3. *How often the collection is required:* Required reports are collected and evaluated on a continuing basis as events occur. There is a one-time submittal of information to receive a license. Renewal applications are submitted every 5 years. Information submitted in previous applications may be referenced without being resubmitted. In addition, recordkeeping must be performed on an on-going basis.

4. *Who is required or asked to report:* All persons applying for or holding a license to manufacture, produce, transfer, receive, acquire, own, possess, or use radioactive byproduct material.

5. *The number of annual respondents:* 6,089 NRC licensees and 12,178 Agreement State licensees.

6. *The number of hours needed annually to complete the requirement or request:* Approximately 8 hours annually per licensee or 48,837 hours for the NRC licensees and 98,256 hours for the Agreement State licensees.

7. *Abstract:* 10 CFR Part 30 establishes requirements that are applicable to all persons in the United States governing domestic licensing of radioactive byproduct material. The application, reporting and recordkeeping requirements are necessary to permit the NRC to make a determination whether the possession, use, and transfer of byproduct material is in conformance with the Commission's regulations for protection of the public health and safety.

Submit, by April 22, 1996, comments that address the following questions:

1. Is the proposed collection of information necessary for the NRC to properly perform its functions? Does the information have practical utility?

2. Is the burden estimate accurate?

3. Is there a way to enhance the quality, utility, and clarity of the information to be collected?

4. How can the burden of the information collection be minimized, including the use of automated collection techniques or other forms of information technology?

A copy of the draft supporting statement may be viewed free of charge at the NRC Public Document Room, 2120 L Street, NW, (Lower Level), Washington, DC. Members of the public who are in the Washington, DC, area can access this document via modem on the Public Document Room Bulletin Board (NRC's Advance Copy Document Library), NRC subsystem at FedWorld, 703–321–3339. Members of the public who are located outside of the Washington, DC, area can dial FedWorld, 1–800–303–9672, or use the FedWorld Internet address: fedworld.gov (Telnet). The document will be available on the bulletin board for 30 days after the signature date of this notice. If assistance is needed in accessing the document, please contact the FedWorld help desk at 703–487–4608.

Comments and questions may be directed to the NRC Clearance Officer, Brenda Jo. Shelton, U.S. Nuclear Regulatory Commission, T–6 F33, Washington, DC, 20555–0001, or by telephone at (301) 415–7233, or by Internet electronic mail at BJS1@NRC.GOV.

Dated at Rockville, Maryland, this 9th day of February, 1996.

For the Nuclear Regulatory Commission.

Gerald F. Cranford,

Designated Senior Official for Information Resources Management.

[FR Doc. 96–3694 Filed 2–16–96; 8:45 am]

BILLING CODE 7590–01–P

Reconsideration of Nuclear Power Plant Security Requirements Associated With an Internal Threat; Issued

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of issuance.

SUMMARY: The Nuclear Regulatory Commission (NRC) has issued Generic Letter 96–02 to notify licensees of nuclear power plants that the NRC has reconsidered its positions on certain security measures associated with protecting nuclear power plants against an internal threat. Licensees may take actions, as appropriate, after reviewing the information contained in the generic letter for applicability to their facilities. However, staff suggestions regarding potential changes to security plans are not NRC requirements; therefore, no specific action or written response is required. This generic letter is available in the Public Document Rooms under accession number 9601230206.

DATES: The generic letter was issued on February 13, 1996.

ADDRESSES: Not applicable.

FOR FURTHER INFORMATION CONTACT: Loren L. Bush at (301) 415–2944 or Robert F. Skelton at (301) 415–3208.

SUPPLEMENTARY INFORMATION: None.

Dated at Rockville, Maryland, this 13th day of February, 1996.

For the Nuclear Regulatory Commission.

Theodore R. Quay,

Acting Director, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

[FR Doc. 96–3690 Filed 2–16–96; 8:45 am]

BILLING CODE 7590–01–P

Proposed Generic Letter: Periodic Verification of Design-Basis Capability of Safety-Related Motor-Operated Valves (M93706); Opportunity for Public Comment

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of opportunity for public comment.

