October 16, 2000

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 2000 Energy and Water Development Appropriations Act, Senate Report 106-58 and House Report 106-253, directed the Nuclear Regulatory Commission (NRC) to continue to provide a monthly report on the status of its licensing and regulatory duties. The initial reporting requirement arose in the Fiscal Year 1999 Energy and Water Development Appropriations Act, Senate Report 105-206. As further directed in House Report 106-253, we have expanded the monthly report to include regulatory reform efforts affecting power reactor operations beyond 10 CFR Part 50, including NRC efforts to evaluate NRC security regulations. We have also expanded the monthly report to include the status of all license renewal applications that are under active review and other NRC initiatives in developing implementation guidance for the license renewal rule. I am pleased to transmit the twenty-first report, which covers the month of August (Enclosure 1).

The July report provided information on a number of significant NRC activities. These activities included approving an amendment request for the Nuclear Assurance Corporation-Legal Weight Truck transportation cask to authorize the transport of up to 25 high-burnup pressurized water or boiling water reactor fuel rods, approving the transfer of operating licenses for 20 commercial nuclear power plants from Commonwealth Edison and PECO Energy Company to Exelon Generation Company, publishing a proposed rule that would add the BNFL Fuel SolutionsTM Spent Fuel Dry Cask System to the list of approved dry cask storage systems, issuing a proposed rule that would allow applicants for nuclear power plant operator licenses to use simulators, rather than the controls of actual nuclear plants, in fulfilling a portion of their training requirements, and approving a final rule amending regulations that apply to certain licensees authorized to possess and process large quantities of certain types of uranium and plutonium.

During this reporting period, Consolidated Edison Company of New York (ConEd) completed its full-core off-load in preparation for the replacement of the steam generators at Indian Point Unit 2. On September 11, the NRC met with ConEd to discuss the licensee's recovery plan after being designated as an "agency focus" plant. On September 26, NRC conducted a regulatory conference with ConEd to discuss NRC’s review of ConEd’s 1997 steam generator inspection.

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

- published the final version of NUREG-1718, "Standard Review Plan (SRP) for the Review of an Application for a Mixed Oxide (MOX) Fuel Fabrication Facility," on the NRC website at http://www.nrc.gov/NRC/NUREGS/SR1718/index.html.

- published the direct final rule adding Certificate of Compliance (CoC) No. 1004, Amendment No. 2, for the NUHOMS spent fuel storage system to the list of approved casks. The comment period ended with no adverse comments received, and the NRC issued the final CoC on August 30, 2000 with an effective date of September 5, 2000. As a result, the NUHOMS storage system, as amended, will be available for use by holders of 10 CFR Part 50 power reactor operating licenses under the general license provisions of 10 CFR 72.210.

- conducted three public meetings in Las Vegas and Pahrump, Nevada, regarding NRC's recently completed NUREG 6672, "Reexamination of Spent Fuel Shipment Risk Estimates," and the results of Phase 1 of the Package Performance Study.

- held a meeting in Piketon, Ohio, to discuss the safety and safeguards implications of the U.S. Enrichment Corporation's (USEC) plan to shutdown uranium enrichment activities at the Portsmouth Gaseous Diffusion Plant by June 2001 and the regulatory implications of the transfer of the enrichment facilities from NRC to the Department of Energy following the shutdown.

- received on September 11, 2000, Florida Power and Light Company's (FPL) license renewal application for its Turkey Point Nuclear Plant, Units 3 & 4. Turkey Point is the first license renewal application for a Westinghouse reactor design, and the fifth application received overall. Turkey Point Units 3 and 4 also represent the ninth and tenth reactor units seeking an additional 20 years of licensed operation. The staff is projecting a 30-month review schedule from receipt of the FPL application.

- published in the Federal Register a revised Commission policy statement on the medical use of byproduct material (65 FR 47654). The revision of the policy statement is one component of the Commission's overall program for revising its regulatory framework for medical use. The overall goals of this program are to focus NRC regulation of medical use on those medical procedures that pose the highest risk and to structure NRC regulations to be more risk-informed and performance-based. The revised policy statement became effective August 3, 2000.

- relocated NRC's Public Document Room (PDR) from Washington, D.C., to the NRC headquarters complex in Rockville, Maryland, as an efficiency measure. The PDR provides onsite and remote access to a comprehensive collection of publicly available NRC documents in paper, microfiche, or electronic format. The collection includes documents related to NRC licensing proceedings, Commission papers, inspection reports, correspondence on technical, legal and policy matters, and other significant decisions and actions.

- issued second-quarter performance and inspection results for all 103 operating nuclear power plants. Information on the performance of each plant and results of inspections

conducted in April, May and June have been posted to: http://www.nrc.gov/ras on the agency's Internet web site.

- conducted two additional public meetings, together with the Bureau of Indian Affairs, the Bureau of Land Management, and the Surface Transportation Board, on August 21 in Salt Lake City to obtain further public comments on the Draft Environmental Impact Statement for the proposed Private Fuel Storage facility, which would store spent nuclear fuel on the Goshute Indian Reservation. The site is located in Skull Valley, between the Stansbury and Cedar mountains, southwest of Salt Lake City. The meeting was scheduled at the request of attendees at previous public meetings which were held in July in Salt Lake City and Grantsville, Utah.

- published a proposed rule in the Federal Register that would amend the rules of practice applicable to the use of the Licensing Support Network for the licensing proceeding on the disposal of high-level radioactive waste at a geologic repository (65 FR 50937). The proposed rule would establish basic data structure and transfer standards that participant websites must use to make documentary material available. The comment period for this action closed on October 6, 2000.

