does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological impacts associated with the proposed action.

Accordingly, the Commission concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action

As an alternative to the proposed action, the staff considered denial of the proposed action (i.e., the ''no action'' alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

The action does not involve the use of any different resource than those previously considered in the Final Environmental Statement for the Dresden Nuclear Power Station, Units 2 and 3, dated November 1973.

Agencies and Persons Consulted

On July 24, 2001, the staff consulted with the Illinois State official, Frank Niziolek, of the Illinois Department of Nuclear Safety, regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated June 12, 2001, as supplemented by letter dated July 23, 2001. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Library component on the NRC Web site, *http://www.nrc.gov* (the Public Electronic Reading Room). If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC PDR Reference staff at 1–800–397–4209, or 301–415–4737, or by e-mail at *pdr@nrc.gov.*

Dated at Rockville, Maryland, this 10th day of September 2001.

For The Nuclear Regulatory Commission.

Anthony J. Mendiola,

Chief, Section 2, Project Directorate III, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 01–24336 Filed 9–27–01; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Notice of Availability of Model Application Concerning Technical Specification Improvement To Modify Requirements Regarding Missed Surveillances Using the Consolidated Line Item Improvement Process

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of Availability.

SUMMARY: Notice is hereby given that the staff of the Nuclear Regulatory Commission (NRC) has prepared a model application relating to the modification of requirements regarding missed surveillances imposed on licensees through technical specifications. The purpose of this model is to permit the NRC to efficiently process amendments that propose to modify requirements for missed surveillances as generically approved by this notice. Licensees of nuclear power reactors to which the model applies could request amendments utilizing the model application.

DATES: The NRC staff issued a **Federal Register** Notice (66 FR 32400, June 14, 2001) which provided a Model Safety Evaluation relating to modification of requirements regarding missed surveillances [1] similarly, the NRC staff, herein provides a Model Application. The NRC staff can most efficiently consider applications based upon the Model Application, which reference the Model Safety Evaluation, if the application is submitted within a year of this **Federal Register** Notice.

FOR FURTHER INFORMATION CONTACT: Robert Dennig, Mail Stop: O–12H4, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone 301–415–1161.

SUPPLEMENTARY INFORMATION:

Background

Regulatory Issue Summary 2000–06, ''Consolidated Line Item Improvement Process for Adopting Standard Technical Specification Changes for Power Reactors,'' was issued on March 20, 2000. The consolidated line item improvement process (CLIIP) is intended to improve the efficiency of NRC licensing processes. This is accomplished by processing proposed changes to the standard technical specifications (STS) in a manner that supports subsequent license amendment applications. The CLIIP includes an opportunity for the public to comment on proposed changes to the STS following a preliminary assessment by the NRC staff and finding that the change will likely be offered for adoption by licensees. The CLIIP directs the NRC staff to evaluate any comments received for a proposed change to the STS and to either reconsider the change or to proceed with announcing the availability of the change for proposed adoption by licensees. Those licensees opting to apply for the subject change to technical specifications are responsible for reviewing the staff's evaluation, referencing the applicable technical justifications, and providing any necessary plant-specific information. Each amendment application made in response to the notice of availability will be processed and noticed in accordance with applicable rules and NRC procedures.

This notice involves the modification of requirements regarding missed surveillances in technical specifications. This change was proposed for incorporation into the standard technical specifications by all Owners Groups participants in the Technical Specification Task Force (TSTF) and is designated TSTF–358 Revision 5. The change referenced in the **Federal Register** Notice (FRN) 66FR32400, of June 14, 2001, is TSTF–358 Revision 5 with some modifications that are identified in the FRN. The modified TSTF–358 Revision 5 is further revised by the response to the public comments, as noted in the responses. The TSTF–358 Revision 5 as submitted, and as revised by both the FRN and the public comments (''fully modified TSTF–358 Revision 5''), can both be viewed on the NRC's web page at *http://www.nrc.gov/NRR/sts/sts.htm.*

Applicability

This proposed change to modify technical specification requirements for missed surveillances is applicable to all licensees who currently have or who will adopt, in conjunction with the

[1] [In conjunction with the proposed change, technical specifications (TS) requirements for a Bases Control Program, consistent with the TS Bases Control Program described in Section 5.5 of the applicable vendor's standard TS (STS), shall be incorporated into the licensee's TS, if not already in the TS.]

proposed change, technical specification requirements for a Bases control program consistent with the Technical Specifications (TS) Bases Control Program described in Section 5.5 of the applicable vendor's STS.