SUMMARY: The Nuclear Regulatory Commission (NRC) is proposing to issue a generic letter to (1) more explicitly address the need for the periodic verification of the capability of safety-related motor-operated valves (MOVs) to perform their safety functions consistent with the current licensing bases of nuclear power plants, (2) request that each licensee establish a program, or ensure the effectiveness of a current program, at each facility within its purview, to verify on a periodic basis that safety-related MOVs continue to be capable of performing their safety functions within the current licensing bases of the facility, and (3) require that licensees provide written responses to the generic letter relating to implementation of the requested actions.

NRC regulations require that components important to the safe operation of a nuclear power plant, including MOVs, be treated in a manner that provides assurance of their performance. Appendix A, ''General Design Criteria for Nuclear Power Plants,'' and Appendix B, ''Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants,'' to Part 50 of Title 10 of the Code of Federal Regulations (10 CFR Part 50) include broad-based requirements in this regard. In 10 CFR 50.55a(f), the NRC requires licensees to comply with Section XI of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code).

Nuclear power plant operating experience, valve performance problems and MOV research have revealed that the focus of the ASME Code on stroke time and leak-rate testing for MOVs was not sufficient in light of the design of the valves and the conditions under which they must function. For this reason, on June 28, 1989, the NRC staff issued Generic Letter (GL) 89–10, ''Safety-Related Motor-Operated Valve Testing and Surveillance.'' In GL 89–10, the staff requested that licensees and permit holders ensure the capability of MOVs in safety-related systems to perform their intended functions by reviewing MOV design bases, verifying MOV switch settings initially and periodically, testing MOVs under

design-basis conditions where practicable, improving evaluations of MOV failures and necessary corrective action, and trending MOV problems. The staff requested that licensees complete the GL 89–10 program within approximately three refueling outages or 5 years from the issuance of the generic letter. Permit holders were requested to complete the GL 89–10 program before plant startup or in accordance with the above schedule, whichever was later.

Recommendation ''d'' of GL 89–10 requested that licensees and permit holders prepare procedures to ensure that correct MOV switch settings are maintained throughout the life of the plant. GL 89–10 stated that it may become necessary to adjust MOV switch settings because of wear or aging and that additional measures beyond ASME Code stroke-time testing should be taken to adequately verify that the switch settings ensure MOV operability.

Recommendation ''j'' of GL 89–10 stated that licensees should periodically verify MOV capability every 5 years or every 3 refueling outages. Recommendation ''h'' of GL 89–10 requested that licensees evaluate trends in MOV performance every 2 years or at each refueling outage.

The staff has issued seven supplements to GL 89–10 that provided additional guidance and information on GL 89–10 program scope, design-basis reviews, switch settings, testing, periodic verification, trending, and schedule extensions. Supplement 6 to GL 89–10 stated that no licensee had adequately justified the use of static test data as the sole basis for periodically ensuring MOV design-basis capability.

GL 89–10 and its supplements provide only limited guidance regarding periodic verification and the measures appropriate to assure preservation of design-basis capability. This generic letter provides more complete guidance regarding periodic verification of safety-related MOVs. Although this guidance could have been provided in a supplement to GL 89–10, the staff considered preparation of this new generic letter appropriate to allow closure of the staff review of GL 89–10 programs as promptly as possible.

The proposed generic letter was discussed in meeting number 280 of the Committee to Review Generic Requirements (CRGR) on January 31, 1996. The relevant information that was sent to the CRGR will be placed in the Public Document Room. The NRC will consider comments received from interested parties in the final evaluation of the proposed generic letter. The final evaluation by the NRC will include a review of the technical position and, as appropriate, an analysis of the value/impact on licensees. Should this generic letter be issued by the NRC, it will become available for public inspection in the NRC Public Document Room.

DATES: Comment period expires April 22, 1996. Comments submitted after this date will be considered if it is practical to do so; assurance of consideration can only be given for those comments received on or before this date.

ADDRESSES: Submit written comments to Chief, Rules Review and Directives Branch, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. Written comments may also be delivered to 11545 Rockville Pike, Rockville, Maryland, from 7:30 am to 4:15 pm, Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, 2120 L Street, NW, (Lower Level), Washington, DC.

FOR FURTHER INFORMATION CONTACT: Thomas G. Scarbrough, (301) 415–2794, e-mail: TGS@NRC.GOV

SUPPLEMENTARY INFORMATION:

NRC Generic Letter 96–XX: Periodic Verification of Design-Basis Capability of Safety-Related Motor-Operated Valves (M93706)

Addressees

All holders of operating licenses (except those licenses that have been amended to possession-only status) or construction permits for nuclear power reactors.

