRMAN SELIN: In commitments, right.

8 DOCTOR MURLEY: So, in either case, with
9 the review of the staff, they can be relaxed. But
10 what Roy is talking about is here we're trying to see
11 if we can come up with some generic guidance based on
12 specific examples where people can change their plan
13 and know that it's been preapproved by the staff.

14 CHAIRMAN SELIN: The criteria I was
15 talking about -- I mean two separate cases. One is
16 somebody has some overly prescriptive criteria and it
17 turns out on analysis there really isn't much
18 contribution to safety and that commitment can be
19 dropped. A second is some plant is operating at a 10^{-7}
20 core melt probability and they say, well, really
21 that's beyond the standards of the industry and we
22 want to drop some steps we're doing, but it would
23 reduce an increase in the core melt frequency by an
24 order of magnitude. Those two would clearly be
25 handled in very different fashions without prejudging

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1 how they would come out. I think the main emphasis is
2 on steps that really are marginal to safety, not on
3 changing the standards for people who run much lower
4 risk plants than other operators might.

5 MR. ZIMMERMAN: Understand.

6 COMMISSIONER REMICK: I must admit I'm a
7 little confused at the moment. Let me -- the
8 recommendation, as I remember it in this area was that
9 the regulations be view as minimum standards and if
10 people are exceeding the regulations, that they be
11 allowed to make changes as long as they meet the
12 regulations. It's not clear to me now. Is that what
13 you are looking at, whether you can do it through
14 proper guidance or whether it ultimately would require
15 rulemaking? Is that the direction you're going or
16 have you rejected that concept, as I understood it, of
17 the review group that the regulations represent
18 minimum standards?

19 MR. SNIEZEK: The review group took it as
20 the regulations constituting minimum standards. One
21 of the things that we're looking at right now but
22 we're not prepared to discuss formally with the
23 Commission is a 50.59-type definition, for example
24 pertaining directly to area security. We would say,
25 "You do not decrease effectiveness in the area of

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1 security if you meet A, B, C, D." The original
2 concept of that would be as part of the regulations.
3 Right now we could issue that as guidance, defining
4 what decrease in effectiveness means in the area of
5 security, for example. You can do the same thing in
6 the area of quality assurance or EP or eventually fire
7 protection, with different sets of words to describe
8 what it meant. That was the concept.

9 COMMISSIONER REMICK: Yes. I understand
10 that. But on the question of are we accepting -- is
11 the staff accepting the Regulatory Review Group
12 recommendation that the regulations be viewed as
13 minimum standards?

14 MR. SNIEZEK: That's still being examined.
15 I don't think that the final answer has come out on
16 that one yet.

17 COMMISSIONER REMICK: Okay. But you
18 haven't rejected it or accepted it, is that right? As
19 I viewed it, that was the bottom line.

20 MR. ZIMMERMAN: We haven't rejected it,
21 and it differs depending on which plan. The security
22 plan is much more concise and has the blend of
23 prescriptiveness and performance base that makes it a
24 good candidate and we'll talk about that in a minute.

25 QA is very spread out. The regulations --

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1 to meet the regulations there are many ANSI standards
2 and regulatory guides that are part of the regulations
3 and it's spread out and it's different from plant to
4 plant. So, again, it gets into the age and regulatory
5 history and the concern is that although the RRG's
6 recommendation from a purist standpoint to me makes
7 sense, the implementation is difficult because it's
8 difficult to define what meeting the regulations is in
9 all cases.

10 COMMISSIONER REMICK: Yes. No, I agree.
11 I agree.

12 MR. ZIMMERMAN: (Slide) Okay. Next
13 slide, please.

14 As I just indicated, security is an area
15 that is quite complete in its regulations when
16 compared to another functional area such as quality
17 assurance where there's variety of reg. guides and
18 ANSI standards that are the implementing vehicles.
19 So, the staff intends to initially develop the
20 guidance in the security area. There's a public
21 meeting being arranged with NUMARC next month to
22 discuss the development of the guidelines. We are
23 looking at developing the guidance which, again, would
24 include examples during the June time frame and again,
25 as I mentioned, staff training and communication with

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1 the industry is going to be very vital in this area
2 for it to be successfully accomplished. We also will
3 hold on to the prospect of rulemaking until we see the
4 success we have with our guidance approach.

5 We also plan a similar approach in the
6 quality assurance area that will follow several months
7 behind security. This will be integrated with the
8 graded QA initiative and perhaps we may even implement
9 one of the pilot programs that I discussed earlier in
10 this particular plan change mode.

11 Fire protection and emergency preparedness
12 are two areas that we will hold currently and work the
13 security and QA areas first, learn from those
14 experiences and then consider whether it's appropriate
15 to follow a similar path in fire protection and
16 emergency preparedness.

17 (Slide) Next slide, please.

18 We move now to in-service testing
19 requirements. The Regulatory Review Group endorsed
20 the staff plans to provide generic approval for the
21 most recent update of ASME code. This is a good
22 example where the staff efforts will reduce burden on
23 licensees and also significantly reduce burden on the
24 staff as well. This initiative will allow licensees
25 to use the most recently approved version of the ASME

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1 code, which is the 1989 version, without having to
2 explicitly come in to us and request its use.

3 The vehicle that will accomplish this will
4 be a NUREG attached to a generic letter with the
5 details in the NUREG document. This NUREG will also
6 provide a compilation of many previously granted
7 relief requests and acceptable alternate methods that
8 the staff has accepted over past years and will allow
9 licensees to voluntarily use this document to request
10 similar changes in their IST program. So, it's taking
11 advantage of lessons learned and enhancements that
12 have been made over the years and lays out the process
13 by which the licensees can expeditiously come in to us
14 for a similar action. It's very similar to the tech
15 spec line item improvement approach, in this case that
16 will be in their IST program.

17 It's expected that this should reduce the
18 number of scheduler exemption requests by about two-
19 thirds. That translates when you use the most recent
20 version of the code compared to a prior and older
21 version, can result in a reduction from about 3,000
22 relief requests down to 1,000. So, there is
23 significant burden reduction for licensees and the
24 staff on this item.