To efficiently process the incoming license amendment applications, the staff requests each licensee applying for the changes addressed by the fully modified TSTF–358 Revision 5 using the CLIIP to include Bases for the proposed technical specification consistent with the Bases proposed in the fully modified TSTF–358 Revision 5. In addition, for those licensees that have not adopted requirements for a Bases control program by converting to the improved STS or by other means, the staff requests that you include the requirements for a Bases control program consistent with the STS in your request for the proposed change. The need for a Bases control program stems from the need for adequate regulatory control of some key elements of the proposal that are contained in the proposed Bases for SR 3.0.3. The staff is requesting that the Bases be included with the proposed license amendments because, in this case, the changes to the technical specifications and changes to the associated Bases form an integrated change to a plant's licensing bases. To ensure that the overall change, including the Bases, includes the appropriate regulatory controls, the staff plans to condition the issuance of each license amendment on incorporation of the changes to the Bases document and on ensuring the licensee's TS have a Bases Control Program for controlling changes to the Bases. The CLIIP does not prevent licensees from requesting an alternative approach or proposing the changes without the requested Bases and Bases control program. Variations from the approach recommended in this notice may, however, require additional justification, additional review by the NRC staff and may increase the time and resources needed for the review.

Public Notices

The staff issued a **Federal Register** Notice (66 FR 32400, June 14, 2001) that requested public comment on the NRC's pending action to approve modification of technical specification (TS) requirements regarding missed surveillances. In particular, following an assessment and draft safety evaluation by the NRC staff, the staff sought public comment on proposed changes to the standard technical specifications (STS), designated as TSTF–358 Revision 5 with some modifications that are identified in the FRN. The modified TSTF–358 Revision 5 is further revised by the response to the public comments. The TSTF–358 Revision 5 as submitted, and as revised by both the FRN and the public comments (''fully modified TSTF–358 Revision 5''), can both be viewed on the NRC's web page at http:/www.nrc.gov/NRR/sts/sts.htm. The TSTF–358 Revision 5 change request, the fully modified TSTF–358 Revision 5, as well as the NRC staff's safety evaluation may be examined, and/or copied for a fee, at the NRC/s Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records are accessible electronically from the ADAMS Public Library component on the NRC Web site, (the Electronic Reading Room).

In response to the notice soliciting comments from interested members of the public about modifying the TS requirements regarding missed surveillances, the staff received six sets of comments (three from individual licensees, one from the Nuclear Energy Institute, one from a law firm that represents licensees, and one from a member of the public). Specific comments on the model SE were offered, and are summarized and discussed below:

1. *Comment:* A licensee suggested that the risk evaluation required by the modification to SR 3.0.3 for a missed surveillance (SR) after 24 hours is: (1) Redundant to 10 CFR 50.65(a)(4) since a missed surveillance would be treated as an emergent condition per NEI guidance and, in addition, since the SR would still need to be performed, a risk assessment is required per (a)(4); and (2) in error in that it implies that there is no need to perform a risk assessment for surveillances that will be missed for less than 24 hours since 10 CFR 50.65 (a)(4) requires a risk assessment regardless of the time the surveillance will remain missed.

Response: SR 3.0.3 does not supplant the requirements of 10 CFR 50.65 (a)(4). In accordance with (a)(4), before any maintenance activity (including performing surveillances under any circumstances), the licensee shall assess and manage risk associated with the maintenance activity.

The SR 3.0.3 required risk evaluation is an additional increment to the usual (a)(4) evaluation, and is to address the decision to use the extended surveillance frequency (the longer surveillance test interval (STI) of performing the SR late) and provide information on the length of time the STI can be safely extended. For surveillances that would be delayed beyond 24 hours after discovery of being missed, it is essential to satisfy technical specifications that a specific risk assessment be performed, above that required by 10 CFR 50.65 (a)(4), to account for STI increases. This additional risk evaluation, stipulated by SR 3.0.3, is not required if the surveillance can be performed within 24 hours of its discovery of being missed; the usual (a)(4) analysis will suffice.

2. *Comment:* Several of the comments addressed the Bases statement that a missed surveillance ''shall be performed at the first reasonable opportunity.'' There are two aspects to these comments: first, that the list of considerations for ''first reasonable opportunity'' is different in the SE and the Base, and the impact on the safety analysis may be difficult to determine; and second, that the use of the term ''shall'' implies a requirement, which should not be made in the Bases.

