

CATEGORY 2

REGULATORY INFORMATION DISTRIBUTION SYSTEM (RIDS)

ACCESSION NBR: 9903020325 DOC.DATE: 99/02/24 NOTARIZED: NO DOCKET #
 FACIL: STN-50-528 Palo Verde Nuclear Station, Unit 1, Arizona Publi 05000528
 STN-50-529 Palo Verde Nuclear Station, Unit 2, Arizona Publi 05000529
 STN-50-530 Palo Verde Nuclear Station, Unit 3, Arizona Publi 05000530
 AUTH.NAME AUTHOR AFFILIATION
 LEVINE, J. Arizona Public Service Co. (formerly Arizona Nuclear Power
 RECIP.NAME RECIPIENT AFFILIATION
 MEYER, D.L. Rules & Directives Review Branch (Post 920323)

SUBJECT: Comment supporting SECY 99-007, "Recommendation for Reactor Oversight Process Improvements," & comments provided by NEI & Regional Utility Group IV. Offers comments on NRC approach to using performance indicators in assessment process.

DISTRIBUTION CODE: DS09D COPIES RECEIVED: LTR 1 ENCL 1 SIZE: 6
 TITLE: SECY/DSB Dist: Public Comment on Proposed Rule (PR) - Misc Notice; Reg G

NOTES: STANDARDIZED PLANT 05000528
 Standardized plant. 05000529
 Standardized plant. 05000530

	RECIPIENT ID CODE/NAME	COPIES LTTR ENCL	RECIPIENT ID CODE/NAME	COPIES LTTR ENCL	
INTERNAL:	<u>FILE CENTER-01</u>	1 1	NMSS/IMOB T8F5	1 1	2
	OGC/DR 15-B-18	1 1	RES DIR	1 1	
	RES/DRA/DEPY	1 1	RES/DST	1 1	
EXTERNAL:	NRC PDR	1 1			

NOTE TO ALL "RIDS" RECIPIENTS:
 PLEASE HELP US TO REDUCE WASTE. TO HAVE YOUR NAME OR ORGANIZATION REMOVED FROM DISTRIBUTION LISTS OR REDUCE THE NUMBER OF COPIES RECEIVED BY YOU OR YOUR ORGANIZATION, CONTACT THE DOCUMENT CONTROL DESK (DCD) ON EXTENSION 415-2083

TOTAL NUMBER OF COPIES REQUIRED: LTTR 7 ENCL 7

Er-4

D509
T. Frye64 FR 3576
Jan. 22, 1994

20

Palo Verde Nuclear
Generating StationJames M. Levine
Senior Vice President
NuclearTEL (602)393-5300
FAX (602)393-6077Mail Station /602
P.O. Box 52034
Phoenix, AZ 85072-2034102-04249-JML/AKK/DLK
February 24, 1999Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
U. S. Nuclear Regulatory Commission
Mail Station: T-6 D59
Washington, DC 20555-0001RECEIVED
1999 FEB 25 PM 1:46
RULES & DIR. BRANCH
US NRC

Dear David L. Meyer:

Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, and 3
Docket Nos. STN 50-528/529/530
Comments on SECY 99-007, "Recommendation for Reactor
Oversight Process Improvements"

Arizona Public Service Company (APS) has reviewed SECY 99-007, "Recommendation for Reactor Oversight Process Improvements," dated January 8, 1999, and would like to take this opportunity to submit comments for consideration. APS also forwards an endorsement of the comments provided by the Nuclear Energy Institute (NEI) and Regional Utility Group (RUG) IV.

APS COMMENTS

APS agrees with the NRC's approach to using performance indicators (PIs) in the assessment process. However, some of the proposed performance indicators are not readily available or suitable for use in a risk-informed assessment. There is a good understanding of performance indicators used for assessing the Initiating Events, Mitigating Systems, Barriers, Occupational Radiation Safety, and Public Radiation Safety Cornerstones. The Physical Security performance indicators and some of the Emergency Preparedness performance indicators have not been well developed, are not risk-informed and their usefulness is still unknown. Therefore, APS recommends that performance in the Physical Protection Cornerstone continue to be assessed using complimentary inspections only and performance indicators in the Emergency Plan be reviewed for their ability to indicate safety-significance, risk-informed performance.

020015

9903020325 990224
PDR SECY
99-007 C PDR

6500

23:17 23

6500
23:17 23

15:17 23

Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
U. S. Nuclear Regulatory Commission
Page 2

The concept of using a combination of performance indicators and inspection results as primary inputs into the performance assessment process is sound and workable. APS believes some additional evaluation and refinement of the proposed PIs and inspections is needed to establish more equitable evaluation criteria and threshold triggers in order to concentrate focus on risk-significant areas, eliminate duplicate inputs, and define the process of integrating the two inputs into an overall conclusion. Listed below are some examples:

□ **Equitable Evaluation Criteria and Threshold Triggers**

Attachment 2, page 19 contains a discussion about the possible use of plant specific information to establish some threshold triggers. While this approach may effect consistency across the industry, the fact remains that age, design, size, and siting have a direct effect on the risk characteristics on an individual facility. For example, a facility that was built or modified to include state-of-the-art technology should not be penalized for their ability to determine system unavailability with a higher degree of accuracy. Another example of risk characteristic differences would be failure of a number of emergency plan sirens at site located in a sparsely populated area that does not carry the same risk significance as the same number of failed sirens at a facility located in a heavily populated area. APS recommends incorporating a mechanism into the assessment process that allows for threshold adjustments on a case by case basis when justifiable from a risk perspective.