25 (Slide) Next slide, please.

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1 COMMISSIONER ROGERS: You didn't say
2 anything about the public workshop.

3 MR. ZIMMERMAN: There is a public workshop
4 that is scheduled in February where the staff will
5 review the draft generic letter and draft NUREG with
6 the public and listen to their comments to factor into
7 the final generic letter and NUREG document.

8 COMMISSIONER ROGERS: Do you see any
9 particular problems there? This seems like a rather
10 straightforward situation.

11 MR. ZIMMERMAN: I believe it will turn out
12 to a fairly straightforward item.

13 The generic letter is currently going out
14 for public comment and this is, again, an item that
15 can be a very good success story for all involved. We
16 look at having the generic letter out by the September
17 time frame, just giving us enough time to review the
18 public comments that come in.

19 (Slide) Next slide, please.

20 Moving on to reporting requirements, the
21 Regulatory Review Group recommended a review of
22 reporting requirements and limiting those that are
23 unnecessary. The RRG effort was focused primarily on
24 Part 50 and technical specification reporting
25 requirements. There was also a much more extensive

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1 review of reporting requirements conducted by a
2 reporting requirements task force within NRR which
3 solicited comments from the public and the industry.
4 This task force then looked over those comments and
5 selected eleven which were viewed as very good
6 candidates for modification or elimination.

7 The public was very active in providing
8 the recommended changes in various reporting
9 requirements to this Reporting Requirements Task Force
10 and there were slightly less than 100 reporting
11 requirements that were suggested for elimination and
12 modification. So, there was about a ten percent
13 sample that was taken by this task force.

14 COMMISSIONER ROGERS: Where did those
15 comments come from? You said the public and industry.
16 What were the public non-industry comments? Where did
17 they come from?

18 MR. ZIMMERMAN: My recollection is there
19 were some comments that came from some organized
20 citizens groups that provided some suggestions in
21 terms of making sure that we don't go too far in using
22 reporting requirements. The vast majority though were
23 supplied by NUMARC and by individual utilities.
24 Those are the very small portion that were supplied by
25 non-utility individuals or firms.

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1 COMMISSIONER ROGERS: Well, were those
2 negative or just mixed?

3 MR. ZIMMERMAN: From the industry?

4 COMMISSIONER ROGERS: Non-industry.

5 MR. ZIMMERMAN: The non-industry, the
6 message is that the RRG received in total -- again,
7 this came into the reporting requirements task force,
8 but there's a similar thread that runs through much of
9 the RRG recommendations and the comments that were
10 provided by the industry in many cases indicated to go
11 slow and to make sure that we are not affecting our
12 defense in depth.

13 (Slide) Next slide, please.

14 The action plan in this area is initially
15 to implement the RRG and Reporting Requirements Task
16 Force recommendations and either eliminate or modify
17 the reporting requirements that those groups
18 suggested. Then, as a second phase, as a result of
19 the large number of public comments that were received
20 that have not been reviewed yet, the second phase of
21 the action plan will be to review all of those public
22 comments and determine if additional reporting
23 requirements can be eliminated or modified and then to
24 carry that action out as well.

25 COMMISSIONER REMICK: An incidental

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1 question. If I recall, there's a reg. guide or a
2 NUREG, I don't know, it's been a long time since I've
3 seen it, that lays out reporting requirements.

4 MR. ZIMMERMAN: Right. It's a NUREG.

5 COMMISSIONER REMICK: Is that kept up to
6 date? I don't think it's just limited to reactor
7 licensees, if I recall.

8 MR. ZIMMERMAN: I've seen the document,
9 Commissioner. It is a NUREG document. I think it's
10 fairly recent, within the last few years, but I can't
11 answer your question on what its update frequency is.

12 COMMISSIONER REMICK: I was just curious.

13 MR. TAYLOR: We'll get that for you. AEOD
14 has been working a -- I think it's NUREG-type report
15 on reporting requirements. That's about finished.
16 That had a lot of --

17 COMMISSIONER REMICK: I see. Okay.

18 MR. TAYLOR: But I believe that's probably
19 what you're referring to and that's almost finished.

20 MR. TAYLOR: Great. Fine. Thank you.

21 MR. ZIMMERMAN: (Slide) Next slide,
22 please.

23 This slide provides examples of potential
24 reporting requirements that can be reduced or
25 eliminated, items such as the quarterly submittal of

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1 the security logs. Although they will no longer be
2 submitted with the proposed action that we have here,
3 the logs would still be available on-site for
4 inspector review. Similarly, at the bottom of the
5 slide, certain types of equipment that are inoperable,
6 we do have resident inspectors that are on-site that
7 are familiar with what equipment is out of service at
8 their facilities.

9 (Slide) Next slide, please.

10 We talked briefly about direct inspection
11 effort. From a burden standpoint, out inspections
12 expend licensee resources in terms of the support
13 that's necessary to answer our questions and to
14 provide us documentation. We also spoke earlier in
15 this meeting about fee recovery. That's a burden
16 associated with that as well. The RRG recommended
17 eliminating conflicting management objective generated
18 by direct inspection effort goals and staffing levels
19 and accelerating DIE reduction to fiscal year '94.

20 The goal here on the direct inspection
21 effort issue is to provide the flexibility to the
22 regional administrators so that they don't have to
23 expend a certain percentage of inspection resources
24 whether it is felt that the inspection needs to be
25 conducted or not. Currently those DIE goals can be in

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1 conflict with the actual staffing levels in a given
2 functional area. The intent here also is not
3 necessarily that the number of inspectors will be
4 reduced, but that their allocation of time can change
5 in terms of preparation for inspection, analysis of
6 inspection findings, trending of licensee performance.
7 There will be more time spent on those activities and
8 they may spend more time on activities unrelated to
9 inspections as well. That's a possibility.