Response: The list of considerations for the basis of the delay in the safety evaluation (SE) is intended to clarify the Bases list in light of the risk informed nature of the SR 3.0.3 modification, and not intended to be materially different. However, to avoid confusion, the Bases list will be made consistent with the SE list. The added phrase on evaluating the ''impact on the accident analysis,'' while it is very rare that a missed surveillance will have any effect on the accident analysis, will be retained since it is consistent with the purpose of the maintenance rule. The staff felt that the use of the term ''shall'' in the Bases was balanced by the ''first reasonable'' phrase. However, to avoid confusion, and since the intent of SE 3.0.3 is to impose requirements and the intent of its Bases is to provide clarification, the staff will replace the word ''shall'' with the word ''should'' in the Bases.

3. *Comment:* A licensee commented that the proposed Bases statement, ''the missed surveillance should be treated as an emergent condition as discussed in the Regulatory Guide,'' is in error since Regulatory Guide 1.182 does not discuss emergent conditions, or other similarly mentioned phrases.

Response: Regulatory Guide 1.182 endorses NEI document, ''NUMARC 93–01,'' which discusses these terms; Regulatory Guide 1.182 contains these phrases, and associated discussion, through reference of NUMARC 93–01. The significant point being made is that the missed surveillance should be treated as an emergent condition.

4. *Comment:* A member of the public commented that the FRN did not provide a complete and accurate text of the proposed change, because it lacked a mark-up of the STS that showed the changes.

Response: The staff believes that the FRN completely and accurately described the TS and Bases changes such that the public could understand the proposal. The markup of STS wording was available in the TSTF; the proposed TSTF–358 Revision 5 markup was available upon request.

5. *Comment:* A member of the public and NEI noted that ''the staff plans to condition the issuance of each license amendment on incorporation of the changes into the Bases document and on requiring the licensee to control the changes in accordance with the Bases Control Program.'' The member of the public stated that this requirement is not addressed the SE and seems contrary to the concept of the Improved Standard Technical Specifications (STS). NEI is concerned that the addition of NRC conditions just before publication for comment of a model safety evaluation could impede industry adoption of the associated CLIIP.

Response: The staff believes that the need for this requirement is adequately addressed in the Applicability paragraph of the introduction to the SE, and need not be in the SE proper since it is not directly related to the proposed SR 3.0.3 modification, but rather to the control process of the related Bases. Further, this requirement is not contrary to the concept of the STS since all plants adopt this program upon conversion to the STS. The intent of this statement is to indicate that this aspect of the STS is viewed as essential to approval of the proposed change, and will be included as part of the CLIIP. Thus, prior to granting this change, the staff will ensure that the licensee has a Bases Control Program, consistent with the STS. Licensees wishing to justify adopting this change without adopting the Bases Control Program can submit such a request under the normal license amendment process, and not part of the CLIIP.

The staff does not believe that the addition of this condition will impede industry adoption of this change. In addition to being needed to adopt TSTF–358, this requirement facilitates the common goal of standardizing this program, which is part of the STS that serves as the ''point of departure'' for this proposed change.

6. *Comment:* A member of the public commented that it was unnecessary to state, ''All missed Surveillances will be placed in the licensees Corrective Action Program,'' since a missed Surveillance is a nonconformance and 10 CFR 50, Appendix B, Criterion XVI, already requires a nonconformance be evaluated by a Corrective Action Program. Another comment was that it should be clarified how invoking SR 3.0.3 will be viewed and treated with regard to ''violation.''

Response: As long as the requirements of SR 3.0.3 are met for TS surveillances, then a missed surveillance will not be considered either a nonconformance issue nor a TS violation. Therefore, it is necessary to explicitly state that, ''All missed Surveillances will be placed in the licensee's Corrective Action Program.''

7. *Comment:* A member of the public commented that it should be clarified that SR 3.0.3 does not extend the regulation requirements; TS cannot override regulation.

Response: The comment is correct in that TS cannot override regulation. If a regulation-based surveillance frequency is exceeded, the licensee is in nonconformance with the regulations and the TS cannot alter that fact. This differs from the previous questions where a TS controlled STI has been exceeded and SR 3.0.3 is entered, all with in the framework of the TS, and the TS are not then violated. When a regulation-based surveillance frequency is exceeded, the regulation has been violated, but the appropriate operational course of action still needs to be determined. If a regulation based SR is missed, the regulation normally does not stipulate the subsequent course of action; the TS provide the appropriate actions. What the Bases are intending to clarify is that once the surveillance frequency is exceeded, and the unit is out of the condition in which the surveillance can be performed, SR 3.0.3 then will provide the means for determining the correct and safest course of action.

8. *Comment:* A commenter suggested that a period of at least one year be provided during which licensees may reference the model SE and NSHC determination of the CLIIP product.

Response: This will be stipulated.

