

• Mr. Donald F. Knuth, President
KMC, Inc.
801 - 18th Street, N.W.
Suite 300
Washington, D.C. 20006

AUG 22 1985

Dear Mr. Knuth:

Thank you for the positive remarks in your letter to me of May 29, 1985. I share your opinion that 10 CFR 50.62, "The ATWS Rule," represents technically sound rulemaking. I would like to take this opportunity to answer your questions on what the next steps should be, e.g., what type of schedule information is desired from each utility and how NRR will conduct its review.

Regarding the NRR review process, we plan to review proposed generic designs and establish plant-specific requirements which will be forwarded to licensees and applicants. Design criteria are provided in the Federal Register (Vol. 49 No. 124, June 26, 1984) under "Considerations Regarding System and Equipment Criteria" starting on page 26040.

In order to facilitate the review of specific hardware designs and timely implementation by the regulated industry, it is anticipated that concurrent with the staff review of the generic designs, specific guidance concerning criteria for implementation of ATWS equipment requirements (10 CFR 50.62) will be disseminated in the form of a generic letter. Additionally, the Safety Evaluations prepared for the generic ATWS designs will specify the items to be reviewed by the staff in applying these designs on a plant-specific basis. In the event generic design information for certain NSSS vendors is not supplied, more detailed plant-specific reviews will be necessary.

Generic Letter 85-06 required each licensee to develop and submit a proposed schedule by October 15, 1985, which outlines when the requirements of the ATWS Rule will be met. 10 CFR 50.62(d) states that schedules which call for final implementation later than the second refueling outage after July 26, 1984 should include a justification explaining the reasons for delay. The final schedule shall then be mutually agreed upon by the Commission and licensee. As you are aware, considerable industry and NRC activity relating to the subject of equipment important-to-safety took place during the latter part of 1984 and early 1985. Since these activities were important in establishing the QA requirement for ATWS equipment, there was an unexpected delay in issuance of the generic QA guidance. Therefore, to the extent that licensees can demonstrate that the delayed issuance has caused a delay in the licensees implementation schedules, commensurate implemented delays will be allowed.

Sincerely,
Original Signed by
H. R. Denton

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

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