10 MR. SNIEZEK: Let me address that. I
11 don't think that was what the Reg. Review Group had in
12 mind as we went through it. Right now for our
13 regional-based inspectors we have a direct inspection
14 effort goal of approximately 600 hours on-site
15 inspecting. That's what they're hired to do, to
16 inspect. But what we were driving at, at least I was
17 driving at, is you cut the number of inspectors but
18 you still get your 600 hours of on-site time because
19 inspectors by their nature don't like to travel and be
20 away from home. If you start cutting those goals,
21 you're going to find you're not going to get the
22 utilization of what you're paying them for, to be on
23 the site finding what's going on and being the eyes
24 and ears of the NRC,

25 So, I don't think you said that quite

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1 right.

2 MR. ZIMMERMAN: Okay.

3 COMMISSIONER ROGERS: So, your point is
4 that the scope would not change, but the numbers of
5 inspectors --

6 MR. SNIEZEK: The numbers of inspectors
7 would decrease, but you'd still get your on-site time
8 from them. You may take those FTE, you save a number
9 of inspectors and use them in license renewal or
10 someplace else, but they'd no longer be classified
11 necessarily as inspectors. But if we don't have high
12 expectations on our inspectors being out there and
13 seeing what's going on, that will cut back very fast
14 because people don't like to travel.

15 MR. ZIMMERMAN: Okay. The NRR assessment
16 of our inspection program that's done annually, last
17 summer identified that the right amount of inspection
18 resources is being expended on the weak and average
19 performers, but that we are probably over expending on
20 our better performers, that by looking at the SALP
21 ratings and comparing them to the amount of total
22 inspection hours, the expectations that NRR expected
23 to see was not prevalent. The assessment from last
24 summer also talked about increasing the focus on root
25 cause analysis, licensee corrective action programs

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1 and self-assessment.

2 The action plan includes providing credit
3 to licensees for their own self-assessment by
4 selectively reducing inspection effort in areas
5 receiving thorough licensee self-assessment. We've
6 been performing some pilots in that regard in some of
7 our team inspections recently.

8 Also plan on reexamining the distribution
9 by functional area, which is also ongoing, to take a
10 look at currently what is our resource expenditure and
11 security and emergency preparedness and engineering
12 and making sure that we have the breakdown that we
13 feel is appropriate. Also to improve the distribution
14 of inspection resources, as I mentioned earlier, based
15 on licensee performance. Then we've also built in a
16 feedback mechanism down the road in September of '95
17 that as we do our annual assessments we'll assess if
18 we need to do something special in light of the
19 changes that are made, as we've discussed here. Being
20 that this area is a dynamic one, we may choose in our
21 later assessments to take some additional measures to
22 make sure that we feel we're performing the right
23 amount of inspections.

24 COMMISSIONER de PLANQUE: Before you go
25 on, correct me if I'm wrong, but I thought I saw in

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1 the report that the inspection hours for the poor
2 performers and the average performers were okay. If
3 you're suggesting that we're over inspecting the good
4 performers, how does that square with keeping the
5 number of hours the same?

6 MR. SNIEZEK: You keep the number of hours
7 per individual inspector. You cut the number of
8 inspectors for region-based inspectors.

9 COMMISSIONER de PLANQUE: But you're
10 keeping the number of hours of inspection the same?

11 MR. SNIEZEK: For an individual inspector,
12 we expect them to get 600 hours on-site.

13 COMMISSIONER de PLANQUE: Oh, so it's a
14 total hours that you're still decreasing.

15 MR. SNIEZEK: Instead of having 200
16 inspectors, you've dropped back to 150.

17 COMMISSIONER de PLANQUE: All right.

18 MR. SNIEZEK: And you still keep them at
19 600 hours a person for inspection.

20 COMMISSIONER de PLANQUE: Okay. So then
21 you're decreasing actually the total hours of
22 inspection.

23 MR. SNIEZEK: Yes.

24 COMMISSIONER de PLANQUE: Okay.

25 COMMISSIONER REMICK: Yes. I

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1 misunderstood too, Jim. I thought you were talking
2 about the number of hours of inspection per plant.
3 You're talking about per inspector.

4 MR. TAYLOR: Right.

5 MR. SNIEZEK: You would also reduce the
6 number of hours for the good plants total.

7 COMMISSIONER REMICK: Yes. I
8 misunderstood what you were initially saying.

9 MR. TAYLOR: We have goals for resident
10 and for region-based, so many hours of direct
11 inspection time.

12 MR. ZIMMERMAN: (Slide) The next slide,
13 please.

14 The next topic area is fire protection.
15 The Regulatory Review Group recommended several
16 changes, including changes to the regulatory guidance
17 and staff practices in the fire protection area and
18 looking to make Appendix R more performance-based.
19 However, as a result of the ongoing fire protection
20 barrier issues remaining unresolved, action is
21 deferred on the recommendations of the RRG. After
22 resolution of the fire barrier issues, it's our intent
23 to review the RRG recommendations again and reconsider
24 what actions are appropriate.

25 CHAIRMAN SELIN: Could I just stop you for

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1 a second? There are a number of quite different types
2 of issues that are involved in the barriers question.
3 I think it's important to distinguish between them.
4 My own view is we're not about to change the idea that
5 if you have improper separation but a suppression
6 system, whatever barrier you have, however decided,
7 has to last for an hour and without the suppression
8 system three hours. Those are -- arbitrary or not,
9 those have a long history and they should be carefully
10 examined before changed.

11 On the other hand, I don't see anything
12 wrong with reexamining the temperature profile, the
13 placement of the sensing the thermocouples, some of
14 the what do you mean by one hour and what do you mean
15 by three hours as we learn from the experience of the
16 standard setters and as we take a closer look at how
17 power plants compare to the facilities that were set
18 up.

19 So, I personally don't see that there
20 needs to be a blanket rule that says we're not going
21 to reexamine anything to do with fire barriers until
22 the tests are done. How the tests are conducted, how
23 things are measured and how these are related to
24 sample fires, et cetera, are very different from this
25 basic 20 feet, one hour, three hour set of criteria.

