

March 20, 2000

Ralph E. Beedle
Senior Vice President and Chief Nuclear Officer
Nuclear Energy Institute
1776 I Street, NW Suite 400
Washington, DC 20006-3708

Dear Mr. Beedle:

This responds to your recent letter, dated March 13, 2000, concerning the potential for unintended consequences if manual scrams are tracked as a performance indicator (PI). The NRC agrees that the new regulatory oversight process should result in enhanced, safety focused regulation of the nuclear power industry.

As you know, the value of tracking manual scrams as an indicator has been discussed extensively throughout the development and implementation of the Revised Reactor Oversight Process (RROP) and NEI has been fully involved in determining the state of the current PI. The NRC's position, initially discussed in SECY-99-007A and subsequently addressed again in October 1999 (in response to other public comments), is that all scrams, automatic or manual, should be tracked. The staff concluded that the impact of tracking manual scrams on operator performance would be negligible. Factors influencing operator response during a transient include peer and management oversight, procedural guidance and a strong safety culture among operators to ensure plant safety. A manual scram may be implemented for the same or similar plant conditions that would cause an automatic scram, and the effect on the plant is the same - to upset plant stability and challenge critical safety functions.

We note that in your letter dated December 29, 1999, you described a potential replacement for this PI and also outlined a process for making changes to the RROP which laid out a year-long process to determine the efficacy of a new PI. This previous proposal appears to be an appropriate approach and will be incorporated into the NRC's formal PI change process.

With respect to the immediate concern raised in your March 13, 2000 letter regarding counting manual scrams, I trust that this current issue will not result in a delay in the issuance of Revision 0 of NEI-99-02, "Regulatory Assessment Performance Indicator Guideline."

We have scheduled a meeting to discuss any new information you have related to the value of tracking manual scrams, and to review the process for the development of alternative indicators. This meeting will supplement those numerous meetings involving your staff, public stakeholders, and industry representatives over the past year on PI related issues. The public

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meeting, which will include participation from industry representatives and public stakeholders, will be conducted in O-14 B-6 between 2 p.m. and 4 p.m. on March 29, 2000. Our goal is to resolve the immediate issue and proceed with successful implementation of the RROP in April 2000.

Sincerely,

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

cc: David Lochbaum, Union of Concerned Scientists
James Riccio, Public Citizen
Cecil Settles, State of Illinois Department of Nuclear Safety
Jill Lipoti, State of New Jersey Department of Environmental Protection
David Flower, Professional Reactor Operator Society
David Lange, OEDO
William Travers, EDO

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* See previous concurrence.

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