



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 30, 1997

MEMORANDUM TO: David B. Matthews, Chief
Generic Issues and Environmental
Projects Branch
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

FROM: Stewart L. Magruder, Project Manager *Stewart L. Magruder*
Generic Issues and Environmental
Projects Branch
Office of Nuclear Reactor Regulation
Division of Reactor Program Management

SUBJECT: SUMMARY OF JUNE 11, 1997, MEETING WITH NUCLEAR ENERGY
INSTITUTE (NEI) TO DISCUSS THE NEI'S COMMENTS ON NUREG-1606
AND PLANS TO REVISE NEI 96-07, CONCERNING GUIDANCE ON
IMPLEMENTATION OF 10 CFR 50.59

A meeting was held on June 11, 1997, between the Nuclear Regulatory Commission (NRC) staff and NEI. The purpose of the meeting was to discuss NEI comments on the implementation of 10 CFR 50.59, and examples of the impact of the NRC's proposed regulatory guidance related to 50.59 on the industry. The meeting was a followup to an earlier meeting held on April 28, 1997. A summary of that meeting was issued on May 1, 1997. Attachment 1 is a list of attendees at the June 11, 1997 meeting.

BACKGROUND:

In SECY-97-035, the staff forwarded to the Commission a document providing proposed regulatory guidance for implementation of 10 CFR 50.59. Subsequently, the staff requested public comment on the proposed guidance which was published as NUREG-1606. The comment period ends July 7, 1997. NEI requested to meet with the staff to discuss some specific concerns about the staff's proposed guidance, and to describe their planned actions concerning revisions to their guidance document, NEI 96-07. The staff stated that NEI's comments would be considered along with other comments submitted in response to the Federal Register notice in the staff's deliberations on guidance.

MEETING SUMMARY:

During the meeting, NEI first summarized their plans to respond to the request for comments and on related matters. They are holding an (internal) workshop on June 17-18, 1997, to finalize comments on the proposed guidance, and also

9707080105 970630
PDR REVOP ERGNUMRC
PDR

PROJ. 689
97-131

REVOP PROJ

to discuss proposed changes to NEI 96-07. NEI plans to submit comments and examples of application by July 7, 1997. Their submittal will also include results of a survey conducted of utility members about potential impact (on numbers of 50.59 evaluations, and of unreviewed safety question (USQ) determinations) if the NRC guidance remains as proposed. NEI indicated that they still desired to have a management meeting with senior NRC staff after the workshop.

In parallel, the NEI membership is voting on adoption of an initiative to commit to implementation of the revised NEI 96-07. They plan to submit their revised guidance document, along with an analysis of why they conclude that this guidance is consistent with the rule requirements, shortly after July 7, 1997. The revisions to NEI 96-07 are planned to address the following aspects: Guidance on change (that is, what needs to be reviewed), guidance on resolution of nonconforming conditions, and other clarifications.

The NEI representatives presented three examples to illustrate differences in approach of their proposed guidance and the NRC guidance published in NUREG-1606. The first concerned a nonconforming condition for which a licensee proposed to implement compensatory action. The specific example concerned a failed transmitter for a reactor coolant pump oil reservoir; the compensatory action was to lift a lead so that another transmitter, which uses a common annunciator, would still function. The NRC position that a 50.59 evaluation considering the nonconforming condition compared to the SAR-described condition is required, combined with the strict interpretation on any increase in probability of malfunction would lead to a conclusion that this condition involves a USQ, and thus that the action could not be taken without NRC approval. Under the NEI guidance, a 50.59 evaluation would only be required of the compensatory action itself.

The second example concerned the meaning of "change". The SAR states that there are three condensate pumps installed, with two pumps normally running, with the third in standby. The issue is whether a decision to take one of the three pumps out of service for maintenance would require a 50.59 evaluation. The staff guidance indicates that when equipment that is part of the licensing basis is removed from service, and such removal is not previously evaluated (in SAR or by a TS LCO), a 50.59 evaluation is required. The industry position is that this is a maintenance activity and should be governed by requirements of the maintenance rule (10 CFR 50.65).