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1 So, from my point of view, which is not
2 the Commission, but I have pushed the staff on this,
3 I don't think you should over interpret it and say
4 nothing can be done until all these are done. If it
5 makes sense to take a look at some of the temperature
6 profiles or some of the thermocouple placements, et
7 cetera, that should --

8 MR. TAYLOR: I think that's going on.
9 Wouldn't you say so, Tom? I believe we didn't mean to
10 imply that we weren't looking at that as appropriate.
11 As a matter of fact, some of the licensees are putting
12 in information.

13 COMMISSIONER REMICK: I certainly join in
14 with what the Chairman has just said. In fact, fire
15 protection is far more than just fire barriers. There
16 are other aspects of Appendix R that should be
17 reviewed and I hope we wouldn't necessarily defer that
18 because of --

19 MR. TAYLOR: We're not.

20 Tom, do you have any idea of any deferral
21 when looking at other aspects?

22 DOCTOR MURLEY: No. In the sense that
23 we're continuing to look at the broad aspects of
24 Appendix R, that's going on, yes.

25 COMMISSIONER REMICK: Thank you.

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1 CHAIRMAN SELIN: How shall we interpret
2 this chart, as saying in the context of the Regulatory
3 Review Group this is deferred while action goes on in
4 parallel or how do we square the circle on this?

5 MR. SNIEZEK: Mr. Chairman, I'd ask Frank
6 Gillespie to describe what the Reg. Review Group
7 recommendation was and therefore what would be
8 deferred.

9 CHAIRMAN SELIN: Well, that's an unusual
10 concept.

11 MR. GILLESPIE: This is actually a
12 parallel. This was a parallel recommendation to the
13 security EP and other things that were in 50.54 and
14 that there's a generic license condition that again
15 says do not do anything that reduces. It's your
16 ability to achieve and maintain shutdown. It's a
17 similar situation in here. Remember, a major finding
18 of the review group was that the body of regulations
19 appeared to us to be fundamentally sound. If the body
20 of regulations are fundamentally sound in these areas,
21 there seemed to be an expectation that people should
22 meet the regulations and anything that's happened to
23 cause them to go beyond the regulations should be
24 basically their choice or we should have made it a
25 condition of license.

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1 So, this is exactly the same as security.
2 I think what Roy is saying right now is they don't
3 want to take -- they're not sure that they'd want to
4 step out on that recommendation, the recommendation
5 that the rule is specifically sound as applies to fire
6 protection.

7 And I think it's a narrow comment that
8 you're making, Roy, that you don't want to take that
9 recommendation.

10 MR. ZIMMERMAN: That's correct.

11 CHAIRMAN SELIN: Okay.

12 MR. ZIMMERMAN: (Slide) Okay. The last
13 slide, if I could. This slide describes the
14 maintenance and change mechanism for this
15 implementation plan. We view the implementation plan
16 as a living document and intend to maintain it so.
17 The offices will provide status to the EDO every six
18 months and if there are changes, the Commission will
19 be kept informed and the Commission will also be kept
20 informed of the status of the implementation of the
21 plan.

22 MR. TAYLOR: That concludes our
23 presentation.

24 CHAIRMAN SELIN: I have a number of
25 remarks. First of all, this is an excellent

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1 presentation. Very well done. The whole effort is to
2 be commended.

3 Speaking for myself, I am not personally
4 prepared to make a blanket statement and say the
5 regulations are adequate, whatever that means, until
6 I could see what difference that would mean in
7 practice between what we have in practice and what
8 that statement would imply in different areas. I'm
9 very comfortable when people go in and say, practice
10 is too prescriptive. We're doing a whole lot of
11 things that are marginal to safety. We believe that
12 there's a whole set of changes that could be made
13 without having a noticeable impact on safety.

14 But when you go beyond that and say that
15 some areas we have required measures not because
16 they're prescriptive, but they'd have a greater impact
17 on the probability of a core melt or the probability
18 of -- beyond what was foreseen in the regulations, I
19 personally would like to see some evidence of that
20 before I just flat out say the regulations are
21 adequate, because I don't know what that means.

22 Certainly from a legal point of view we
23 have to take the position our regulations are adequate
24 and we don't enquire beyond our regulations. But I
25 would personally like to see what steps one has in

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1 mind that would be permitted if you said the
2 regulations are adequate, but would be prohibited if
3 you just said things, marginal safety could be --

4 So, from one Commissioner you're getting
5 a "be cautious about going beyond that point." I know
6 that was the RRG's recommendation, but I would need to
7 say, "Show me what difference it would make in
8 practice between this definition and that definition."

9 The second thing is this is really a very
10 good job. You've done an excellent job of consensus-
11 building within the staff. I remember not too long
12 ago a whole lot of promises of foot dragging and
13 pulling back and forth. I think that's to be highly
14 commended. I believe that the foot dragging for its
15 own benefit seems to have been minimized and I
16 certainly would applaud the extension of probabilistic
17 methods.

18 I would like to go back to chart 2,
19 please, for a moment. The point I would make is that
20 there's nothing on this chart -- right now there's no
21 chart, but there's nothing on this chart that's new.
22 So, I believe Mr. Taylor said and I think Mr.
23 Zimmerman said that there are a lot of ongoing
24 approaches. So, the key is not to be able to write
25 another good report, but to see a reduction in

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1 reporting requirements and simplification of these
2 procedures. None of these has been mentioned for the
3 first time. The Agency has been fighting for years to
4 figure out how to apply probabilistic methods. Every
5 time we look at a report reduction technique, we come
6 up with some report that we're going to do on a
7 quarterly basis instead of a -- I mean on an annual
8 basis instead of a quarterly basis. Hardly a
9 revolutionary radicalization of streamlining of the
10 reporting thing.

11 So, to carry out the things you've talked
12 about, I am, I think with Commissioner Remick,
13 concerned that we not go too slow, but I'm more
14 concerned to make sure that -- not that we go too fast
15 or we go too slow, but do we see the real progress
16 that everybody has seen in these studies? Everything
17 you've said is encouraging, the steps you're taking,
18 the recognition. It is a big deal. But the test is
19 not the quality of the report, but the executive
20 capability, the execution of the significant
21 improvements that have been promised and held up. I
22 hope that's where the main effort will be. Not so
23 much the discussion of should we do this or should we
24 do that, but how are we going to make sure that we
25 carry out those things that we've already agreed are

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1 good points.

