



CHAIRMAN

The Honorable James M. Inhofe, Chairman  
Subcommittee on Clean Air, Wetlands,  
Private Property and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

The Fiscal Year 1999 Energy and Water Development Appropriations Act, Senate Report 105-206, directed the Nuclear Regulatory Commission (NRC) to provide a monthly report on the status of its licensing and regulatory duties. I am pleased to transmit the tenth report which covers the month of September (Enclosure 1).

As you are aware, a criticality accident occurred at a nuclear fuel fabrication plant in Tokaimura, Japan, on September 30, 1999. In response to the President's request, the NRC, in close cooperation with other Federal agencies, is working to learn more about the accident to see whether lessons learned there might further improve the existing programs at commercial fuel fabrication facilities in the United States. NRC has a very robust regulatory program that includes detailed licensing reviews, full-time resident inspectors at the two facilities that handle higher enriched uranium, and routine safety inspections at all commercial facilities. NRC has also been informed that the commercial facilities are themselves planning to conduct a self assessment of their nuclear criticality safety programs. NRC welcomes this industry initiative. We will keep you informed of NRC's actions arising from the Japanese criticality accident as we learn more about the event and its root cause.

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 22, 1999

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Another accomplishment in the materials arena includes NRC approval of an agreement which allows the state of Ohio to assume part of NRC's regulatory authority over the use of certain radioactive materials. Under the agreement, NRC transferred to Ohio the responsibility for licensing, rulemaking, inspection, and enforcement concerning (1) materials made radioactive in certain non-power reactors used for this purpose; (2) the tailings or wastes produced by the extraction or concentration of uranium or thorium from processed ore; (3) uranium and thorium source materials; and (4) special nuclear material in quantities not sufficient to support a nuclear reaction. The agreement also allows the state to regulate the land disposal of radioactive waste and to conduct safety evaluations of sealed radioactive sources and devices for medical and industrial use.

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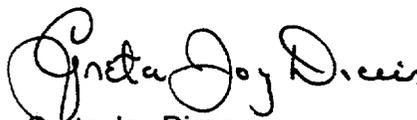
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Greta Joy Dicus

Enclosures:

1. September Monthly Report
2. Tasking Memorandum

cc: Senator Bob Graham



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

October 22, 1999

CHAIRMAN

The Honorable Joe Barton, Chairman  
Subcommittee on Energy and Power  
Committee on Commerce  
United States House of Representatives  
Washington, D.C. 20515

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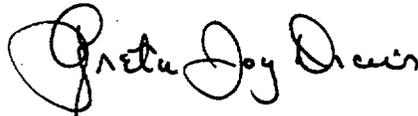
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Sincerely,

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Greta Joy Dicus

Enclosures:

1. September Monthly Report
2. Tasking Memorandum

cc: Representative Ralph M. Hall



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 22, 1999

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Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States House of Representatives  
Washington, D.C. 20515

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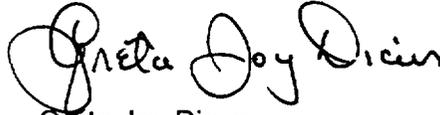
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cc: Representative Peter J. Visclosky



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

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Subcommittee on Energy and Water Development  
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United States Senate  
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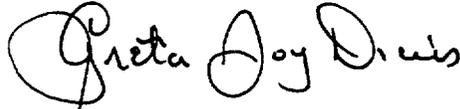
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- Performed a confirmatory inspection of the Radiation Protection Program at the United States Enrichment Corporation's (USEC) Paducah plant the week of August 30, 1999, and conducted a similar inspection at USEC's Portsmouth plant the week of September 13, 1999. Following a review of the results, the team expects to close the inspection in mid-October. The staff has tentatively concluded that the USEC plants are effective in identifying and controlling worker exposure to contamination. On September 16, 1999, NRC staff testified before the House Commerce Committee's Oversight and Investigations Subcommittee to discuss NRC's responsibilities regarding the USEC plants and associated current issues.
- Continued to make progress in our public outreach efforts. For example, on September 17, the NRC staff conducted an open meeting with public interest groups, industry representatives and members of the general public to discuss the agency response to concerns on issues related to the release of information to the public. At a meeting held on July 9, participants expressed concerns with a number of NRC's practices in this area. In the September 17 meeting, the staff discussed the agency's efforts to improve document-handling processes, including topics such as the time delay between issuance of a document and its availability in the Public Document Room, the process used for issuing advance copies of documents where there is a high degree of public interest, simplification of the public comment process for documents (to encourage the involvement of all stakeholders), the agency's new document management system and ease of public access; and improvements in updating documents on the agency's web page to reduce inconsistencies. In its letter dated September 20, 1999, the Union of Concerned Scientists (UCS) complimented the NRC staff on the success of this meeting, particularly the staff's sincere efforts to address each and every concern raised by the public stakeholders at the prior meeting in July.

I have enclosed (Enclosure 2) the September update to the Tasking Memorandum which delineates the specific initiatives completed by the agency since August 1998 and future milestones.

Please do not hesitate to contact me if I may provide additional information.

Sincerely,

A handwritten signature in black ink that reads "Greta Joy Dicus". The signature is written in a cursive style with a large initial "G".