Purpose

The U.S. Nuclear Regulatory Commission (NRC) is issuing this generic letter to (1) discuss the periodic verification of the capability of safety-related motor-operated valves (MOVs) to perform their safety functions consistent with the current licensing bases of nuclear power plants, (2) request that addressees implement actions described herein, and (3) require that addressees provide to the NRC a written response to this generic letter relating to implementation of the requested actions.

Background

NRC regulations require that components that are important to the safe operation of a nuclear power plant, including MOVs, be treated in a manner that provides assurance of their performance. Appendix A, ''General Design Criteria for Nuclear Power Plants,'' and Appendix B, ''Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants,'' to Part 50 of Title 10 of the Code of Federal Regulations (10 CFR Part 50) include broad-based requirements in this regard. In 10 CFR 50.55a(f), the NRC requires licensees to comply with Section XI of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code).

Nuclear power plant operating experience, valve performance problems and MOV research have revealed that the focus of the ASME Code on stroke time and leak-rate testing for MOVs was not sufficient in light of the design of the valves and the conditions under which they must function. For this reason, on June 28, 1989, the NRC staff issued Generic Letter (GL) 89–10, ''Safety-Related Motor-Operated Valve Testing and Surveillance.'' In GL 89–10, the staff requested that licensees and permit holders ensure the capability of MOVs in safety-related systems to perform their intended functions by reviewing MOV design bases, verifying MOV switch settings initially and periodically, testing MOVs under design-basis conditions where practicable, improving evaluations of MOV failures and necessary corrective action, and trending MOV problems. The staff requested that licensees complete the GL 89–10 program within approximately three refueling outages or 5 years from the issuance of the generic letter. Permit holders were requested to complete the GL 89–10 program before plant startup or in accordance with the above schedule, whichever was later.

Recommendation ''d'' of GL 89–10 requested that licensees and permit holders prepare procedures to ensure that correct MOV switch settings are maintained throughout the life of the plant. GL 89–10 stated that it may become necessary to adjust MOV switch settings because of wear or aging and that additional measures beyond ASME Code stroke-time testing should be taken to adequately verify that the switch settings ensure MOV operability. Recommendation ''j'' of GL 89–10 stated that licensees should periodically verify MOV capability every 5 years or every 3 refueling outages. Recommendation ''h'' of GL 89–10 requested that licensees evaluate trends in MOV performance every 2 years or at each refueling outage.

The staff has issued seven supplements to GL 89–10 that provided additional guidance and information on GL 89–10 program scope, design-basis reviews, switch settings, testing, periodic verification, trending, and schedule extensions. Supplement 6 to GL 89–10 stated that no licensee had adequately justified the use of static test data as the sole basis for periodically ensuring MOV design-basis capability.

GL 89–10 and its supplements provide only limited guidance regarding periodic verification and the measures appropriate to assure preservation of design-basis capability. This generic letter provides more complete guidance regarding periodic verification of safety-related MOVs. Although this guidance could have been provided in a supplement to GL 89–10, the staff considered preparation of this new generic letter appropriate to allow closure of the staff review of GL 89–10 programs as promptly as possible.

Discussion

Nuclear power plant utilities are nearing completion of the verification of the design-basis capability of their GL 89–10 MOVs. The NRC staff has been closing its review of individual GL 89–10 programs on the basis of the completion of the design-basis verification of safety-related MOVs at each nuclear power plant and the utility's establishment of a program for periodic verification of MOV design-basis capability and for the trending of MOV problems. The staff may conduct a more complete review of licensee programs for MOV periodic verification as part of the implementation of this generic letter.

The staff believes that various approaches can be taken by licensees to establish a periodic verification program that provides confidence in the long-term capability of MOVs to perform their design-basis safety functions. With each approach, the licensee should address potential degradation that can result in (1) the increase in thrust or torque requirements to operate the valves and (2) the decrease in the output capability of the motor actuator.