2 Commissioner Rogers?

3 COMMISSIONER ROGERS: Yes. Well, I
4 certainly support those comments of the Chairman.

5 I have a couple of just little detail
6 questions in the implementation plan before I wanted
7 to make any other comments. In the SECY, page 3 of
8 the description of the action plan, the implementation
9 plan itself, a question about item 8 on page 3 which
10 relates to defining the current licensing basis. I'm
11 just a little puzzled as to why that was assigned a
12 priority 3. It does seem to me that with all the
13 other activities that somehow or other impinge on this
14 question, that it might be a higher priority. Now, I
15 wonder if you could just comment on that?

16 MR. ZIMMERMAN: Sure. I think part of it
17 may be in the definition of priority that we set up.
18 For our task group. we based our priority solely on
19 burden reduction. From a burden reduction standpoint,
20 we did not see moving the definition from Part 54 to
21 Part 50 as reducing burden on either the licensees or
22 ourselves. It's a point of clarification. I think
23 there's confusion in the industry with it being absent
24 from Part 50 and there is a desire to, if there's a
25 need to make changes to the definition, then to make

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1 those changes and then have a similar definition in
2 both Part 50 and Part 54. Being that there is
3 rulemaking underway in Part 54 now, we felt that --

4 COMMISSIONER ROGERS: Sort of tie those
5 two together?

6 MR. ZIMMERMAN: Tie those two together.

7 COMMISSIONER ROGERS: All right. Okay.
8 Just to make sure that somehow that 3 doesn't mean
9 that it's not 3 for all purposes.

10 MR. ZIMMERMAN: No, not at all.

11 COMMISSIONER ROGERS: For some purposes
12 it's number 1.

13 MR. TAYLOR: It's important to other
14 arenas.

15 COMMISSIONER ROGERS: Right.

16 MR. SNIEZEK: Commissioner Rogers, that
17 priority doesn't necessarily mean how much resource is
18 going to be applied to it or affect the schedule. It
19 was to bin things as far as burden reduction, just
20 like Roy said.

21 COMMISSIONER ROGERS: For that burden
22 reduction purpose alone?

23 MR. SNIEZEK: Right.

24 COMMISSIONER ROGERS: Well, that helps me.
25 Yes, just a little question on page 10, on

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1 the item 39. Could you just say a little word about
2 what that relates to? There was a recommendation to
3 add a discussion to the regulatory agenda that
4 describes how rulemakings are prioritized. Does this
5 involve anything more than simply bringing together
6 our thoughts in one place and putting them down in
7 clear English? Is that what's involved there?

8 MR. ZIMMERMAN: That's really what this
9 boils down to, is that the public user that looks at
10 the regulatory agenda, unless they're very familiar
11 with our operation, there could be difficulty in
12 understanding where a particular proposed rulemaking
13 stands. By providing an abstract guidance that
14 explains what the prioritization scheme is, what the
15 future holds for the particular rulemaking that the
16 person is trying to look up, that's what this is aimed
17 at doing, is make the regulatory agenda a more user
18 friendly document by providing additional information
19 on how we prioritize the rulemakings and where it
20 stands in the process.

21 COMMISSIONER ROGERS: Why was IRM selected
22 to be the lead office on that, because it is simply
23 the bringing together of other things from the other
24 offices? Is that what it --

25 MR. ZIMMERMAN: They publish the

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1 regulatory agenda, but the lead office is just that.
2 They will be the ultimate responsible organization,
3 but there are other offices clearly in this area as
4 well that come into play in supporting completion of
5 the action item. We chose just to put down the lead
6 office and not the offices that will support IRM.

7 COMMISSIONER ROGERS: Okay. Good.

8 Page 16, item 61 had to do with revising
9 the rule to address the office space necessary for
10 resident inspectors and the action plan said no
11 problems exist with current implementations. What
12 happened there before RRG and the implementation plan
13 folks deciding that there was no problem?

14 MR. ZIMMERMAN: I think there is good
15 agreement between the RRG and the implementation task
16 force on this. The RRG identified the fact that the
17 regulation is not perfect and it could be improved.
18 But the RRG also felt that they were not aware of any
19 problems that actually existed. So, we did some
20 simple checking to ensure that there was not an
21 ongoing problem and felt that we're better off
22 spending our resources in another area.

23 COMMISSIONER ROGERS: It's just that I
24 thought if RRG flagged it, then --

25 MR. ZIMMERMAN: Not because they felt

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1 there was a problem as much as administratively the
2 regulation could be improved.

3 COMMISSIONER ROGERS: All right. Very
4 good. I wonder if Mr. Gillespie could comment a
5 little bit from his point of view as heading the RRG
6 effort what doesn't seem to be in the implementation
7 plan that was in the RRG recommendations? Is there
8 anything that stands out in your mind as to any
9 omissions?

10 MR. GILLESPIE: No. I think everything
11 has been covered. I mean, the RRG effort I think did
12 two things. It formed a focal point for a lot of
13 things that were going on. It probably had its
14 largest impact on what the industry saw relative to
15 responsiveness in the interactions that are going on.
16 An example would be the quality assurance group set up
17 by NUMARC, which is now interfacing with the staff;
18 the threshold working group that NUMARC had taking a
19 focus, which is also now into the quality assurance
20 area, in taking the recommendation to catalogue things
21 or grade things by risk perspective.

22 So, I think it's covered all the basis and
23 has achieved, as any report does that's advisory in
24 nature, you take the advice and you develop consensus
25 on how to approach it with the line management, which

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1 is what's happened with this plan, so I think as a mix
2 it's coming off very well.

3 COMMISSIONER ROGERS: Just a question with
4 respect to the overall oversight of the implementation
5 plan, will there be a single person point of contact?
6 Will you remain as that, Mr. Zimmerman, for pulling
7 all these activities together? It seems to me there's
8 going to be a host of things going on here and it's a
9 pretty large responsibility.