Greta Joy Dicus

Enclosures:

1. September Monthly Report
2. Tasking Memorandum

cc: Senator Harry Reid



CHAIRMAN

UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 22, 1999

The Honorable Pete V. Domenici  
United States Senate  
Washington, D.C. 20510

Dear Senator Domenici:

The Fiscal Year 1999 Energy and Water Development Appropriations Act, Senate Report 105-206, directed the Nuclear Regulatory Commission (NRC) to provide a monthly report on the status of its licensing and regulatory duties. I am pleased to transmit the tenth report which covers the month of September (Enclosure 1).

As you are aware, a criticality accident occurred at a nuclear fuel fabrication plant in Tokaimura, Japan, on September 30, 1999. In response to the President's request, the NRC, in close cooperation with other Federal agencies, is working to learn more about the accident to see whether lessons learned there might further improve the existing programs at commercial fuel fabrication facilities in the United States. NRC has a very robust regulatory program that includes detailed licensing reviews, full-time resident inspectors at the two facilities that handle higher enriched uranium, and routine safety inspections at all commercial facilities. NRC has also been informed that the commercial facilities are themselves planning to conduct a self assessment of their nuclear criticality safety programs. NRC welcomes this industry initiative. We will keep you informed of NRC's actions arising from the Japanese criticality accident as we learn more about the event and its root cause.

The August report provided information on several important staff activities. In particular, the Commission approved a final rule which amends 10 CFR Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions." This final rule eliminates the requirement that individual license renewal applicants address the generic and cumulative impacts associated with transportation operations in the vicinity of a high-level waste repository site. In addition to the activities with 10 CFR Part 51, the Commission has proposed to amend its regulations to add three fuel storage cask designs to the list of approved cask designs that utilities may use for independent spent fuel storage.

Since our August report, the Commission has approved a final rule that amends the regulations applicable to gaseous diffusion plants to simplify the certification and amendment process applicable to those plants. The final rule modifies the certificate renewal process, establishes a process for certificate amendments comparable to the process used to amend a fuel cycle license, and makes several additional procedural simplifications. Additionally, the staff conducted a public meeting and began the process for revising the agency's safety inspection program for fuel cycle and uranium enrichment facilities. The latest public workshop on this topic was held on October 20, 1999. The move to revise the safety inspection and oversight program for these facilities reflects the agency's desire to apply more objective and safety-significant criteria in assessing the performance of all its licensees, as well as the need

to regulate the industry more effectively with a smaller staff and budget. This initiative will employ lessons learned from the revised commercial nuclear reactor inspection and oversight program which began earlier this year.

Another accomplishment in the materials arena includes NRC approval of an agreement which allows the state of Ohio to assume part of NRC's regulatory authority over the use of certain radioactive materials. Under the agreement, NRC transferred to Ohio the responsibility for licensing, rulemaking, inspection, and enforcement concerning (1) materials made radioactive in certain non-power reactors used for this purpose; (2) the tailings or wastes produced by the extraction or concentration of uranium or thorium from processed ore; (3) uranium and thorium source materials; and (4) special nuclear material in quantities not sufficient to support a nuclear reaction. The agreement also allows the state to regulate the land disposal of radioactive waste and to conduct safety evaluations of sealed radioactive sources and devices for medical and industrial use.

Since the last report, the Commission and NRC staff also:

- Issued a report confirming by onsite reviews that at all 103 U.S. nuclear power plants there are no Y2K-related problems which affect the performance of safety systems needed to safely shut down the plants. The report, NUREG-1706, "Year 2000 Readiness in U.S. Nuclear Power Plants," integrates the results of NRC's onsite reviews of all nuclear power plants and utilities' July 1 responses on Y2K readiness.
- Amended the regulations that govern the use of respiratory protection equipment and other controls to restrict internal exposure to radioactive material. The revised rules provide greater assurance that workers' radiation exposures will be maintained as low as is reasonably achievable and approve for licensee use advances in respiratory protection equipment and procedures. The new rules are more performance-based, more flexible, and easier to implement. The NRC estimates the new rules will result in a net benefit to industry of about \$1.5 million per year, with no reduction in worker health and safety.
- Hosted a public meeting to discuss the proposed revisions to 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material," which were published for public comment in July 1999, and the associated Standard Review Plan. By late December, the staff intends to complete its initial review of all comments received during the public comment period. A subsequent public meeting, to discuss the public comments and matters which still require clarification, is planned for late January or early February 2000.
- Promulgated a final rule adding Holtec International's HI-STAR 100 to the list of fuel storage casks approved for use by general licensees, pursuant to 10 CFR Part 72. This final rule is effective October 4, 1999. The HI-STAR 100 is the first of a new generation of dual-purpose casks to be fully certified for use under both 10 CFR Part 71 (Transportation) and 10 CFR Part 72 (Storage).
- Approved a proposed rule which amends 10 CFR Part 72.214, "List of approved spent fuel storage casks," by adding the Holtec HI-STORM 100 cask system to the list of approved spent fuel storage casks. This amendment would allow the holders of power

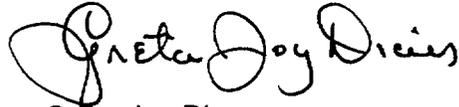
reactor operating licenses to store spent fuel in the approved casks under a general license.