The staff has long recognized the limitations of using stroke-time testing as a means of monitoring the operational readiness of MOVs (see GL 89–04, Supplement 1, ''Guidance on Developing Acceptable Inservice Testing Programs'') and has supported industry efforts to improve MOV periodic monitoring under the inservice testing (IST) program and GL 89–10. As such, the staff would consider a periodic verification program that provides an acceptable level of quality and safety as an alternative to the current IST requirements for stroke-time testing and could authorize such an alternative, upon application by a licensee, pursuant to the provisions of 10 CFR 50.55a(a)(3)(i). Guidance in this generic letter and GL 89–04 (Supplement 1) could be used by a licensee in determining whether its periodic verification program provides an acceptable level of quality and safety.

In Attachment 1 to this generic letter, the staff discusses industry and regulatory activities and programs related to maintaining long term capability of safety-related MOVs and provides the staff position regarding American Society of Mechanical Engineers (ASME) Code Case OMN–1. The staff also identifies attributes of periodic verification programs that the staff considers to be effective and an example approach in implementing those attributes. Additionally, as discussed in Attachment 1, certain licensees developed MOV periodic verification programs that the staff found acceptable during the closure of its review of GL 89–10 programs.

Licensees may consolidate long-term MOV periodic verification and trending activities as part of their programs to meet the Maintenance Rule (10 CFR 50.65) and other applicable regulations.

Requested Actions

Each addressee of this generic letter is requested to establish a program, or to ensure the effectiveness of its current program, to verify on a periodic basis that safety-related MOVs continue to be capable of performing their safety functions within the current licensing bases of the facility. The program should ensure that changes in performance requirements resulting from degradation (such as those caused by age) can be properly identified and accounted for. Addressees that have developed periodic verification programs in response to GL 89–10 should review those programs to determine whether any changes are appropriate in light of the information in this generic letter.

Required Response

All addressees are required to submit the following written responses to this generic letter:

1. Within 60 days from the date of this generic letter, a written response indicating whether or not the addressee will implement the action(s) requested herein. If the addressee intends to implement the requested action(s), the addressee shall submit a schedule for completing implementation. If an addressee chooses not to implement the requested action(s), the addressee shall submit a description of any proposed alternative course of action, the schedule for completing the alternative course of action (if applicable), and the safety basis for determining the acceptability of the planned alternative course of action.

2. Within 180 days from the date of this generic letter, or upon notification to NRC of completion of GL 89–10 (whichever is later), the addressee shall submit a written summary description of its MOV periodic verification program established in accordance with the Requested Actions paragraph or the alternative course of action established by the addressee in response to item 1 above.

All addressees shall submit the required written reports to the U.S. Nuclear Regulatory Commission, Attn: Document Control Desk, Washington, D.C. 20555–0001, under oath or affirmation under the provisions of Section 182a, Atomic Energy Act of 1954, as amended, and 10 CFR 50.54(f). In addition, a copy of the report shall be submitted to the appropriate Regional Administrator.

Backfit Discussion

10 CFR Part 50 (Appendix A, Criteria 1 and 4) and plant licensing safety analyses require and/or commit that the addressees design and test safety-related components and systems to provide adequate assurance that those systems can perform their safety functions. Other individual criteria in Appendix A to 10 CFR Part 50, or commitments made by licensees in their Final Safety Analysis Reports, apply to specific systems. In accordance with those regulations and licensing commitments, and under the additional provisions of Criterion XVI of Appendix B to 10 CFR Part 50, licensees are expected to take actions to ensure that safety-related MOVs are capable of performing their required safety functions.

Recommendation ''d'' of GL 89–10 requested that licensees and permit holders prepare procedures to ensure that correct MOV switch settings are maintained throughout the life of the plant. GL 89–10 stated that it may become necessary to adjust MOV switch settings because of wear or aging and that additional measures beyond ASME Code stroke-time testing should be taken to adequately verify that the switch settings ensure MOV operability. The NRC staff issued GL 89–10 as a compliance backfit as defined in 10 CFR 50.109. The actions requested in this generic letter are considered compliance backfits, under the provisions of 10 CFR 50.109 and existing NRC procedures, to ensure that safety-related MOVs are capable of performing their intended safety functions. In accordance with the provisions of 10 CFR 50.109 regarding compliance backfits, a full backfit analysis was not performed for this proposed action; but the staff performed a documented evaluation, which stated the objectives of and reasons for the requested actions and the basis for invoking the compliance exception. A

copy of this evaluation will be made available in the NRC Public Document Room.