9. *Comment:* NEI commented that the CLIIP process should be refined such that modifications to a TSTF change traveler that are identified before publication of a CLIIP for public comment can be resolved prior to that publication. The objective would be a ''notice of opportunity to comment'' that endorses a TSTF traveler without exception.

Response: In general, that staff agrees. However, in some specific cases when the proposed change does not involve a substantive technical change, as in this case, it may be beneficial to publish the change in the FRN, and resolve any issues through the comment process. Also, public comments may require changes. Those changes, if substantive, will be discussed with stakeholders in a public forum prior to the second FRN.

10. *Comment:* It was commented that a sample model application package should be noticed to facilitate the adoption of these changes.

Response: A sample model application package is included with this second FRN.

11. *Comment:* It was commented that the first paragraph of Section 2.1, ''Background Determination,'' in the Proposed Safety Evaluation (66 FR 32402), Item 2 should read: ''(as stated in the existing [SR 3.0.3] Bases).''

Response: This editorial comment is correct, and the Proposed Safety Evaluation will be revised accordingly.

12. *Comment:* It was commented that TSTF–358, Revision 5, should be updated to include the NRC noted editorial changes to enable the model SE to endorse the TSTF revision without exception.

Response: The change referenced in the **Federal Register** Notice (FRN) 66FR32400, of June 14, 2001, is TSTF–358 Revision 5 with some modifications that are identified in the FRN. The modified TSTF–358 Revision 5 is further revised by the response to the public comments (fully modified TSTF–358 Revision 5). The model SE references the final fully modified TSTF–358 Revision 5. The NEI TSTF can incorporate the modifying changes to TSTF–358 Revision 5 and submit TSTF–358 Revision 6.

Dated at Rockville, Maryland, this 24th day of September 2001.

For the Nuclear Regulatory Commission.

William D. Beckner,

Technical Specification Branch, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation.

Attachment: Sample Model Application.

The following example of an application was prepared by the NRC staff to facilitate use of the consolidated line item improvement process (CLIIP). The model provides the expected level of detail and content for an application to revise technical specifications regarding missed surveillance (and adoption of a technical specification bases control program) [1] using CLIIP. licensees remain responsible for ensuring that their actual application fulfills their administrative requirements as well as Nuclear Regulatory Commission Regulations.

U.S. Nuclear Regulatory Commission,
Document Control Desk,
Washington, DC 20555.

Subject: Plant name

Docket no. 50—Application for technical specification change regarding missed surveillance (and adoption of a technical

[1] If not already in the facility Technical Specifications.

specifications bases control program)[1] using the consolidated line item improvement process

Gentleman: In accordance with the provisions of 10 CFR 50.90 [LICENSEE] is submitting a request for an amendment to the technical specifications (TS) for [PLANT NAME, UNIT NOS.].

The proposed amendment would modify TS requirements for missed surveillances in SR 3.0.3, (and, in conjunction with the proposed change, TS requirements for a Bases control program consistent with TS Bases Control Program described in Section 5.5 of the applicable vendor's Standard Technical Specifications.)

Attachment 1 provides a description of the proposed change, the requested confirmation of applicability, and plant-specific verifications. Attachment 2 provides the existing TS pages marked up to show the proposed change. Attachment 3 provides revised (clean) TS pages. Attachment 4 provides a summary of the regulatory commitments made in this submittal. (IF APPLICABLE: Attachment 5 provides the existing TS Bases pages marked up to show the proposed change (for information only).)

[LICENSEE] requests approval of the proposed License Amendment by [DATE], with the amendment being implemented [BY DATE OR WITHIN X DAYS].

In accordance with 10 CFR 50.91, a copy of this application, with attachments, is being provided to the designated [STATE] Official.

I declare under penalty of perjury under the laws of the United Stats of America that I am authorized by [LICENSEE] to make this request and that the foregoing true and correct. (Note that request may be notarized in lieu of using this oath or affirmation statement).

If you should have any questions regarding this submittal, please contact [NAME, TELEPHONE NUMBER]

Sincerely,

[Name, Title]

Attachments:

1. Description and Assessment
2. Proposed Technical Specification Changes
3. Revised Technical Specification Pages
4. If applicable: Regulatory Commitments
5. Proposed Technical Specification Bases Changes

cc: NRC Project Manager
NRC Regional Office
NRC Resident Inspector
State Contact

ATTACHMENT 1

Description and Assessment

1.0 DESCRIPTION

The proposed amendment would modify technical specifications (TS) requirements for missed surveillances in SR 3.0.3.[2]

The changes are consistent with Nuclear Regulatory Commission (NRC) approved Industry/Technical Specification Task Force (TSTF) STS change TSTF–358 Revision 5, as modified by **Federal Register** Notice 66FR32400, of June 14, 2001, and in response to public comments. The availability of this TS improvement was published in the **Federal Register** on [DATE] as part of the consolidated line item improvement process (CLIIP).