10 MR. SNIEZEK: Roy, as far as I know, will
11 be the lead in the office of NRR to make sure it
12 happens in NRR. From the broader Agency perspective,
13 my relief, Jim Milhoan, will have that responsibility
14 and some member of his staff will be tracking it to
15 make sure that things are happening on schedule and we
16 know of any deviations from schedule. That will take
17 place in the EDO's office.

18 COMMISSIONER ROGERS: Because I think, as
19 the Chairman has pointed out, that it's very
20 important, not only that the good thinking that's gone
21 into this at this point exists, but also that it fully
22 is carried out and that means continuing to push
23 because these activities, as we know, for good
24 reasons, as was pointed out earlier with respect to
25 safety priorities, tended always to wind up at the

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1 bottom of the heap and never really get -- many of
2 them, at any rate, never get much attention.

3 Now we've decided we really want to see
4 this cleaned up and it does mean that there is a
5 driver in back of it because it just can easily start
6 to settle down into a rather low-paced effort if we
7 don't let it.

8 I wanted to say that I was really very
9 pleased with not only Mr. Gillespie's group's report
10 and their activities, but I thought the implementation
11 plan was really superb. It really, you know, just
12 grabbed a hold of that report, took it apart and put
13 it back together again in a way that could be
14 implemented, and I really want to compliment everybody
15 who was involved here because I think so far
16 everything I've seen really is superb and I really
17 want to compliment you all.

18 CHAIRMAN SELIN: Well, we'll see what
19 Commissioner Remick can add to that.

20 COMMISSIONER REMICK: First, a couple
21 questions. In one of the volumes, it was indicated
22 that to carry out the recommendations of the review
23 group that it would take somewhere between 30 and 60
24 FTEs, but it wasn't clear to me whether that was 30 or
25 60 FTE years or per year times the number of years.

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1 It wasn't clear to me. Does anybody --

2 MR. ZIMMERMAN: Yes, that was -- we had
3 requested the offices in one round of comments to kind
4 of give us a ball park estimate and the NRR ball park
5 was 30 to 60 FTE.

6 COMMISSIONER REMICK: Per year or total?

7 MR. ZIMMERMAN: No, I believe that was --
8 when I asked at the time, this was over a year ago
9 now, that was cumulative.

10 COMMISSIONER REMICK: Cumulative, okay.

11 On the question of the recommendation that
12 should the regulations be viewed is as minimum
13 standards, I agree it's a very important question. It
14 appeals to me in general, because I do feel that what
15 we require of our licensees should be contained in our
16 regulations. Now, whether they are or not I don't
17 know and I certainly agree that in looking at that one
18 has to be very, very cautious, but ideally I think we
19 should head toward the direction that eventually what
20 our true requirements are are contained in our
21 regulations.

22 And if the regulations don't contain what
23 we think are the minimum standards and so forth over
24 a period of time, I think we should try to do that
25 just as a minimum, as a courtesy to our licensees.

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1 They have a right to know what our requirements are.
2 So, it's a goal we should go to seek, but I agree we
3 have to be extremely cautious in doing it and, well,
4 let me say I'll incorporate that part of my comment
5 with another part of what I have to say here.

6 Certainly the key to the success of this
7 program, and I join in the kudos that you've already
8 received, it will be in the implementation and it will
9 take a number of years to implement many of these
10 recommendations that the staff and the Commission
11 agree should be carried out and that's why earlier on
12 I raised the question, have you thought about the pros
13 and cons of having a dedicated group, a branch or
14 something over some period of years where these
15 efforts would be focused so that they are carried out.

16 I'm not necessarily looking for an answer,
17 don't want to micro manage office directors or the EDO
18 in how they carry out the work, but I just throw it
19 out as something that I hope at least some thought
20 would be given to of carrying this out. Do the
21 resource implications justify some dedicated group?
22 I don't know if you want to respond. You don't have
23 to.

24 DOCTOR MURLEY: In NRR we are planning to
25 have -- it takes an organization change.

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1 COMMISSIONER REMICK: Yes.

2 DOCTOR MURLEY: We are planning to have a
3 group that looks over this whole area, the cost
4 beneficial licensing action. I've had an ad hoc group
5 headed by an SES manager for nearly a year now, and
6 Roy Zimmerman is going to be moved into that ad hoc
7 position, but in the longer-term we're thinking of a
8 dedicated organization for this whole area.

9 COMMISSIONER REMICK: I see.

10 DOCTOR MURLEY: But, you know, NRR only
11 has part of this whole thing.

12 COMMISSIONER REMICK: That's right. No,
13 that's absolutely right.

14 MR. SNIEZEK: The two main offices are NRR
15 and Research as far as implementation. I know that
16 Research has some thinking underway to strengthen
17 their work in the area of regulations which would
18 incorporate a great deal of this also.

19 COMMISSIONER REMICK: Well, I certainly
20 want to join in the compliments that you received. I
21 must admit that when you started off on this venture
22 I had some questions, but, when I met with the group,
23 as each Commissioner met with the review group, I was
24 really impressed by the enthusiasm and sincerity of
25 the group that they were going to accomplish something

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1 and the report and the implementation plan certainly
2 are carrying out the impression that I had at that
3 time, so I agree with the compliments you've already
4 gotten. They're well justified.

5 I will say this, and I don't want our EDO
6 to pull out his hair, but many of the things we've
7 found in this area I'm sure we could find in the
8 materials area where I think we have many, many more
9 cases of things being done through commitments which
10 might be carried out by some encouragement on our part
11 and not always necessarily backed up by regulations.
12 So, I realize you have a full plate, but I would not
13 overlook that many of our findings here, I strongly
14 feel, we would find in the materials area if we took
15 a close look there.

16 I don't want any kind of a commitment, Mr.
17 Taylor, but --

18 MR. TAYLOR: I understand, but the whole
19 licensing process and oversight process is also
20 different.

21 COMMISSIONER REMICK: Yes.

22 MR. TAYLOR: That's part of the issue for
23 the big differences in the programs, but I understand
24 your point.

25 COMMISSIONER REMICK: I don't want to take

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1 away from anything that the group has accomplished.
2 The proof of the pudding will be over the next few
3 years, how many of these things actually get carried
4 out where they're justified, but I thank you also for
5 your effort.