Federal Register Notification

This generic letter is being issued for a 60-day public comment period.

Paperwork Reduction Act Statement

The information collections contained in this request are covered by the Office of Management and Budget clearance number 3150–0011, which expires July 31, 1997. The public reporting burden for this collection of information is estimated to average 75 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Information and Records Management Branch (T–6 F33), U.S. Nuclear Regulatory Commission, Washington, D.C. 20555–0001, and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB–10202 (3150–0011), Office of Management and Budget, Washington, D.C. 20503.

Attachment 1—Activities and Programs Related to Maintaining Long-Term Capability of Safety-Related Motor-Operated Valves

Over the last several years, licensees and permit holders have conducted tests of a large number of MOVs under static and dynamic conditions as part of the implementation of their GL 89–10 programs. From these tests, licensees and permit holders have identified significant weaknesses in the design and qualification of MOVs used in nuclear power plants. These weaknesses caused many MOVs to fail to operate properly during testing. Further, some MOVs operated adequately under test conditions, but analyses of the test results subsequently revealed that the MOVs might not have performed their safety functions under design-basis conditions. Licensees and permit holders are applying significant resources to ensure that, despite the potential weaknesses in original design and qualification, MOVs are currently capable of performing their safety functions under design-basis conditions.

In completing their GL 89–10 programs, licensees and permit holders may have based their confidence in the current design-basis capability of some safety-related MOVs on the thrust/torque requirements obtained directly from the dynamic testing without additional margin for age-related degradation. For some valves, licensees may have employed other methods (such as grouping) to establish design-basis capability. In some cases, the thrust/torque requirements obtained from the dynamic tests were significantly less than the thrust/torque required to operate apparently identical MOVs. Below, the staff discusses a research program conducted by the Electric Power Research Institute (EPRI) that indicates the potential for the thrust/torque required to operate a valve to increase with service. Aging can also decrease the thrust/torque output of motor actuators. Therefore, an effective program for periodic verification of MOV design capability will require that licensees understand the performance of their safety-related MOVs and the manner in which that performance can change with aging.

Static diagnostic tests provide information on the thrust/torque output of the motor actuator and any changes to the motor-actuator output as a result of aging effects. The thrust and torque required to operate a valve are highly dependent on the differential pressure and flow across the valve disk, which are not present during static testing. Therefore, dynamic tests can provide information on the thrust/torque requirements and any changes to those requirements as a result of aging effects. Although not currently validated, efforts are underway within the nuclear industry to develop methods to obtain information from static tests that would allow prediction of valve dynamic performance. As discussed below, EPRI has developed an analytical methodology that, when combined with static test data, provides bounding information on the thrust/torque requirements to operate gate, globe and butterfly valves under dynamic conditions.

While there may be benefits to performing dynamic testing to ascertain the thrust/torque requirements and changes to these requirements as a result of aging, there are also potential detriments to dynamic testing (e.g., blowdown testing by EPRI resulted in damage to some valves). The staff has not concluded that dynamic testing is the preferred method for periodic verification testing and believes dynamic testing may not be appropriate for certain situations. The proposed method for periodic verification testing and demonstration of a particular valve's acceptability and ability to perform consistent with its design basis are the responsibility of the licensee.

Electric Power Research Institute (EPRI)

A motor-operated valve (MOV) testing program conducted by EPRI has provided significant information regarding the long-term design-basis capability of safety-related MOVs. In addition to finding that the thrust required to operate gate valves is typically greater than the thrust originally predicted by valve vendors, the EPRI program found that the thrust required to operate gate valves can increase with valve strokes until a plateau is reached. Due to limited resources and their view that only limited and acceptable globe and butterfly valve degradation would occur with repetitive valve stroking, EPRI did not perform similar preconditioning tests on the globe and butterfly valves in its MOV program. Therefore, licensees will need to demonstrate that the EPRI methodology predicts long-term bounding thrust/torque requirements for globe and butterfly valves when applied as part of an MOV periodic verification program. For example, information might be evaluated from periodic dynamic verification testing of globe and butterfly valves being planned by some licensees. EPRI also found that certain valves could be damaged during high flow and blowdown testing.[1]