□ **Focus on Risk-Significant Areas**

Attachment 2, Appendix B, page B.8 contains a discussion on Safety System Failures and makes reference to 26 safety-related systems. While not specifically defined in SECY 99-007, it is highly unlikely that all 26 systems are risk-significant in terms of major contributors to Core Damage Frequency. The PI should focus on "High Risk Significant Systems" as defined by the Maintenance Rule. The term "failure," as used for the PI, should be clearly defined to remove some of the subjectivity over what constitutes a failure. APS recommends the following definition: "A failure is the inability of a system, structure, or component (SSC) to meet a current design basis performance requirement that results in the inability of the SSC to perform a safety function under design basis conditions."

□ **Eliminate Duplicate Inputs**

Attachment 3, pages 1.1 through 1.45 references several proposed inspection areas that are duplicated as existing PIs or by other inspections. Risk-significant problems that might be found during the course of an inspection will also manifest themselves in the form of inspection findings or degraded performance indicators elsewhere. For example, emergent work or maintenance work prioritization risk-significant problems would manifest themselves as findings in the Maintenance Rule inspection, or degraded system availability, safety system failure, or initiating event PIs. APS recommends eliminating duplicate inputs.



10-12-71

10-12-71

10-12-71

10-12-71

Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
U. S. Nuclear Regulatory Commission
Page 3

o PI and Inspection Integration

Attachment 4, "Assessment Process," does not provide clear guidance on how to combine the NRC inspection results with the licensee measured PIs nor does it provide guidance on equating inspection findings to PIs from a risk-significant perspective so the two can be combined and overall plant safety performance assessed. Also, the Action Matrix (attachment 1, page 9) introduces confusion in the results row by using colored "windows" as the decision triggers. Colored "windows" are products of PIs not products of conclusions drawn from the combination of PIs and inspection results. APS recommends developing a clearly defined method to integrate NRC inspection results with PIs to assess overall plant safety performance. Because PIs are based on factual data, and inspections can introduce subjectivity, APS recommends PIs be given more influence in the overall conclusion.

SECY 99-007 does not specifically include licensee-performed self-assessments as potential alternatives to NRC inspections. APS believes that properly documented or NRC monitored self-assessments provide valuable insight into evaluating performance and should be a factor in the inspection planning process.

Attachment 3, page 7 contains a discussion on the process for evaluating problem resolution. As part of the process, the NRC will review licensee activities to "verify root causes of problems and issues have been properly determined and corrective actions are timely and effective." APS is concerned that this could have the effect of introducing regulation beyond the scope of 10 CFR 50 Appendix B Criterion 16 if the reviews apply to anything less severe than "significant conditions adverse to quality." Many station problems identified are conditions adverse to quality, but not "significant conditions adverse to quality," therefore no root cause evaluations are required by current regulations. APS recommends that the review of root cause evaluations be limited to "significant conditions adverse to quality."

Attachment 5, page 2 refers to "regulatory significance" as an influencing factor in determining enforcement severity levels. "Regulatory significance" is not always driven by risk significance and should not be a factor when making risk-informed decisions. APS recommends eliminating references to "regulatory significance" as it applies to determining enforcement or categorizing inspection findings.

SECY 99-007 has prompted many comments from individual plants and the nuclear utility industry as a whole. Most of the comments either seek clarification or express concern that specific parts of the proposal may not yield the intended results.

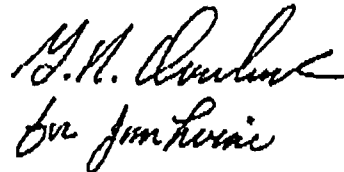
Chief, Rules and Directives Branch
Division of Administrative Services
Office of Administration
U. S. Nuclear Regulatory Commission
Page 4

APS recommends that a process be established during the implementation phase where questions seeking clarification can be submitted, reviewed, answered, and published on a web site. Questions should be reviewed by both the NRC and a nuclear industry group such as NEI on a frequent basis (i.e. weekly), and both organizations should come to agreement on the answer. The web site could also be used as a forum for sharing any lessons learned during the implementation phase. Had a similar process been used during the implementation of the Maintenance Rule, many of the initial problems and misunderstandings would have been avoided.

APS appreciates the NRC's willingness to consider industry comments on the proposed Reactor Oversight Process and commends the NRC for their work in aggressively pursuing this effort.

Should you have any questions, please contact Ms. Angela K. Krainik at (602) 393-5421.

Sincerely,



M. H. Krainik
for Jim Krainik

JML/AKK/DLK/mah

cc: E. W. Merschoff
M. B. Fields
J. H. Moorman

FAX[illegible]

**ARIZONA PUBLIC SERVICE COMPANY -
PALO VERDE NUCLEAR GENERATING STATION**



NUCLEAR REGULATORY AFFAIRS

5801 S. WINTERSBURG RD.
MAIL STATION 7636,
TONOPAH, AZ. 83334

FAX

DATE:

2/25/99

NUMBER OF PAGES, INCLUDING COVER SHEET:

5

To:

David L. Moyers

Phone:

Fax phone:

CC:

From:

Rosemary Hall

Phone:

602 393-

5404

Fax Phone:

602 393-5442

REMARKS:

☐

Urgent

☐

For your Review

☐

Reply ASAP

☐

Please comment