The final example concerned the guidance on malfunction of a different type and NEI's conclusion that the staff's proposed guidance would lead to USQs for any component replacement that is not identical. The specific issue is whether it is the failure mechanisms (causes) that results in malfunction of a different type, or only if the effects of such failures are not bounded. The industry position is that failure mechanisms should be a consideration in determinations of whether there has been an increase in probability of malfunction, but that a malfunction of a different type could only result if the effects (on the system or component at the level described in the safety analysis report) are not bounded by existing evaluations.

June 30, 1997

NEI then summarized the proposed changes to NEI 96-07. The major revisions are for the guidance on malfunction of a different type, definition of change, and guidance on nonconforming conditions. With respect to change, the general guidance is that if the change affects what is covered in the safety analysis report, a 50.59 evaluation is required. The NEI 96-07 guidance will also address "interdependent" changes, that is, different changes that are directly related to the intended function, and thus which should be evaluated together, in contrast to unrelated compensatory actions to offset increases (as was proposed in earlier versions of 96-07).

For nonconforming conditions, the NEI guidance would state that a 50.59 evaluation is required if a condition is to be dispositioned as-is, or if the facility is being modified to something different from the SAR description. The guidance would also state that if the licensee decides to implement interim compensatory actions which involve a change to the facility or procedures, a 50.59 evaluation of the compensatory action, to determine whether the compensatory measure involves a USQ or TS, is required.

In summary, the NRC staff noted that the discussion and examples were helpful, and that this information will be considered by the staff as part of its assessment of public comments, and in development of recommendations to the Commission.

Project No. 689

Attachment: List of Meeting Attendees

cc w/att: See next page

DISTRIBUTION: See attached page
Document Name: G:\emm\MTGSUM.611

OFC	PM:PGEB <i>Emm</i>	PM:PGEB	SC:PGEB <i>FAK</i>
NAME	EMcKenna:sw	SMagruder <i>Sum</i>	FAkstulewicz
DATE	06/30/97	06/30/97	06/30/97

OFFICIAL RECORD COPY

LIST OF ATTENDEES

<u>NAME</u>	<u>AFFILIATION</u>
Tony Pietrangelo	NEI
Doug Walters	NEI
Everett Whitaker	TVA
Scott Bauer	APS
Roger Walker	Texas Utilities
Steve Bennett	Entergy - ANO
Al Passwater	Union Electric
Mike Schoppman	FP&L
Bob Borsum	FTI
Robert Newkirk	Detroit Edison
Alice Carson	Bechtel Power
Milan Straka	NUS Information Services
Chuck Coker	SCE/SONGS
Patricia Campbell	Winston & Strawn
Robert Cascarano	Commonwealth Edison
Tim Catchpole	Florida Power Corp.
David Stellfox	McGraw Hill
Marylee Slosson	NRC/NRR
Sy Weiss	NRC/NRR
David Matthews	NRC/NRR
Frank Akstulewicz	NRC/NRR
Eileen McKenna	NRC/NRR
Stu Magruder	NRC/NRR
Melinda Malloy	NRC/NRR
George Thomas	NRC/NRR
Paul Loeser	NRC/NRR
Morris Branch	NRC/NRR
Serita Sanders	NRC/NRR
Roy Matthew	NRC/NRR
Dave Nelson	NRC/OE
Eugene Holler	NRC/OGC
Glen Tracy	NRC/OEDO

DISTRIBUTION: Mtg. Summary w/NEI Dated June 30, 1997

Hard Copy

Project No. 689 File

PUBLIC

PGEB r/f

OGC (0-15 B-18)

ACRS

EMcKenna

SMagruder

EMail

SCollins/ FMiraglia

RZimmerman

TMartin

FAkstuiewicz

MSlosson

SWeiss

MMalloy

GTracy

DNelson

MBranch

RMatthew

SSanders

GThomas

PLoeser

JMoore, OGC