The Nuclear Energy Institute (NEI) submitted EPRI Topical Report TR–103237, ''EPRI MOV Performance Prediction Program,'' describing the methodology developed by EPRI to predict dynamic thrust and torque requirements for gate, globe, and butterfly valves without dynamic tests by licensees. The staff prepared a safety evaluation (SE) which approves the topical report for use and reference. Hence, the staff would find it acceptable

[1] In addition to information applicable to MOV periodic verification, the EPRI program has revealed performance characteristics of MOVs that might adversely affect a licensee's determination of the current capability of certain MOVs. In particular, EPRI found that a high percentage of gate valves were damaged during hot water and steam blowdown testing with thrust requirements unable to be predicted. For MOVs that might be damaged under such conditions, EPRI established possible modifications to valve internals for proper clearances and for rounding sharp edges. With respect to globe valves, EPRI found that reliable prediction of globe valve thrust requirements requires an appropriate seat or guide area in thrust calculations. Although EPRI tested only one globe valve under high temperature and blowdown conditions, the test revealed significantly higher thrust requirements than predicted. EPRI also found that load-sensitive behavior (or rate of loading) can reduce actuator thrust output under dynamic conditions. EPRI has furnished the results of their MOV tests to licensees through industry meetings, and the NRC staff has disseminated the results of the tests to licensees through information notices on the EPRI test program and public meetings. Some licensees have already incorporated this information into their MOV programs.)

if a licensee applied the EPRI methodology (in accordance with this generic letter and the conditions or limitations contained in the NRC staff's SE) in establishing a program for periodic verification of MOV design-basis capability.

Boiling Water Reactor (BWR) Owners' Group

The BWR Owners' Group submitted Topical Report NEDC 32264, ''Application of Probabilistic Safety Assessment to Generic Letter 89–10 Implementation,'' which provides a methodology to rank the MOVs in GL 89–10 programs with respect to their relative importance to core damage frequency, including appropriate considerations regarding other consequences to be added by an expert panel. The staff is issuing an SE on the topical report. The staff considers the methodology acceptable (in accordance with any conditions or limitations contained in the NRC staff's SE) for ranking MOVs in BWRs because the plant-specific IPE-based insights are supplemented by generic insights and expert review involving additional considerations, such as external events and shutdown issues. In addition, the use of the MOV rankings is in combination with deterministic considerations that ensure a minimally acceptable frequency of testing is established even for the least risk-significant valves.

NRC Research Activities

In the 1980s, the NRC Office of Nuclear Regulatory Research (RES) sponsored a test program by the Idaho National Engineering Laboratory (INEL) to determine the thrust required to operate motor-operated gate valves under dynamic flow conditions. The results of the EPRI valve test program confirmed the findings of the NRC's smaller-scale test program. More recently, preliminary results from the testing of valve material samples sponsored by RES indicate that valve friction can increase with aging.

With respect to MOV ranking, RES sponsored a study of appropriate frequencies of periodic testing of MOVs based on their risk significance. This work is summarized in an article titled ''Risk-Based Approach for Prioritizing Motor-Operated Valves'' in NUREG/CP–0137, ''Proceedings of the Third NRC/ASME Symposium on Valve and Pump Testing.''

American Society of Mechanical Engineers (ASME)

Licensees are currently bound by the requirements in their Code-of-record regarding stroke-time inservice testing (IST), as supplemented by the additional measures they establish to ensure that MOV design-basis capability is maintained pursuant to their GL 89–10 commitments or relief requests approved by the staff.

The ASME Operations and Maintenance Code Committee has developed a method to verify MOV design-basis capability through periodic testing. Through a non-mandatory code case (OMN–1, entitled: ''Alternative Rules for Preservice and Inservice Testing of Certain Electric Motor Operated Valve Assemblies in LWR Power Plants, OM Code 1995 Edition; Subsection ISTC''), ASME is allowing the replacement of frequent stroke-time testing with periodic exercising of all safety-related MOVs once per cycle and diagnostic testing under static or dynamic conditions, as appropriate.

With certain limitations, the staff considers the code case to meet the intent of this generic letter:

(1) When implementing the code case, the staff notes as an additional precaution that the benefits (such as identification of decreased thrust output and increased thrust requirements) and potential adverse effects (such as accelerated aging or valve damage) need to be considered when determining appropriate testing for each MOV.