- Approved an exemption request from Duke Energy to allow simultaneous submittal of license renewal applications for four of its plants (McGuire Units 1 and 2 and Catawba Units 1 & 2), although only one (McGuire Unit 1) is projected to have the requisite 20 years actual operating experience set forth in 10 CFR Part 54. The staff agreed with Duke that the plant designs are sufficiently similar and all of the plants will have accumulated significant operating experience at the time Duke plans to make its coordinated applications. The staff found that granting the exemption request would result in significant resource savings for both the NRC and licensee without sacrificing the quality of the reviews.
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Sincerely,

A handwritten signature in cursive script that reads "Greta Joy Dicus". The signature is written in black ink and is positioned above the printed name.

Greta Joy Dicus

Enclosures:

1. September Monthly Report
2. Tasking Memorandum

**IDENTICAL LETTERS SENT TO:**

The Honorable James M. Inhofe, Chairman  
Subcommittee on Clean Air, Wetlands,  
Private Property and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, D.C. 20510

cc: Senator Bob Graham

The Honorable Joe Barton, Chairman  
Subcommittee on Energy and Power  
Committee on Commerce  
United States House of Representatives  
Washington, D.C. 20515

cc: Representative Ralph M. Hall

The Honorable Ron Packard, Chairman  
Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States House of Representatives  
Washington, D.C. 20515

cc: Representative Peter J. Visclosky

The Honorable Pete V. Domenici, Chairman  
Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States Senate  
Washington, D.C. 20510

cc: Senator Harry Reid

The Honorable Pete V. Domenici  
United States Senate  
Washington, D.C. 20510

**MONTHLY STATUS REPORT ON THE  
LICENSING ACTIVITIES AND REGULATORY DUTIES OF THE  
UNITED STATES NUCLEAR REGULATORY COMMISSION**

**September 1999**

Enclosure 1

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## **I. Implementing Risk-Informed Regulations**

In the area of implementing risk-informed regulations, the staff continues to make progress on tasks in five general areas: Rulemaking and Generic Communications; Licensing Activities; Reactor Oversight (Inspection, Enforcement, and Licensee Performance Assessment); Events Assessment; and Probabilistic Risk Analysis Methods and Standards. A noteworthy accomplishment in the area of Rulemaking and Generic Communications is summarized below:

### **Rulemaking - Alternate Source Terms:**

The NRC is amending its regulations to allow holders of operating licenses for nuclear power plants to voluntarily replace the traditional source term used in design basis accident analyses with alternative source terms. "Source Term" is the term used to describe the fission product release from the reactor core into containment, and is characterized by the composition and magnitude of the radioactive material, the chemical and physical properties of the material, and the timing of the release from the core. The accident source term is used to evaluate the radiological consequences of design basis accidents in showing compliance with various NRC regulations. The proposed rule was published for public comment on March 11, 1999 (64 FR 12117). The staff resolved the public comments received and has prepared the final rule. The staff has also prepared a draft regulatory guide and a draft standard review plan section to provide guidance to licenses that opt to use alternative source terms. The final rule and the draft documents are currently being reviewed by the staff with publication expected in November 1999. At that time, currently licensed power reactors may propose applications of an alternative source term that could reduce unnecessary or ineffective requirements in the facility design basis. It is believed that the final rule will result in an improvement in the allocation of resources both for the NRC and the industry. Also, there is an expectation that many of the alternative source term applications may provide concomitant improvements in overall safety and in reduced occupational exposure, as well as economic benefits. The NRC staff determined that the public health and safety and the common defense and security will continue to be assured when the final rule becomes effective.

All currently operating nuclear power plants were licensed on the basis of a source term published in 1962, which assumed the total release of all fission product immediately following an accident. Since then significant advances have been made in understanding the timing, magnitude, and chemical form of fission product releases from severe nuclear power plant accidents. The alternative source term is risk-informed in that only risk-significant accident sequences were considered. Many of these insights developed out of the major research effort started by the NRC and the industry after the accident at Three Mile Island.

## **II. Nuclear Plant Assessment, Inspection, and Enforcement Processes**

The staff has continued to meet on a biweekly basis with Nuclear Energy Institute and other stakeholders to refine the proposed changes to its assessment, inspection, and enforcement processes. Activities include the following:

- The pilot program of the revised reactor oversight process described in Commission Papers SECY-99-007 and SECY-99-007A for nine (9) plants began on May 30, 1999. The NRR staff is monitoring implementation and reviewing results of the pilot program.

The date for full implementation of the revised oversight process is April 1, 2000. The NRC staff is making progress in meeting this schedule.

- A public meeting was held on September 7, 1999, between the NRC Region III and Headquarters managers and Commonwealth Edison and Northern States Power Company senior managers to discuss the status of the revised reactor oversight process pilot program associated with its implementation at Quad Cities and Prairie Island nuclear power plants. This meeting provided valuable feedback and insights. The meeting was well attended by many of the non-pilot plant licensees in Region III .
- NRR managers and members of the Inspection Program Branch are continuing to interface with NRC staff and stakeholders to discuss the revised oversight process, answer questions, and obtain feedback. The NRC staff participated in an American Nuclear Society-sponsored workshop on September 16, 1999, in Arlington, Texas, related to the status of the revised reactor oversight process. The NRR staff also conducted a public workshop on fire protection inspection issues in Bethesda, Maryland, on September 13-15, 1999.

