



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

September 6, 1996

MEMORANDUM TO: James M. Taylor
Executive Director for Operations

Karen D. Cyr, General Counsel

FROM: Shirley Ann Jackson *Shirley Ann Jackson*

SUBJECT: BASIS FOR REVIEW OF THE FIRST LICENSE RENEWAL
APPLICATION

I appreciate the staff's August 13, 1996 response to my question about the basis for the agency's review of the first license renewal application on the assumption that we would receive such an application before the year 2001. The number and scope of the documents identified in that response suggest that we have the information necessary to develop a firm basis for license renewal and that the staff is taking steps now to be ready to process an application should one be received.

Nevertheless, it would be helpful to me to know more specifically how the draft Standard Review Plan for Licensing Renewal and the various other documents identified as sources for the staff's review either relate to or address the requirements of 10 CFR Part 54. I would also ask that any comments of the General Counsel's office on this matter be incorporated into your response, particularly with respect to whether, from a legal perspective, the staff, in its approach to setting substantive review criteria for license renewal, will have adequately reviewed all the findings and information necessary to address the requirements of 10 CFR Part 54.

I would appreciate receiving your response as soon as possible.

cc: Commissioner Rogers
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
OCA
OPA
SECY



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

August 13, 1996

NOTE TO COMMISSIONER ASSISTANTS

OCM/SJ

— Marylee Slosson
XX Annette Vietti-Cook
— Mitzi Young
— James Johnson
— Brian Holian
— Regis Boyle
— Bob McOsker
— Jackie Silber
— Janice Dunn Lee
— Chris Miller
— Gerry Schuetze
— Evelyn Williams
— Judy Ledbetter
— Pat Celenza
— Leslie Hill

OCM/KR

— Myron Karman
— Mort Fleishman
cc Jack Sorensen
— Seth Coplan
— Lynn Deering
— Lil VanCise
— Ann Haikalis

OCM/GD

— Brad Jones
cc Terence Chan
— Anthony Markley
— Joel Lubenau
— Keith McDaniel
— Donna Smith
— Joanne Field
— Joel Lubenau

FROM:

for Valeria H. Wilson
James L. Blaha
Assistant for Operations, OEDO

SUBJECT: BASIS FOR REVIEW OF THE FIRST LICENSE RENEWAL APPLICATION

Attached is the staff's response to the Chairman's question.

Attachment:
As stated

cc: J. Taylor, EDO (w/o attachment)
J. Milhoan, DEDR (w/o attachment)
H. Thompson, DEDS (w/o attachment)
J. Blaha, AO/OEDO (w/attachment)
V. Wilson, OEDO (w/o attachment)
V. McCree, OEDO (w/o attachment)
SECY (w/attachment)
OGC (w/attachment)
OCA (w/o attachment)
OPA (w/o attachment)

Question:

What will be the basis for review of the first license renewal application which is expected before 2001?

Answer:

As stated in SECY-95-067, "Final Amendment to the Nuclear Power Plant License Renewal Rule (10 CFR Part 54)," dated March 20, 1995, the staff plans on publishing a draft Standard Review Plan for License Renewal (SRP-LR) for public comment after the staff has gained more implementation experience with the final rule based on the review of a few license renewal applications. It is this draft SRP-LR that is referred to on the tracking list. The year 2001 represents a reasonable time after the first renewal applications expected during 1997 and 1998. However, consistent with discussions in SECY-95-067 on making early versions of the draft SRP-LR publicly available, the staff completed a working draft SRP-LR and placed it in the NRC Public Document Room on December 13, 1995. This working draft will be used in the interim.

This working draft SRP-LR incorporated staff experience gained from the review of the Nuclear Management and Resources Council (NUMARC, now part of the Nuclear Energy Institute (NEI)) industry reports (IRs) addressing license renewal, the Baltimore Gas and Electric (BGE) and the Babcock and Wilcox Owners Group (B&WOG) license renewal screening methodology, and the information in the proposed license renewal rule amendment. The staff plans on updating this document to incorporate the final rule amendment requirements and staff review experience gained in ongoing and future owners group and plant specific reviews.

The staff review will also be based on the following detailed documents:

1. Technical information from the staff review of the NEI IRs addressing license renewal. Ten NUMARC IRs addressing aging management of specific structures and components were submitted for staff review based on the previous license renewal rule during 1989 to 1993. The technical information and agreements resulting from the review are being documented in NUREG-1557 which will be finalized in the fall of 1996.
2. "Nuclear Power Plant Generic Aging Lessons Learned" (GALL) report. The staff, with contractor support, is preparing this report (NUREG/CR-6490) on operating experience information related to plant aging. This document is a compilation of the results of the extensive Nuclear Plant Aging Research Program (NPAR) sponsored by the Office of Nuclear Regulatory Research. It also includes plant aging information from NRC generic communications, licensee event reports, and NUMARC IRs.
3. Staff safety evaluation reports addressing license renewal. The staff is gaining experience in ongoing review of owners group reports and licensee technical reports addressing renewal. The staff issued safety evaluation reports for the B&WOG reactor coolant system piping and for BGE integrated plant assessment methodology.

Attachment

In addition to the above detailed technical guidance, the staff review will use the following documents as general guidance:

1. Regulatory Guide for License Renewal (RG-LR) as discussed in SECY-96-159. A draft of this regulatory guide is being published for public comment. The RG-LR plans on endorsing the NEI guidance document NEI 95-10. The staff is participating in five plant site visits to learn how NEI 95-10 is being implemented.
2. The Statements of Considerations (SOC) accompanying the final rule amendment (60 FR 22461, May 8, 1995). Because of implementation issues associated with the previous rule on license renewal, the rule amendment and the background with the rule were developed with a consideration of implementation.

Several owners groups have submitted topical reports addressing license renewal. Also, BGE and Duke Power have submitted plant specific reports. The staff's ongoing review of these reports will further enhance the staff review experience and the draft SRP-LR will be updated to incorporate the results of future reviews as appropriate. Although the review of these reports will continue to be a developmental process, the staff considers this the appropriate approach to assure all license renewal requirements are addressed and to permit opportunity for public and industry input in setting substantive review criteria in an SRP.