

language or related implementation guidance.

By letter dated July 13, 1999, STPNOC requested approval of exemption requests to enable implementation of processes for categorizing the safety significance of SSCs and treatment of those SSCs consistent with its categorization process. The STPNOC process included many similar elements to that described in this rulemaking, but with some differences. Their process identified SSCs as being either high, medium, low or not risk-significant. The scope of the exemptions requested included only those safety-related SSCs that have been categorized as low safety-significant or as nonrisk significant using STPNOC's categorization process. The licensee indicated that the categorization and treatment processes would be implemented over the remaining licensed period of the facility. Thus, the basis for the exemptions granted was the staff's approval of the licensee's categorization process and alternative treatment elements, rather than a comprehensive review of the final categorization and treatment of each SSC (review of the process rather than the results is also the approach planned under the rulemaking). As a result of discussions with the NRC staff on a number of topics, STPNOC submitted a revised exemption request on August 31, 2000.

On November 15, 2000, the NRC staff issued a draft safety evaluation (SE), based on the revised exemption requests. Following the licensee's response to the draft SE, the staff prepared SECY-01-0103 dated June 12, 2001, to inform the Commission of the staff's finding regarding the STPNOC exemption review. The staff approved the STPNOC exemption requests by letter dated August 3, 2001 (ADAMS accession number ML011990368).

The NRC has applied lessons learned from the review of the STPNOC exemption request in developing proposed § 50.69 and the description of intended implementation of the rule in this SOC. For example, in the STPNOC review, the NRC staff reviewed the categorization process proposed by the licensee in detail. With respect to proposed § 50.69, the NRC continues to require a robust categorization with a detailed staff review.

The proposed rule specifies the requirement that the licensee provide reasonable confidence in functionality and further specifies some high-level requirements for SSC treatment. Under proposed § 50.69, the NRC does not plan to review each licensee's plan for SSC treatment in detail. Licensees will have to establish appropriate performance-

based SSC treatment processes to maintain the validity of the categorization process and its results. The proposed rule would require that licensees adjust the categorization or treatment processes, as appropriate, in response to the SSC performance information obtained as part of the treatment process.

V. Section by Section Analysis

V.1.0 Section 50.8 Information Collection

This proposed rule includes a revision to § 50.8(b). This section pertains to approval by the Office of Management and Budget (OMB) of information collection requirements associated with particular NRC requirements. Because the new § 50.69 includes information collection requirements, a conforming change to § 50.8(b) is necessary to list § 50.69 as one of these rules. See also Section XIII of the SOC for discussion about information collection requirements of § 50.69.

V.2.0 Section 50.69(a) Definitions

Section 50.69(a) provides the definition for the four RISC categories and the definition of the term "safety-significant function." As discussed in Section II of the SOC, RISC-1 SSCs are those SSCs that are safety-related (as defined in § 50.2) and that are found to be safety-significant (using the risk-informed categorization process being established by this rule). RISC-2 SSCs are SSCs that do not meet the safety-related definition, but which are safety-significant. RISC-3 SSCs are safety-related but are low safety-significant. Finally, RISC-4 SSCs are not safety-related and are low safety-significant. The NRC selected the terms "safety-significant" and "low safety-significant" as the best representations of their meaning. Every component (if categorized) is either safety-significant or low safety-significant. The "low" category could include those SSCs that have no safety significance, as well as some SSCs that individually are not safety-significant, but collectively can have a significant impact on plant safety (and hence the need for maintaining the design basis capability of these SSCs). Similarly, within the category of "safety-significant," some SSCs are of more importance than others; so it did not appear appropriate to call them all "high safety-significant." The RISC definitions of paragraph (a) are used in subsequent paragraphs of § 50.69 where the treatment requirements are applied to SSCs as a function of RISC category.

The definitions provided in paragraph (a) are written in terms of SSCs that perform functions. In the categorization process, it is the various functions performed by systems that are assessed to determine their safety significance. For those functions of significance, the structures and components that support that function are then designated as being of that RISC category. Then, the treatment requirements are specified for the SSCs that perform those functions. Where an SSC performs functions that fall in more than one category, the treatment requirements derive from the more safety-significant function (*i.e.*, if a component has both a RISC-1 and a RISC-3 function, it is treated as RISC-1).

The rule also contains a definition of "safety-significant" function. NRC selected the term "safety-significant" instead of "risk-significant" because the categorization process employed in § 50.69 considers both probabilistic and deterministic information in the decision process. Thus, it is more accurate to represent the outcome as a determination of overall safety significance, including risk significance, and not just "risk-significant."

Those functions that are not determined to be safety-significant are considered to be low safety-significant. The determination as to which functions are safety-significant is done by following the categorization process outlined in paragraph (c), as implemented following the guidance in DG-1121, "Guidelines for Categorizing Structures, Systems, and Components in Nuclear Power Plants According to their Safety Significance."

V.3.0 Section 50.69(b) Applicability

Section § 50.69(b) provides that the rule may be voluntarily implemented by:

- (1) Holders of § 50.21(b) or § 50.22 light water reactor (LWR) operating licenses;
- (2) Holders of Part 54 renewed LWR licenses;
- (3) A person seeking a design certification under Part 52 of this chapter; or
- (4) Applicants for a LWR license under § 50.22 or under Part 52.

For current licensees, implementation will be through a license amendment as set forth in § 50.90. Until the request is approved, a licensee would continue to follow existing requirements. Upon approval of the categorization process (and review of the supporting PRA), the licensee can begin implementation by performing categorization of SSCs and revising treatment requirements accordingly.