### **III. Status of Issues in the Reactor Generic Issue Program**

There are no changes in this area from the August 1999 report.

### **IV. Licensing Actions and Other Licensing Tasks**

Licensing actions may be defined as requests for license amendments, exemptions from regulations, relief from inspection or surveillance requirements, topical reports submitted on a plant-specific basis, notices of enforcement discretion, or other licensee requests requiring NRC review and approval before it can be implemented by the licensee. The FY 1999 NRC Performance Plan incorporates three output measures related to licensing actions -- size of the licensing action inventory, number of licensing action completions per year, and age of the licensing action inventory.

Other licensing tasks may be defined as licensee responses to NRC requests for information through generic letters or bulletins, NRC responses to 2.206 petitions, NRC review of licensee topical reports, NRR responses to regional requests for assistance, and NRC review of licensee 10 CFR 50.59 analyses and FSAR updates. The FY 1999 NRC Performance Plan incorporates an output measure related to the number of other licensing tasks completed.

The actual FY 1998 results, the FY 1999 goals, and the FY 1999 results, through August 31, 1999, for the four NRC Performance Plan output measures are shown in the table below.

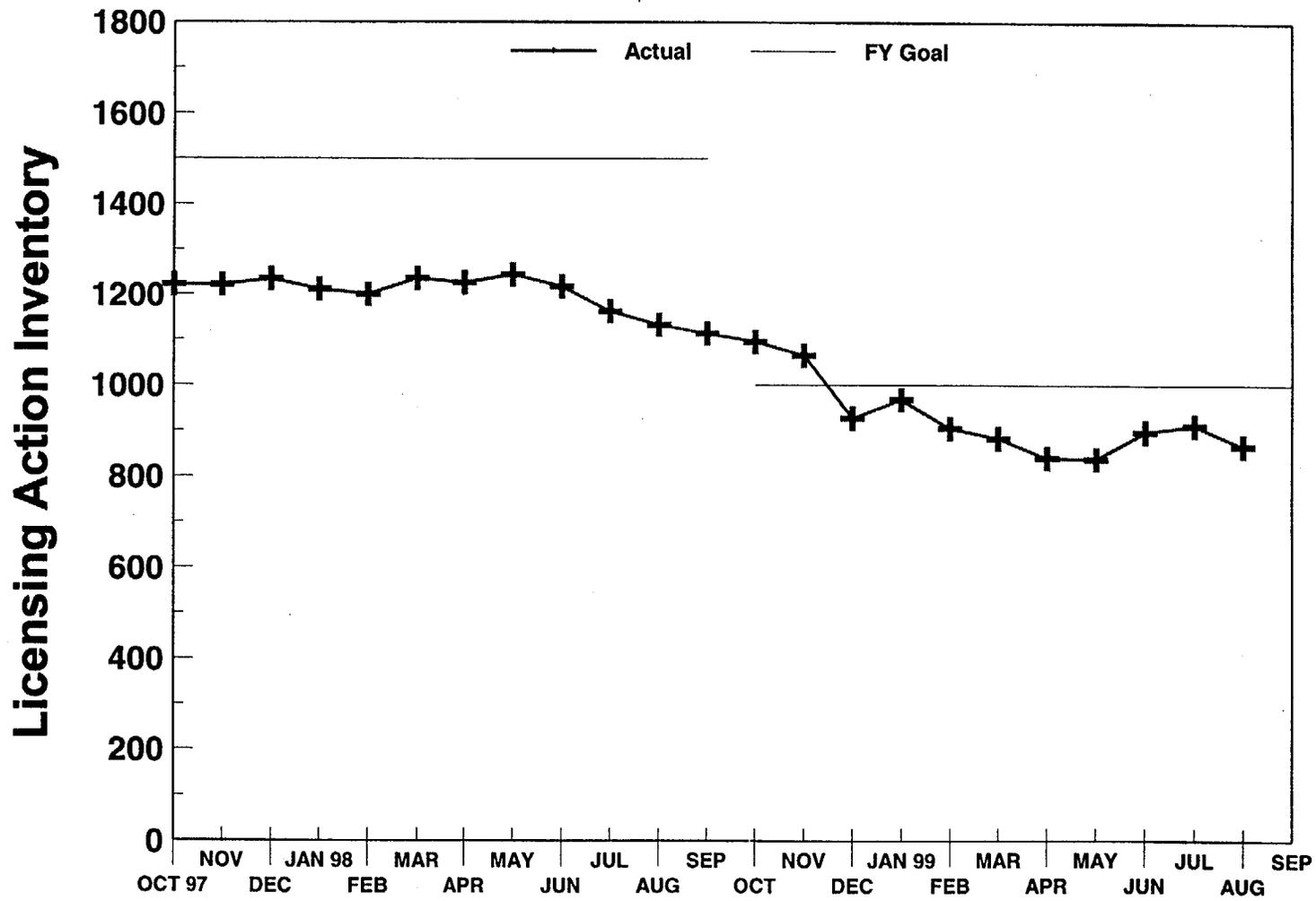
<b>PERFORMANCE PLAN</b>			
<b>Output Measure</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Target</b>	<b>FY 1999 Actual (thru 8/31/99)</b>
Licensing actions completed per year	1425	1670	1562
Size of licensing actions inventory	1113	1000	866
Age of licensing action inventory	65.6% ≤ 1 year; 86.0% ≤ 2 years; and 95.4% ≤ 3 years old	80% ≤ 1 year; 95% ≤ 2 years; and 100% ≤ 3 years old	84.8% ≤ 1 year; 99.3% ≤ 2 years; and 99.9% ≤ 3 years old
Other licensing tasks completed per year	1006	800	854