6 COMMISSIONER de PLANQUE: I'll just
7 briefly add my congratulations on a good job. I would
8 also say that I second what Commissioner Remick has
9 said about the minimum requirements being in the
10 regulations and I won't elaborate anymore since he did
11 a good job on it.

12 Back to the resource question, it's easy
13 to change something from a priority 4 to a priority 3
14 to a priority 2, but, in principle, if you change
15 everything to priority 1, nothing changes because you
16 still have the same amount of work with the same
17 number of resources. Do you feel you have sufficient
18 resources, particularly in terms of people, to carry
19 out what you have here within the target schedules
20 that you have? Because, it is very tight.

21 MR. TAYLOR: That's what we talked about
22 on December 15th, all the offices and involved
23 parties, and from where we sat at that time it looked
24 like we could do that. We are putting together the
25 next budget request and we'll have this at play in

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1 terms of what we're able to do. I mean, this is an
2 important topic of work that we will examine as part
3 of preparing our next budget.

4 COMMISSIONER de PLANQUE: And one must
5 assume something is squeezed out at the other end.

6 MR. TAYLOR: That's right.

7 COMMISSIONER de PLANQUE: Is there
8 something that's going to be jeopardized that we need
9 to know about?

10 MR. TAYLOR: You'll hear what that is.

11 DOCTOR MURLEY: We're starting to see --
12 the last report I got on licensing actions, we're
13 starting to see the inventory go up a bit. That
14 traditionally, for the last ten or 20 years, has been
15 kind of the surge tank of where we see the mismatch of
16 resources and work show up and we're starting to see
17 that a little bit. I expected it.

18 COMMISSIONER de PLANQUE: Okay.

19 MR. TAYLOR: But we'll have to watch. We
20 really improved in that area in the past years with
21 Tom's leadership and we don't want to give up what
22 we've achieved, so --

23 MR. SNIEZEK: I believe in the long-range
24 it will save NRC resources, because we'll get fewer
25 and fewer unnecessary submittals coming in, but there

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1 will be a little hump.

2 COMMISSIONER de PLANQUE: In principle it
3 should, but you have the hump problem there, yes.
4 Okay.

5 DOCTOR BECKJORD: Just a comment on the
6 Research aspect, I think, to the extent that we have
7 anticipated what needs to be done in rules and
8 regulations, we can handle it. However, I think it's
9 a reasonable expectation that there will be other
10 needs possibly in PRA because of new applications and
11 some work on standards of analysis and data for that
12 purpose. And the other one which Tom mentioned, to
13 the extent that he is looking for generic resolutions,
14 there may be additional engineering that would be
15 advisable.

16 Now, as I say, I think it's a reasonable
17 expectation that there will be new needs in these two
18 areas at least and they may well come into conflict
19 with other things which are underway, so we just have
20 to -- we would have to shift our priorities in that
21 event.

22 COMMISSIONER de PLANQUE: Okay. Thank
23 you.

24 CHAIRMAN SELIN: Thank you very much,
25 folks.

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1 (Whereupon, at 11:07 a.m., the above-
2 entitled matter was adjourned.)
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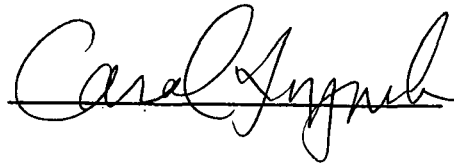
This is to certify that the attached events of a meeting
of the United States Nuclear Regulatory Commission entitled:

TITLE OF MEETING: BRIEFING ON FINAL REPORT OF REGULATORY REVIEW
TASK FORCE

PLACE OF MEETING: ROCKVILLE, MARYLAND

DATE OF MEETING: JANUARY 24, 1994

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.



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COMMISSION MEETING ON RRG IMPLEMENTATION PLAN



**JANUARY 24, 1994
PRESENTED BY: ROY ZIMMERMAN**

MAJOR MILESTONES

- RRG Established - January 1993
- Met with ACRS, Public and Commission to Discuss Interim Findings - Spring 1993
- Draft Report Issued for Staff and Public Comment - May 1993
- Final Report Issued - August 1993
- Comments from Offices to EDO - September 1993
- Implementation Task Force Established - October 1993
- EDO Met with Offices and Reviewed Implementation Plan - December 1993

PRINCIPAL AREAS FOR BURDEN REDUCTION

- Cost Beneficial Licensing Actions
- Graded Quality Assurance Approach and Part 21 Commercial Grade Dedication
- Agency Plan for Increased Uses of Probabilistic Risk Assessments
- Commitment Management Including Development of a Change Process for Commitments
- 10 CFR 50.54 Plan Changes (Security, QA)
- Inservice Testing Requirements
- Unnecessary Reporting Requirements

COST BENEFICIAL LICENSING ACTIONS

- ▶ RRG Recommended the Staff Continue to be Responsive to CBLAs
- Current Staff Actions Include:
 - ✓ CBLA Task Force
 - ✓ New NRR Priority Ranking for CBLAs
 - ✓ Technical Specification Screening Panel
- ACTION PLAN: SCHEDULE
 - Continue to Process CBLAs Ongoing
 - Semiannual Status Reports to EDO 6/94, 12/94

COST BENEFICIAL LICENSING ACTIONS

Projected Savings

- ▶ RRG Recommended Licensees Review Licenses and Request Relief from Unnecessary Burdens

- Current Industry CBLA Programs*:
 - ✓ Entergy - \$120 million
 - ✓ Virginia Power - \$50 million
 - ✓ Northeast Utilities - \$25 million
 - ✓ Florida Power Corporation - \$8 million

* Potential Savings

GRADED QUALITY ASSURANCE

Operating Reactors

- ▶ RRG Endorsed Staff's Development of Guidance on Use of Graded QA
 - Appendix B Allows Graded QA
 - Past Practice Has Not Generally Incorporated This Approach
 - NUMARC Developing Guidelines
 - ACTION PLAN
- Staff Guidance in Parallel With Industry Effort
- Pilot Program
- Issue/Revise Draft Guidance Documents
- | SCHEDULE |
|----------|
| 7/94 |
| 9/94 |
| 7/95 |