2.0 ASSESSMENT

2.1 Applicability of Published Safety Evaluation

[LICENSEE] has reviewed the safety evaluation dated [DATE] as part of the CLIIP. This review included a review of the NRC staff's evaluation, as well as the supporting information provided to support TSTF–358. [LICENSEE] has concluded that the justifications presented in the TSTF proposal and the safety evaluation prepared by the NRC staff are applicable to [PLANT, UNIT NOS.] and justify this amendment for the incorporation of the changes to the [PLANT] TS.

2.2 Optional Changes and Variations

[LICENSEE] is not proposing any variations or deviations from the TS changes described in the fully modified TSTF–358 Revision 5 or the NRC staff's model safety evaluation dated [DATE].

3.0 REGULATORY ANALYSIS

3.1 No Significant Hazards Consideration Determination

[LICENSEE] has reviewed the proposed no significant hazards consideration determination (NSHCD) published in the **Federal Register** as part of the CLIIP. [LICENSEE] has concluded that the proposed NSHCD presented in the **Federal Register** notice is applicable to [PLANT] and is hereby incorporated by reference to satisfy the requirements of 10 CFR 50.91(a).

3.2 Verification and Commitments

As discussed in the notice of availability published in the **Federal Register** on [DATE] for this TS improvement, plant-specific verifications were performed as follows:

[LICENSEE] has established TS Bases for SR 3.0.3 which state that use of the delay period established by [Surveillance Requirement 3.0.3] is a flexibility which is not intended to be used as an operational convenience to extend surveillance intervals, but only for the performance of missed surveillances.

The modification will also include changes to the Bases for [SR 3.0.3] that provide details on how to implement the new requirements. The Bases changes provide guidance for surveillance frequencies that are not based on time intervals but are based on specified unit conditions, operating situations, or requirements of regulations. In addition, the Bases changes state that [LICENSEE] is expected to perform a missed surveillance test at the first reasonable opportunity, taking into account appropriate considerations, such as the impact on plant risk and accident analysis assumptions, consideration of unit conditions, planning, availability of personnel, and the time required to perform the surveillance. The Bases also state that the risk impact should be managed through the program in place to implement 10 CFR 50.65(a)(4) and its implementation guidance, NRC Regulatory Guide 1.182. ''Assessing and Managing Risks Before Maintenance Activities at Nuclear Power Plants,'' and that the missed surveillance should be treated as an emergent condition, as discussed in Regulatory Guide 1.182. In addition, the Bases state that the degree of depth and rigor of the evaluation should be commensurate with the importance of the component and that missed surveillances for important components should be analyzed quantitatively. The Bases also state that the results of the risk evaluation determine the safest course of action. In addition, the Bases state that all missed surveillances will be placed in the licensee's Corrective Action Program. Finally, [LICENSEE] has a Bases Control Program consistent with Section 5.5 of the STS.

4.0 ENVIRONMENTAL EVALUATION

[LICENSEE] has reviewed the environmental evaluation included in the model safety evaluation dated [DATE] as part of the CLIIP. [LICENSEE] has concluded that the staff's findings presented in that evaluation are applicable to [PLANT] and the evaluation is hereby incorporated by reference for this application.

ATTACHMENT 2

PROPOSED TECHNICAL SPECIFICATION CHANGES (MARK-UP)

ATTACHMENT 3

PROPOSED TECHNICAL SPECIFICATION PAGES

ATTACHMENT 4

LIST OF REGULATORY COMMITMENTS

The following table identifies those actions committed to by [LICENSEE] in this document. Any other statements in this submittal are provided for information purposes and are not considered to be regulatory commitments. Please direct questions regarding these commitments to [CONTACT NAME].

Regulatory commitments	Due date/event
[LICENSEE] will establish the Technical Specification Bases for SR 3.0.3 as adopted with the applicable license amendment.	[Complete or implemented with amendment].

ATTACHMENT 5

PROPOSED CHANGES TO TECHNICAL SPECIFICATION BASES PAGES

[FR Doc. 01–24342 Filed 9–27–01; 8:45 am]

BILLING CODE 7590–01–P

[1] If not already in the facility Technical Specifications.

[2] In conjunction with the proposed change, technical specifications (TS) requirements for a Bases Control Program, consistent with the TS Bases Control Program described in Section 5.5 of the applicable vendor's standard TS (STS), shall be incorporated into the licensee's TS, if not already in the TS.