



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 8, 2000

TXU Electric
ATTN: Mr. C. Lance Terry
Senior Vice President
and Principal Nuclear Officer
P.O. Box 1002
Glen Rose, TX 76043

*This is part of
10/8/99 approval
by CFO OF EXEMPTION
REQUEST.*

Dear Mr. Terry:

I am responding to your November 23, 1999, letter requesting reimbursement of fees paid for the review of TXU Electric's November 27, 1995, request for exemption from 10 CFR 50.55a(f)(4)(i) and (ii). TXU Electric is the licensee for the Comanche Peak Steam Electric Station (CPSES) Units 1 and 2. The Nuclear Regulatory Commission (NRC) reviewed the submittal as part of a first-of-a-kind pilot plant initiative to utilize a risk-informed inservice testing (RI-IST) program to determine inservice test (IST) frequencies for certain valves and pumps that are categorized as low safety significant. As explained below, an exemption from the Part 170 fees for your November 27, 1995, submittal is granted in accordance with 170.11(b)(1).

The NRC encouraged licensees to submit applications for the RI-IST pilot programs. Your November 27, 1995, RI-IST exemption request was accepted as a pilot plant review as indicated in our March 15, 1996, March 12, 1997, April 25, 1997, and June 9, 1997, letters requesting additional information to facilitate the staff's review of the pilot plant exemption requests in parallel with the development of the risk-informed regulatory guides and Standard Review Plan sections. The NRC staff used the information provided by the pilot plant licensees to help develop a draft RI-IST Regulatory Guide (DG-1062) and draft Standard Review Plan section (SRP Section 3.9.7).

The NRC's August 14, 1998, letter approved CPSES's proposed risk-informed IST program as an acceptable alternative to the ASME Code Section XI requirements related to the test frequencies and methods used to ensure operational readiness of certain pumps and valves in the CPSES plant, pursuant to 10 CFR 50.55a(3)(i) based on the alternative providing an acceptable level of quality and safety. The Office of Nuclear Reactor Regulation has informed us that TXU Electric's participation in the RI-IST pilot effort provided the NRC with valuable information that can be used to provide a permanent approach to RI-IST. The staff intends to utilize the experience gained through the pilot applications in the proposed rulemaking process to modify 10 CFR 50.55a to explicitly endorse RI-IST methodology.

Based on the fact that your November 27, 1995, exemption request was reviewed as a pilot plant submittal, I have determined that a waiver of the Part 170 fee requirement is appropriate. This exemption is authorized by law and is granted in accordance with 10 CFR 170.11(b)(1).

I am refunding \$200,934 paid by TXU Electric for the NRC's review efforts associated with TAC Numbers M94165, M94166, MA1972, MA1973, MA2040, and MA2041. You should receive the refund in approximately 30 days from the date of this letter.

If you have any questions, please contact Ellen Poteat of my staff at 301-415-6392.

Sincerely,

Original signed by Jesse Funches

Jesse L. Funches
Chief Financial Officer

Distribution:

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- D. Jaffe, NRR
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- OCFO/DAF RF (DAF-9-181A and DAF-9-247) (closes)
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2/7/2

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C. Terry

Based on the fact that your November 27, 1995, exemption request was reviewed as a pilot plant submittal, I have determined that a waiver of the Part 170 fee requirement is appropriate. This exemption is authorized by law and is granted in accordance with 10 CFR 170.11(b)(1).

The \$200,540 paid for the NRC's review efforts will be refunded. You should receive the refund in approximately 30 days from the date of this letter.

If you have any questions, please contact Ellen Poteat of my staff at 301-415-6392.

Sincerely,

Jesse L. Funches
Chief Financial Officer

Distribution:

L. Tremper, OCFO

D. Jaffe, NRR

Invoice Files XM0366-96, XM0537-96, XM0655-96,
RL0092-97, RL0215-97, RL0397-97 RL0516-97,
RL0052-98, RL0202-98, RL0401-98, RL0559-98, RL0099-99

NUDOCS (ML-61) PDR w/cy inc

OCFO/DAF/LFARB RF

OCFO/DAF RF (DAF-9-181A

OCFO/DAF SF (LF 3.1.5)

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| NAME | MEPoteat/DJaffe | | DBDandois/GCJackson | DKear Cathy Holyle JRothschild C... EP | JTurdici | | PRadideau | JLFuches |
| DATE | 10/21/99 | | 10/21/99 | 10/19/99 | 10/23/99 | | | |

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10/23/99
JLH

DAF ACTION ITEM TRACKING

Date Rec'd: 9/28/99

DAF Action: DAF-9-181A

OC Action:

DAF Due Date: 10/15/99

Branch: LFARB

Action Item: Request for a Risk-Informed Inservice Testing exemption.