PROBABILISTIC RISK ASSESSMENT

- ▶ RRG Endorsed Development of Overall Agency Plan to Increase Uses of PRA
- PRA WORKING GROUP Examined Existing PRA Practices and Identified Areas for Improvements
- NUMARC REGULATORY THRESHOLD WORKING GROUP is Developing Guidance on Expanded Uses of PRA

PROBABILISTIC RISK ASSESSMENT (CONTINUED)

- | | |
|--|--------------------------|
| • ACTION PLAN | SCHEDULE |
| - Develop Draft Implementation Plan that Integrates RRG and PRA Working Group Recommendations | COMPLETE |
| - Senior Management Review of Plan | 1/94 |
| - Issue Guidance on Content of Submittals, Acceptable Methods, Decision Criteria, and Pilot Programs | Consistent with PRA Plan |

COMMITMENT AND COMMITMENT CHANGE PROCESS

- ▶ RRG Recommended Rulemaking to Define "Commitment" and Establish Change Process for Commitments
- No Definition or Change Process in Regulations
- NRR Audits at 7 Plants Determined Safety-Significant Commitments were Implemented and Maintained
- NUMARC Initiative Underway

COMMITMENT AND COMMITMENT CHANGE PROCESS

(CONTINUED)

- ACTION PLAN

SCHEDULE

- Endorse Industry Guidance or
Develop and Promulgate Staff
Guidance 7/94

- Reassess Need for Rulemaking
after Guidance is Implemented 7/95

10 CFR 50.54 PLAN CHANGES

- ▶ RRG Recommended Rulemaking to Allow Changes Without NRC Approval as Long as Plan Meets the Regulations
- Currently Under Sections of 10 CFR 50.54, QA, Security, EP Plan Changes Require NRC Approval if Plan Effectiveness Reduced or Decreased
- Some Licensees Overcommitted in Plans and Need NRC Approval to Make Changes
- However, Rulemaking Approach Deferred Given Variability Between Sites in What it Takes to "Meet the Regulations"
- Conceptual Approach Will Develop a 10 CFR 50.59 Type Process

10 CFR 50.54 PLAN CHANGES

● ACTION PLAN	SCHEDULE
- Security First Due to Completeness of Regulations	
- Meet with Industry	2/94
- Develop Guidance on What Constitutes a "Decrease in Effectiveness"	6/94
- Assess Need for Rulemaking	6/95
- QA - Similar Approach; Integrate with Graded QA Initiative	9/94
- FP & EP - Evaluate After Experience Gained with Security & QA Guidance	6/96

INSERVICE TESTING REQUIREMENTS

- ▶ RRG Endorsed Staff Plans to Provide Generic Approval for Most Recent Updates of the ASME Code
- Draft GL-89-04, Supplement 1 Would Permit Licensees to Adopt Certain Alternate Methods Approved Through Later Editions of the Code Without Further Staff Review
- Should Reduce Number of Schedular Exemption Requests by about 2/3
- Public Workshop Planned for February 1994

INSERVICE TESTING REQUIREMENTS

(CONTINUED)

- ACTION PLAN

SCHEDULE

- Publish Draft Supplement 1
to Generic Letter 89-04

Complete

- Publish Final Supplement 1
to Generic Letter 89-04

9/94

REPORTING REQUIREMENTS

- ▶ RRG Recommended Review of Reporting Requirements and Eliminate Those Unnecessary
- RRG Effort Primarily Addressed Part 50 and Technical Specification Reporting Requirements
- Reporting Requirements Task Force Solicited Comments from the Public and Industry. Picked and Evaluated 11 Examples.

REPORTING REQUIREMENTS

(CONTINUED)

ACTION PLAN:	SCHEDULE
- Publish Draft Rule Changes Eliminating Unnecessary Reporting Requirements (RRG and Task Force Recommendations)	9/94
- Publish Final Rule Changes	2/95
- Assess Public Comments to Determine if Additional Reporting Requirements can be Eliminated	12/95
- Publish Draft Rule Changes	6/96
- Publish Final Rule Changes	12/96

NOTE: Technical Specification Reporting Changes Will Also Follow Above Schedule

REPORTING REQUIREMENTS

- Examples of Potential Reporting Requirements That Can be Reduced or Eliminated
 - Eliminate Quarterly Submittal of Security Logs
 - Eliminate Summary Report of Appendix J Tests
 - Reduce Scope of Monthly Operating Reports
 - Reduce or Eliminate the Need to Report When Certain Types of Plant Equipment is Inoperable
 - Meteorological Tower
 - Seismic Instrumentation
 - Area Temperature Monitoring

DIRECT INSPECTION EFFORT

- ▶ RRG Recommended Eliminating Conflicting Management Objectives Generated by DIE Goals and Staffing Levels and Accelerating DIE Reduction to FY 1994
- NRR Assessment of Inspection Program Recommendations
 - ✓ Improve Allocation of Inspection Effort Based on Licensee Performance
 - ✓ Increase Focus on Licensee Root Cause Analysis, Corrective Action, Self Assessment
- ACTION PLAN SCHEDULE
 - Credit Licensee Self-Assessment 3/94
 - Reexamine Distribution of Functions 6/94
 - Improve Distribution of Inspection Effort Based on Licensee Performance 9/94
 - Evaluate Impact of Functional Changes 9/95

FIRE PROTECTION

- ▶ RRG Recommended Changes to Regulatory Guidance and Staff Practice in the Fire Protection Area, Including Performance-Based Appendix R
- Fire Protection Barrier Issues Remain Unresolved
- ACTION PLAN: SCHEDULE
Action on Fire Protection Issues is Deferred until Resolution of the Outstanding Technical Issues Defer

MAINTENANCE/CHANGE MECHANISM FOR IMPLEMENTATION PLAN

- Offices to Provide Status to EDO Every 6 Months
- Commission Will be Advised of Status and Changes to Implementation Plan