In FY 1999, NRC increased resources for completing licensing actions, so that, given the current size of the inventory and the estimated number of licensing action requests, the inventory size and number of completions goals should be met by the end of the fiscal year. However, the goal for the age of the inventory has historically not been met. NRC has undertaken several initiatives to reduce the age of licensing action inventory. For instance, the NRC staff initiated a management review of the older items in the inventory in mid-1998. For each item, the staff assessed the status, identified success paths for resolution, and established completion schedules. The staff also published monthly progress reports and conducted follow up management meetings to emphasize the need to meet established schedules. The NRC has made substantial progress towards meeting the licensing action age goal.

The following charts demonstrate NRC's progress in meeting the four licensing action and other licensing task output measure goals.

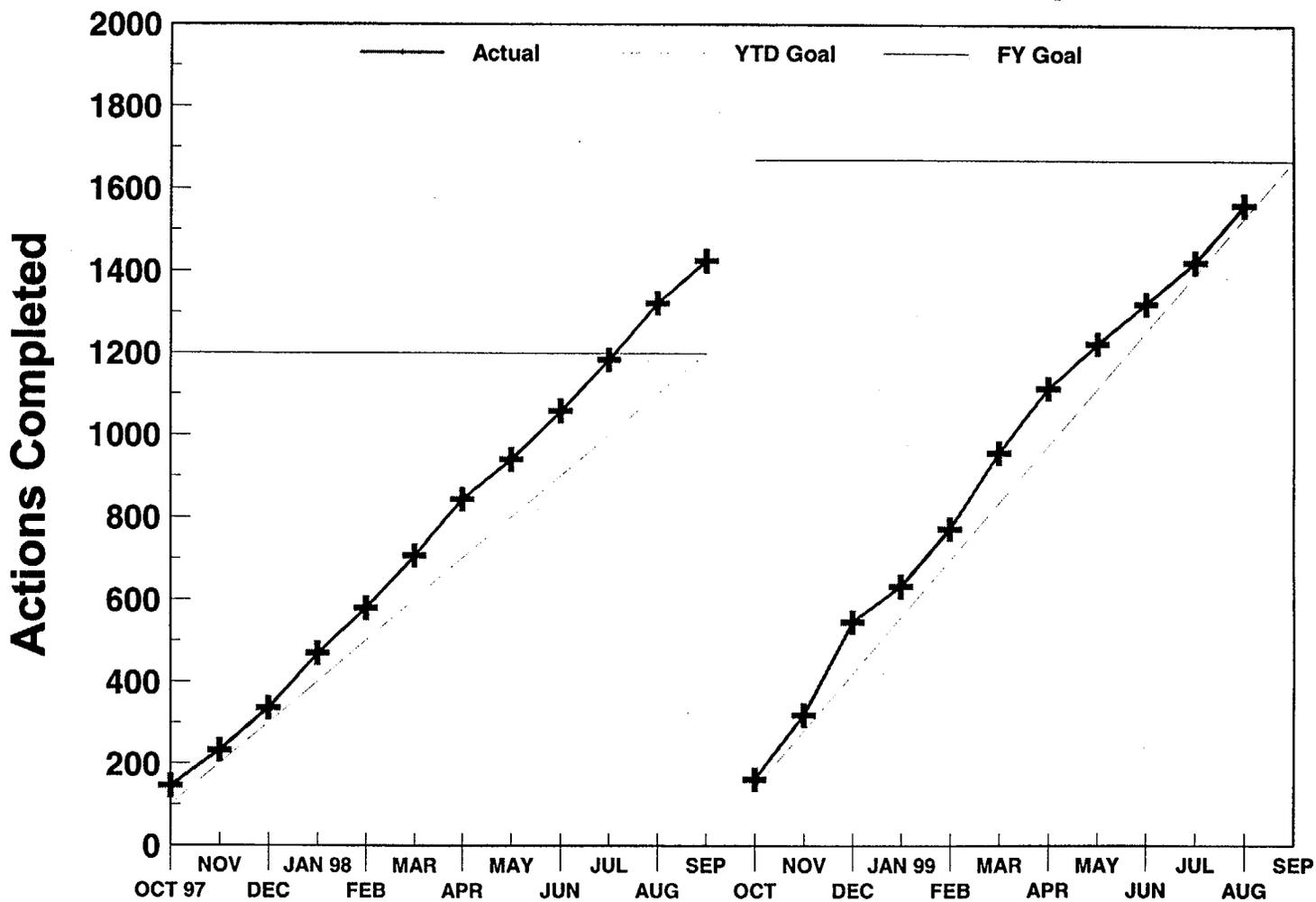
# Nuclear Reactor Safety - Reactor Licensing