(2) The code case states that the maximum inservice test frequency shall not exceed 10 years. The staff agrees with this condition of a maximum test interval of 10 years based on current knowledge and experience. In addition to this maximum test interval, where a selected test interval extends beyond five years, the licensee should evaluate information obtained from valve testing conducted during the first five-year time period to validate assumptions made in justifying the longer test interval. Based on performance and test experience obtained during the initial interval, a licensee may be able to justify lengthened MOV periodic verification intervals.

(3) Some licensees are developing programs for risk-informed inservice testing. As part of an industry pilot effort, two licensees have submitted exemption requests to utilize a risk-informed approach to determine inservice test frequencies for certain components, in lieu of testing these components per the frequencies specified by the ASME Code. Licensees involved in risk-informed IST programs that seek to implement the ASME code case need to specifically address the relationship of the code case to their pilot initiative.

Plant-Specific Programs

The staff has found effective programs for periodic verification of safety-related MOV design-basis capability at nuclear power plants to be characterized by several attributes, as follow:

- A risk-informed approach may be used to prioritize valve test activities, such as frequency of individual valve tests and selection of valves to be tested.
- The valve test program should provide adequate confidence that safety-related MOVs will remain operable until the next scheduled test.
- The importance of the valve should be considered in determining an appropriate mix of exercising and diagnostic testing. In establishing the mix of testing, the licensee should consider the benefits (such as identification of decreased thrust output and increased thrust requirements) and potential adverse effects (such as accelerated aging or valve damage) when determining the appropriate type of periodic verification testing for each safety-related MOV.
- All safety-related MOVs covered by the GL 89–10 program should be considered in the development of the periodic verification program. The program should include safety-related MOVs that are assumed to be capable of returning to their safety position when placed in a position that prevents their safety system (or train) from performing its safety function; and the system (or train) is not declared inoperable when the MOVs are in their nonsafety position.
- Licensees should evaluate and monitor valve performance and maintenance and periodically adjust the periodic verification program, as appropriate.

Licensees of several facilities (for example, Callaway, Monticello, and South Texas) had established MOV periodic verification programs that the staff found acceptable during closure of its review of GL 89–10 programs. One approach to MOV periodic verification that the staff found acceptable is to diagnostically test each safety-related MOV every 5 years (or every 3 refueling outages) to determine thrust and torque motor-actuator output and any changes in the output. A specific margin to account for potential degradation such as that caused by age (in addition to margin for diagnostic error, equipment repeatability, load-sensitive behavior, and lubricant degradation) is established above the minimum thrust and torque requirements determined under the GL 89–10 program. The selection of MOVs for testing and their test conditions should take into account

safety significance, available margin, MOV environment, and the benefits and potential adverse effects of static and dynamic periodic verification testing on the selected MOV sample. Measures such as grouping and sharing of valve performance between facilities are appropriate to minimize the need to conduct more rigorous periodic verification tests.

As discussed in this generic letter, the staff has long recognized the limitations of using stroke-time testing as a means of monitoring the operational readiness of MOVs (see GL 89–04) and has supported industry efforts to improve MOV periodic monitoring under the IST program and GL 89–10. As such, the staff would consider a periodic verification program that provides an acceptable level of quality and safety as an alternative to the current IST requirements for stroke-time testing and could authorize such an alternative, upon application by a licensee, pursuant to the provisions of 10 CFR 50.55a(a)(3)(i).

Dated at Rockville, Maryland, this 13th day of February, 1996.

For the Nuclear Regulatory Commission.

Theodore R. Quay,

Acting Director, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

[FR Doc. 96–3691 Filed 2–16–96; 8:45 am]

BILLING CODE 7590–01–P

Biweekly Notice; Applications and Amendments to Facility Operating Licenses Involving No Significant Hazards Considerations; Correction

This document corrects a notice appearing in the Federal Register on January 22, 1996 (61 FR 1626). The action is necessary to correct the law firm name of the attorney for licensee.

On page 1629, under the entry *Attorney for licensee* for the Florida Power and Light Company entry, Docket Nos. 50–335 and 50–389, in the second column, ''Harold F. Reis, Esquire, Newman and Holtzinger, 1615 L Street, NW., Washington, DC 20036'' should read ''Harold F. Reis, Esquire, Morgan, Lewis, and Bockius LLP, 1800 M Street, NW., Washington, DC 20036''.

