



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

AB46-1  
PDRSG

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MAR 01 1984

MEMORANDUM FOR: John G. Davis, Director  
Office of Nuclear Material  
Safety and Safeguards

FROM: C. J. Heltemes, Jr., Director  
Office for Analysis and Evaluation  
of Operational Data

SUBJECT: PROPOSED REVISION TO 10 CFR 73.71, SAFEGUARDS REPORTING  
REQUIREMENTS

As requested by your memorandum dated February 16, 1984, we have reviewed the proposed changes to 10 CFR 73.71. We strongly endorse the changes in 73.71 that reduce any potential for redundant reporting (e.g., pursuant to 73.71, 20.405, and 50.73). We also encourage the use of the LER format for reporting safeguards events. However, the LER format should be used only by holders of operating licenses for commercial nuclear power plants, and the LER format should not be used to submit routine periodic reports such as the quarterly reports required by 73.71(c). Our specific comments concerning the proposed 73.71 are enclosed.

Please call me or Fred Hebdon (x24480) if you have any questions concerning our comments.

*C. J. Heltemes, Jr.*  
C. J. Heltemes, Jr., Director  
Office for Analysis and Evaluation  
of Operational Data

Enclosure:  
As stated

cc w/enclosure:  
WSchwink, DEDROGR  
EJordan, IE  
ERossi, IE  
EWeiss, IE  
JMetzger, NMSS

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AEOD Comments on the Proposed 10 CFR 73.71

1. The following comments apply to the draft Federal Register notice (Attachment 1 to the draft Commission Paper).

- a. Section 73.71(a) label the first line "(1)" and replace the text beginning on line 13 ("Each licensee who conducts ...") with the following:

"(2) The provisions of §73.71(g)(3) apply to all of these telephone reports.

(3) Each licensee who conducts a trace investigation shall, within 30 days of the onset of the investigation, make a report in writing to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, DC 20555, with a copy to the appropriate NRC Regional Office listed in Appendix A of this part.

(4) For holders of an operating license for a commercial nuclear power plant, the incidents included in this paragraph must be reported in accordance with the procedures described in §50.73(b), (c), (d), (e), and (g) of this chapter. Incidents reported in accordance with §50.73 of this chapter need not be reported by a duplicate report under this paragraph."

- b. Section 73.71(b) label the first line "(1)" and replace the text beginning on line 14 ("The initial notification must be followed...") with the following:

"(2) The exemptions of §73.71(g)(3) apply to all of these telephone reports.

(3) Each licensee who makes a report under this paragraph shall, within 30 days of discovery of the safeguards event, make a report in writing to the U.S. Nuclear Regulatory Commission, Document Control Desk, Washington, DC 20555, with a copy to the appropriate NRC Regional Office listed in Appendix A of this part.

(4) For holders of an operating license for a commercial nuclear power plant, the incidents included in this paragraph must be reported in accordance with the procedures described in §50.73(b), (c), (d), (e), and (g) of this chapter. Incidents reported in accordance with §50.73 of this chapter need not be reported by a duplicate report under this paragraph."

- c. Delete Sections (d) and (e). The substance of these sections are included in the above changes. In addition, it should be noted that the LER form (NRC Form 366) should be used only by operating nuclear power plants.

2. The following comments apply to the Draft Guidance (Attachment 2 to the draft Commission Paper).

- a. Page 2, delete the paragraph at the top of the page.
- b. Page 2, Regulatory Position I, replace the sentences that begin "If significant supplemental information is ascertained ..." and "For example, information..." with the following:

"Errors discovered in a report should be corrected in a revised report. In addition, significant supplemental information should be reported in a revised report. The revised report should replace the previous report; therefore, the update should be a complete entity and not contain only supplementary or revised information.

Only substantial information (e.g., material located, discovery of reason for loss) that would significantly change a reader's perception of the course or consequences of an event need to be reported as a revised report."

- c. Page 3, delete the first paragraph
- d. Page 3, delete the sentence that begins, "All written reports and log entries required under §73.71(b)..." The LER Form (NRC 366) should be used only by holders of operating licenses for commercial nuclear power plants and should not be used for routine periodic reports such as those required by 73.71(c).
- e. Page 3, add the following after the second paragraph  
"If the report contains Unclassified Safeguards Information and the LER form is used, it must be appropriately marked (i.e., Item 17 of NRC-366A). Safeguards and security information should be included only in the text (Item 17) (i.e., safeguards and security information should not be included in the abstract (Item 16)). In addition, the text should clearly indicate the information that is safeguards or security information. Finally, the requirements of §73.21(g) must be met when transmitting proprietary information."
- f. Delete Appendix B
- g. Appendix C, Page 1, replace the text beginning with "Suggested form to use..." and ending with "... supplement to a brief narrative." with the following:

"Holders of operating licenses for commercial nuclear power plants may use the LER forms (NRC Form 366, 366A, and 366B) to report events reportable under 73.71(a) or (b).

1. Comply with the guidance in NUREG-1022, "Licensee Event Report System" for completing the forms.
2. Include a brief narrative introduction on a copy of NRC-366 or NRC-366A and then use one or more copies of NRC-366A to provide the following information in the format indicated below.
3. Do not use the LER forms to submit the copies of the log required by 73.71(c). The copies of the log required to be submitted pursuant to 73.71(c) should be submitted by letter report.



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MEMORANDUM FOR: John G. Davis, Director  
Office of Nuclear Material Safety and Safeguards

FROM: Robert B. Minogue, Director  
Office of Nuclear Regulatory Research

SUBJECT: PROPOSED REVISIONS TO 10 CFR 73.71, SAFEGUARDS  
REPORTING REQUIREMENTS

In response to your memorandum dated February 16, 1984, we have reviewed your proposed revisions to 10 CFR 73.71 and concur with these revisions. The following comments are provided for your consideration:

- (1) We suggest that the term "vital island" as used in Appendix G, paragraph (c) be deleted. This term is not defined nor is it used in the current Part 73 of 10 CFR.
- (2) We believe that licensees should be required to not only log but to report any major safeguards-related incidents as defined by the licensee's contingency plan.

*Robert B Minogue*

Robert B. Minogue, Director  
Office of Nuclear Regulatory Research

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

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MEMORANDUM FOR: John G. Davis, Director  
Office of Nuclear Material Safety  
and Safeguards

FROM: Harold R. Denton, Director  
Office of Nuclear Reactor Regulation

SUBJECT: PROPOSED REVISIONS TO 10 CFR §73.71, SAFEGUARDS  
REPORTING REQUIREMENTS

In accordance with your memorandum dated February 16, 1984, subject as above, we have reviewed the draft rule package. We agree that the current reporting requirements of 10 CFR §73.71 can be relaxed without significantly affecting NRC's ability to respond to incidents on possible generic safeguards problems. We, therefore, concur with the draft rule package.

A handwritten signature in cursive script, appearing to read "H R Denton".

Harold R. Denton, Director  
Office of Nuclear Reactor Regulation

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