## Performance Plan Target: Licensing Action Inventory



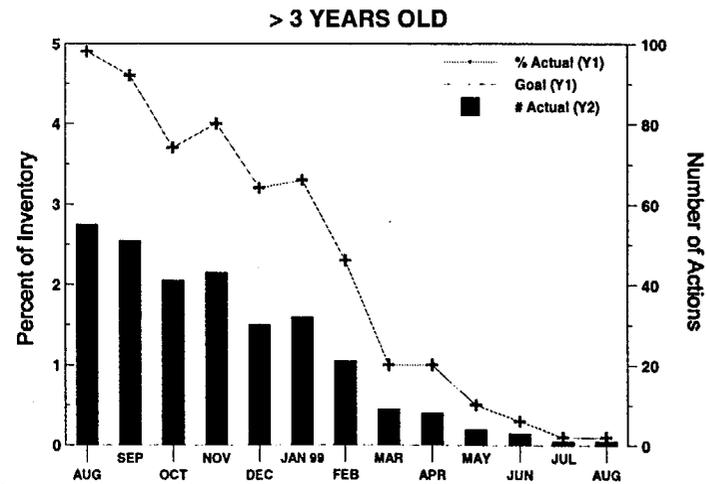
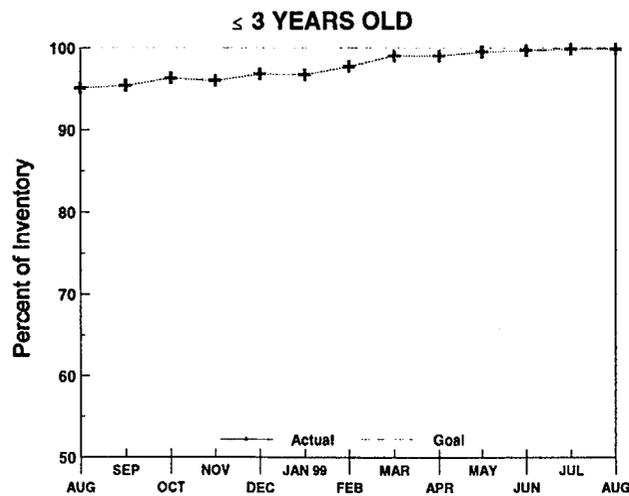
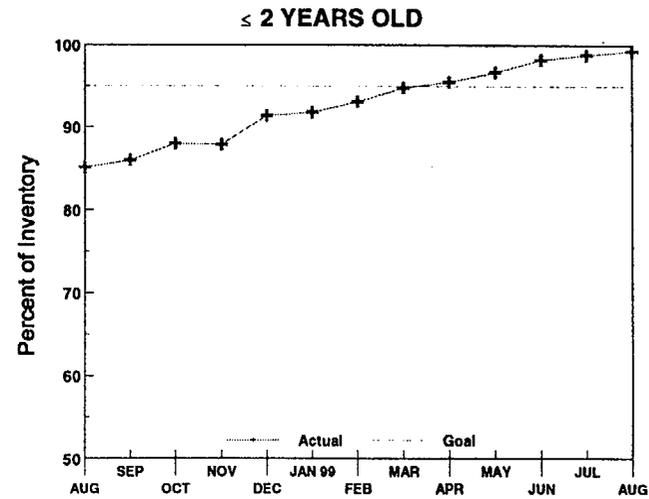
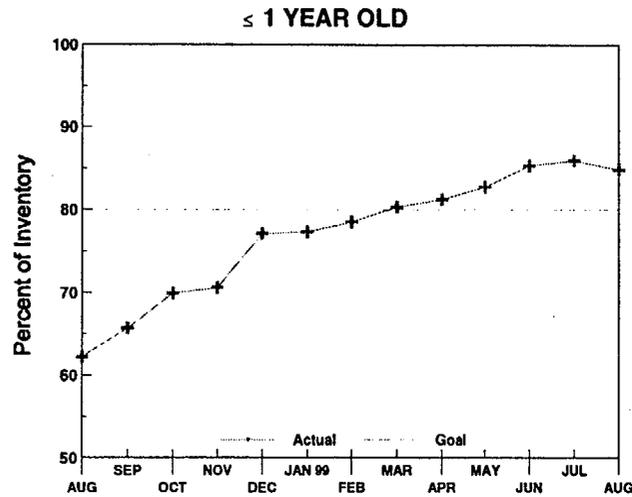
# Nuclear Reactor Safety - Reactor Licensing