Dated at Rockville, Maryland, this 13th day of February, 1996.

For the Nuclear Regulatory Commission.

Michael T. Lesar,

Chief, Rules Review Section, Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration.

[FR Doc. 96–3692 Filed 2–16–96; 8:45 am]

BILLING CODE 7590–01–P

OFFICE OF MANAGEMENT AND BUDGET

Discount Rates for Cost-Effectiveness Analysis of Federal Programs

AGENCY: Office of Management and Budget.

ACTION: Revisions to Appendix C of OMB Circular A–94.

SUMMARY: The Office of Management and Budget revised Circular A–94 in 1992. The revised Circular specified certain discount rates to be updated annually when the interest rate and inflation assumptions used to prepare the budget of the United States Government are changed. These discount rates are found in Appendix C of the revised Circular. The updated discount rates are shown below. The discount rates in Appendix C are to be used for cost-effectiveness analysis, including lease-purchase analysis, as specified in the revised Circular. They do not apply to regulatory analysis.

DATES: The revised discount rates are effective immediately and will be in effect through February 1997.

FOR FURTHER INFORMATION CONTACT: Robert B. Anderson, Office of Economic Policy, Office of Management and Budget, (202) 395–3381.

Joseph J. Minarik,

Associate Director for Economic Policy, Office of Management and Budget.

Attachments

OMB Circular No. A–94; Revised October 29, 1992

Appendix C—(Revised February 1996); Discount Rates for Cost-Effectiveness, Lease Purchase, and Related Analyses

Effective Dates. This appendix is updated annually around the time of the President's budget submission to Congress. This version of the appendix is valid through the end of February, 1997. Copies of the updated appendix and the Circular can be obtained from the OMB Publications Office (202–395–7332) or in an electronic form at the OMB home page on the world-wide WEB, http://www.whitehouse.gov/WH/EOP/omb. Updates of this appendix are also available upon request from OMB's Office of Economic Policy (202–395–3381) as is a table of past years' rates.

Nominal Discount Rates. Nominal interest rates based on the economic assumptions from the budget are presented below. These nominal rates are to be used for discounting nominal flows, which are often encountered in lease-purchase analysis.

NOMINAL INTEREST RATES ON TREASURY NOTES AND BONDS OF SPECIFIED MATURITIES (IN PERCENT)

3–Year	5–Year	7–Year	10–Year	30–Year
5.4	5.5	5.5	5.6	5.7

Real Discount Rates. Real interest rates based on the economic assumptions from the budget are presented below. These real rates are to be used for discounting real (constant-dollar) flows, as is often required in cost-effectiveness analysis.

REAL INTEREST RATES ON TREASURY NOTES AND BONDS OF SPECIFIED MATURITIES (IN PERCENT)

3–Year	5–Year	7–Year	10–Year	30–Year
2.7	2.7	2.8	2.8	3.0

Analyses of programs with terms different from those presented above may use a linear interpolation. For example, a four-year project can be evaluated with a rate equal to the average of the three-year and five-year rates. Programs with durations longer than 30 years may use the 30-year interest rate.

[FR Doc. 96–3731 Filed 2–16–96; 8:45 am]

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POSTAL RATE COMMISSION

[Docket No. A96–10; Order No. 1101]

Bruington, Virginia 23023 (Linda P. Gray, Petitioner); Notice and Order Accepting Appeal and Establishing Procedural Schedule Under 39 U.S.C. § 404(b)(5)

Issued February 13, 1996.

Docket Number: A96–10.

Name of Affected Post Office: Bruington, Virginia 23023.

Name(s) of Petitioner(s): Linda P. Gray.

Type of Determination: Closing.

Date of Filing of Appeal Papers: February 9, 1996.

Categories of Issues Apparently Raised:

1. Effect on postal services [39 U.S.C. § 404(b)(2)(C)].

2. Effect on the community [39 U.S.C. § 404(b)(2)(A)].

After the Postal Service files the administrative record and the Commission reviews it, the Commission may find that there are more legal issues than those set forth above. Or, the Commission may find that the Postal Service's determination disposes of one or more of those issues.