



NUCLEAR ENERGY INSTITUTE

Douglas J. Walters
SENIOR PROJECT MANAGER,
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NUCLEAR GENERATION

June 4, 2001

Mr. Christopher I. Grimes
Chief, License Renewal and Standardization Branch
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: License Renewal Rulemaking

PROJECT NUMBER: 690

Dear Mr. Grimes:

The Staff Requirements Memorandum responding to SECY 99-148, *Credit for Existing Programs for License Renewal*, included a directive to the staff to “prepare a detailed analysis and provide recommendations to the Commission on whether it would be appropriate to resolve generic technical issues, including any credit for existing programs by rulemaking.”

The industry does not believe rulemaking is necessary at this time. Two licensees have successfully exercised the process and received renewed operating licenses for five units. A third licensee is expected to receive a renewed license for a single unit by the end of June and a fourth licensee is scheduled to receive renewed licenses for two units early next year. We understand the renewal process and believe it is reasonably stable and predictable. We expect it to be even more efficient once we begin preparing applications that take advantage of the Generic Aging Lessons Learned (GALL) report and the License Renewal Standard Review Plan.

There are outstanding technical issues documented in your May 18, 2001, letter to NEI. We look forward to working with the staff on resolving those issues but do not anticipate the resolution will require codification or otherwise result in the need to amend the renewal rule. It may be appropriate to update the license renewal guidance documents and we are prepared to do so if necessary. While we have yet to exercise the GALL report in the preparation of an application, it appears to go a long way towards crediting existing programs. The GALL demonstration project is examining how that credit is provided and how generic it is. We are working with the staff on that project and expect to update the guidance documents based on lessons learned. We do not anticipate those lessons to result in the need to amend the regulations.

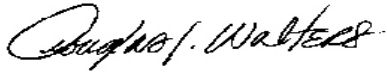
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We understand that the NRC is planning to hold a public workshop, possibly in August to obtain public input on the need to change the license renewal rule. We will participate and look forward to hearing the other stakeholders' views on this topic.

Sincerely,

A handwritten signature in black ink that reads "Douglas J. Walters". The signature is written in a cursive style with a large initial "D" and "W".

Douglas J. Walters

Enclosure