## Performance Plan Target: Completed Licensing Actions



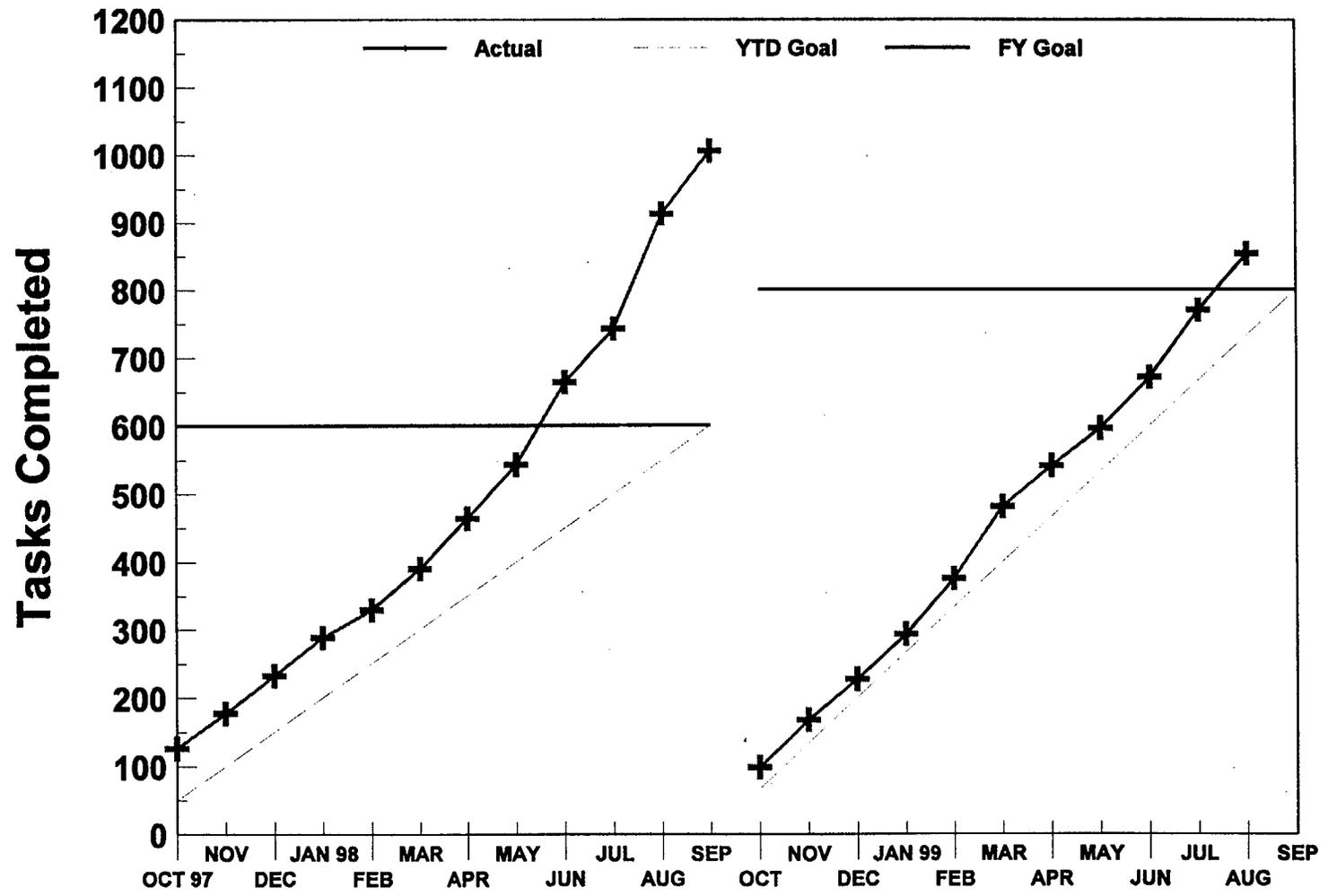
# Nuclear Reactor Safety - Reactor Licensing

## Performance Plan Target: Age of Licensing Action Inventory



# Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Completed Other Licensing Tasks



## **V. Status of Calvert Cliffs License Renewal Application**

All activities associated with the review of the Calvert Cliffs license renewal application are on schedule. Work continues on the resolution of public comments and preparation of the final environmental impact statement. The Safety Evaluation Report and final environmental impact statement are scheduled to be issued by November 16, 1999.

## **VI. Status of Review of Private Fuel Storage Limited Liability Corporation's Application for a License to Operate an Independent Spent Fuel Storage Installation on the Reservation of the Skull Valley Band of Goshute Indians**

Litigation in the adjudicatory proceeding on the Private Fuel Storage Limited Liability Corporation application continued during this reporting period. The Atomic Safety and Licensing Board issued a series of decisions granting the applicant's requests for summary disposition of several safety contentions to be adjudicated in the first evidentiary hearing, which is scheduled to commence in November of 1999. The State of Utah submitted a request to admit a late contention, which is pending before the Atomic Safety and Licensing Board at this time.

Also during this reporting period, the Nuclear Regulatory Commission staff held a meeting with representatives of Private Fuel Storage Limited Liability Corporation in Salt Lake City, Utah. The purpose of the meeting was to discuss the staff's second request for additional information associated with the development of the Environmental Impact Statement for the Private Fuel Storage project. Staff from the Department of Interior's Bureau of Indian Affairs and Bureau of Land Management also participated in this meeting. The Bureau of Indian Affairs and the Bureau of Land Management are cooperating agencies with the Nuclear Regulatory Commission in the preparation of the Environmental Impact Statement for the Private Fuel Storage project.