Description: Letter from C.L. Terry, TU Electric, Comanche Peak, requesting exemption. Assigned to Ellen Poteat.

Date to DIR:

Ext. Date:

Date Closed:

Signature:

Subject File:

*Follow up on Palo Verde DAF-9-181
The Comanche Peak submittal
was reviewed as a pilot-plant*



TXU

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Dean
G...
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Comanche Peak
Steam Electric Station
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Glen Rose, TX 76043
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Fax: 254 897 6652
lterry1@txu.com

C. Lance Terry
Senior Vice President & Principal Nuclear Officer

Log # TXX-99259
File # 10009
10010.1
Ref. # 10CFR50.55a(f)

November 23, 1999

J. L. Funches
U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

SUBJECT: COMANCHE PEAK STEAM ELECTRIC STATION (CPSES)
DOCKET NOS. 50-445 AND 50-446
RISK INFORMED INSERVICE TESTING
(TAC NOS. M94165, M94166, MA2040, and MA2041)

- REF: 1) TXU Letter logged TXX-95260, from C. L. Terry, to
NRC, dated November 27, 1995
1) NRC Letter from T. J. Polich to C. L. Terry dated
August 14, 1998

Gentlemen:

On November 27, 1995, TXU Electric submitted a request (Reference 1) as part of a pilot plant initiative to utilize a risk-informed inservice testing (RI-IST) program to determine inservice test (IST) frequencies for certain valves and pumps that are categorized as low safety significant. This proposal represented an alternative to certain IST requirements in Section XI of the ASME Boiler and Pressure Vessel Code as required by Title 10, Section 50.55a, of the Code of Federal Regulations (10CFR50.55a). On August 14, 1998, the NRC staff approved the RI-IST program at Comanche Peak (Reference 2). TXU Electric supplemented its initial submittal in response to various meetings and NRC requests for additional information as described in Reference 2.

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TXX-99259
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TXU Electric's participation in this pilot project significantly contributed to the NRC staff's efforts to develop new industry standards (Standard Review Plan Chapter 19, "Use of Probabilistic Risk Assessment in Plant-Specific, Risk-Informed Decisionmaking: General Guidance," and Chapter 3.9.7, "Risk-Informed Inservice Testing") and guidance documents (Regulatory Guide 1.174, "An Approach for Using Probabilistic Risk Assessment in Risk-Informed Decisions in Plant-Specific Changes to the Current Licensing Basis," and Regulatory Guide 1.175, "An Approach for Using Plant-Specific, Risk-Informed Decisionmaking: Inservice Testing,"). TXU Electric made a substantial commitment in resources to participate in the RI-IST pilot project.

During the period from October 1, 1995, through September 26, 1998, the NRC invoice fees for the RI-IST review totaled \$100,885.10 for Unit 1 (TAC NOS. M94165 and MA2040) and \$97,707.90 for Unit 2 (TAC NOS. M94166 and MA2041). Since a significant portion of the NRC's review fees were related to the development of standards and guidance documents for industry use, a significant portion of the fees should be invoiced against the general industry budget.

In January, 1999, TXU Electric (R. D. Walker) verbally contacted the NRC Staff (T. J. Polich) to discuss the possibility of fee reimbursements. TXU Electric requests and believes that fee reimbursements are warranted.

TXX-99259

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Please contact Roger D. Walker at 254-897-8233 if you have any questions.

This communication contains no new licensing basis commitments regarding CPSES Units 1 and 2.

Sincerely,

C. L. Terry

C. L. Terry

By:

Roger D. Walker

Roger D. Walker
Regulatory Affairs Manager

CBC/cbc

c - E. W. Merschoff, Region IV
J. I. Tapia, Region IV
D. H. Jaffe, NRR
Resident Inspectors, CPSES