Subsequent to the meeting with Private Fuel Storage Limited Liability Corporation, the NRC staff met with a representative of the Utah State Historic Preservation Officer at his office in Salt Lake City, Utah. The Skull Valley Band of Goshute Indians does not have its own Tribal Historic Preservation Officer. In such cases, recently enacted regulations call for consultation with both State and Tribal representatives for tribal historic preservation reviews. The NRC has also held informal discussions with the Chairman of the Skull Valley Goshute Indians on this subject.

During this reporting period, Private Fuel Storage Limited Liability Corporation informed the Nuclear Regulatory Commission staff that submittal of data needed by the staff to complete its seismic and geotechnical safety evaluation would be delayed. The staff's initial site safety evaluation report will not include findings for areas where complete information was not received in time for inclusion in the report. The staff will issue a supplement to its safety evaluation report once it has received and evaluated all outstanding information from Private Fuel Storage Limited Liability Corporation.

**VII. Summary of Reactor Enforcement by Region**

		Reactor Enforcement Actions*				
		Region I	Region II	Region III	Region IV	TOTAL
Severity Level I	August 99	0	0	0	0	0
	FY 99 YTD	0	0	0	0	0
	FY 98 Total	0	0	0	0	0
Severity Level II	August 99	0	0	0	0	0
	FY 99 YTD	5	0	2	0	7
	FY 98 Total	3	1	1	1	6
Severity Level III	August 99	1	0	1	0	2
	FY 99 YTD	9	2	6	8	25
	FY 98 Total	46	11	15	19	91
Severity Level IV	August 99	1	0	1	0	2
	FY 99 YTD	51	42	55	60	208
	FY 98 Total	383	271	392	261	1307
Non-Cited Severity Level IV	August 99	19	30	16	11	76
	FY 99 YTD	289	230	302	272	1093
	FY 98 Total	372	240	307	214	1133

\*Numbers of violations are based on enforcement action tracking (EATS) system data that may be subject to minor changes following verification. The number of Severity Level I, II, III listed refers to the number of Severity Level I, II, III violations or problems. The monthly totals generally lag by 30 days due to inspection report and enforcement development.

## **Description of Significant Actions (Severity Level I, II, III) taken in August 1999**

### **North Atlantic Energy Service Corporation (NAESCO), Seabrook Station Supplement VII, (EA 98-165)**

The NRC staff issued a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$55,000 on August 3, 1999. This action was based on Severity Level III violation of NRC requirements involving: (1) discrimination by Williams Power Corporation (WPC), a contractor of NAESCO, against an electrician for raising safety issues; (2) creation of an inaccurate record by WPC regarding work completed; and (3) the failure to promptly correct incorrectly terminated cables. Specifically, the violations involved discrimination against the WPC electrician who raised a concern regarding a wiring discrepancy in the control panel of the control building air conditioning (CBA) system. The electrician first raised this concern to his foreman, and later brought the discrepancy to the attention of a NAESCO quality control (QC) inspector on January 7, 1998. Subsequently, on January 16, 1998, the WPC foreman selected this specific electrician for a layoff. While legitimate reasons supporting the layoff may exist, the NRC concluded that, based on the evidence developed during the OI investigation and the information provided at the enforcement conference, the layoff was motivated, at least in part, by the individual's engagement in protected activity. The NRC has concluded that the electrician was discriminated against for raising a safety concern which constitutes a violation of 10 CFR Part 50.7. The NRC recognizes that these actions were taken by one of the licensee's contractors. Nonetheless, the NRC holds the facility licensee responsible for the acts of all personnel employed at its facilities, including contractors. Since this violation was willful, the NRC considered whether credit was warranted for identification and corrective action, and decided that credit was only warranted for corrective action.

### **FirstEnergy Nuclear Operating Company, Davis-Besse Nuclear Power Station Supplement I (EA 99-138)**

The NRC staff issued a Notice of Violation for a Severity Level III problem on August 6, 1999, based on two violations of NRC requirements related to missing body-to-bonnet nuts on a pressurizer spray valve. The licensee failed to maintain the design of the valve and developed inadequate corrective action for the degraded condition. Specifically, a worker identified that one of the eight body-to-bonnet nuts was missing. The maintenance and engineering staff incorrectly determined that a contractor had removed the nut during installation of equipment for a temporary sealant repair. While replacing the missing nut, workers identified a second missing nut; this nut was also replaced. During a subsequent outage, a worker noted a gap between one of the replacement nuts and the bonnet due to a replacement nut being installed over remnants of a corroded nut. Additionally, the licensee identified a third degraded nut, which had corroded away by approximately 30%. An evaluation determined that three of the nuts were carbon steel and were susceptible to boric acid induced corrosion. An engineering analysis determined that with two nuts missing, safe shutdown earthquake loads concurrent with maximum design pressure would have resulted in failure of the valve's body-to-bonnet joint. The failure would have resulted in a nonisolable reactor coolant system leak (a small break loss of coolant accident). A subsequent vendor analysis concluded that the valve would have remained functional under all accident conditions. Because the facility has not been the subject of escalated enforcement actions within the last two years, the NRC considered whether credit was warranted for corrective action and concluded that credit should be given for initiating effective corrective actions once the root cause of the degradation was identified. As a result, no civil penalty was proposed in this case.