- published in the Federal Register proposed guidelines to ensure that future industry initiatives would be treated and evaluated in a consistent and predictable manner. The proposed guidelines would allow industry initiatives to play an important role in achieving the NRC's regulatory goals of maintaining safety, reducing unnecessary regulatory burden, improving efficiency, effectiveness, and realism, and improving public confidence.

- issued a revised policy statement on staff meetings open to the public that designates the NRC web site (http://www.nrc.gov/NRC/PUBLIC/meet.html) as the agency’s official forum to announce meetings open to the public. Previously, the NRC's policy called for meetings to be announced primarily via an electronic bulletin board and a telephone recording, both of which were toll-free. However, since the NRC began noticing public meetings on its web site, public use of the other automated means has dropped dramatically. Assistance on scheduled meetings will continue to be available through the NRC Public Document Room, by calling toll-free at 1-800-397-4209.

- conducted a public meeting on September 6, 2000, at NRC headquarters to discuss various topics in connection with the conduct of future force-on-force security exercises at nuclear power plants.

- issued for public comment the draft generic aging lessons learned (GALL) report, standard review plan, and regulatory guide/industry implementation guideline (NEI 95-10) involving license renewals.

I have enclosed (Enclosure 2) the 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,

/RA/

Richard A. Meserve

Enclosures:
1. Monthly Report
2. Tasking Memorandum

cc: Senator Bob Graham

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

August 2000

Enclosure 1

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XV. Implementing Risk-Informed Regulations

The staff continues to make progress on tasks involving use of probabilistic risk information in many areas. Although various activities are in progress, we have not reached a milestone that is significant for separate reporting at this time. The milestone schedule for the significant risk-informed activities are included in the Commission Tasking Memorandum (Enclosure (2)).

II. Revised Reactor Oversight Process

The NRC commenced initial implementation of its revised Reactor Oversight Process (ROP) at all nuclear plants in April 2000. It has continued meeting with the Nuclear Energy Institute (NEI) and other interested stakeholders on a periodic basis to continue refining the ROP and collect lessons learned information. Recent activities include:

I. Inspection Program Branch (IIPB) has initiated a task group to review and assess the current inspector training and qualification requirements as defined in Inspection Manual Chapter 1245, "Inspector Qualifications for the Office of Nuclear Reactor Regulation Inspection Program." This review and assessment will include consideration of new or revised training requirements in light of the new oversight process, risk-informed initiatives, and general effectiveness and efficiency measures. The working group held its first meeting in headquarters on July 27, 2000. The task group reviewed and refined its charter and objectives of the project.

b. On July 20, 2000, IIPB conducted its second working group meeting, the purpose of which was to establish consensus among the regions and headquarters regarding actions needed to improve risk analysis skills among the staff. Representatives from NRR, the regions and the Technical Training Center staff participated in the meeting.

c. NRR managers and members of the IIPB are continuing efforts to interface with the NRC staff and stakeholders to discuss ROP initial implementation issues. On August 16-17, 2000, the IIPB staff participated in the Region II Senior Resident Inspectors' Lessons Learned meeting and obtained their feedback.

d. During the week of August 7-10, 2000, the NRC staff participated in the American Nuclear Society (ANS) 2000 Utility Working Conference. The staff made presentations on several topics, including the current status and future initiatives associated with the ROP and the handling of the risk assessment aspect of the maintenance rule in the ROP. ANS hosted the working conference, which was attended by a diverse group, including the United States and international nuclear industry, State and Federal agencies, academia, news media, and members of the public.

e. The NRC staff is working on establishing a Federal Advisory Committee Act (FACA) Panel to evaluate the efficacy of the initial implementation of the ROP. The Panel will consist of internal and external stakeholders and will conduct public meetings to solicit comments on the initial implementation of the ROP from individuals representing States, industry, public interest groups, and the internal stakeholders. The staff expects to hold approximately three meetings starting in October 2000.

III. Status of Issues in the Reactor Generic Issue Program

Changes in the status or resolution dates for Generic Safety Issues since the July 2000 report and the reasons for the changes are described below:

GSI Number: 173.A
TITLE: Spent Fuel Storage Pool: Operating Facilities
STATUS: In a June 20, 2000, letter to the NRC Chairman, the ACRS recommended that the staff: (1) defer closing out GSI-173.A until the reevaluation associated with SFP accidents for decommissioning plants has been completed; and (2) develop screening criteria for regulatory analyses that are appropriate for SFP accidents at operating reactors. The staff accepted the first ACRS recommendation and will defer closing GSI-173.A until the report on SFP accidents at decommissioning plants is complete and can be evaluated for its applicability to operating plant spent fuel pool storage systems. This evaluation will also determine whether to undertake the development of screening criteria for regulatory analyses that are appropriate for SFP accidents at operating reactors (Recommendation 2).

The staff met with NEI on August 23, 2000, to discuss their concerns regarding SFP accidents at decommissioned plants. Following this meeting, a schedule was developed for completion of a report on SFP risk at decommissioning plants. This schedule will be factored into the establishment of a revised close-out schedule for GSI-173.A.

Based on the ACRS comments and NEI concerns, GSI-173.A will not be closed out in August 2000.

IV. Licensing Actions and Other Licensing Tasks

Licensing actions are 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 2000 NRC Performance Plan incorporates three output measures related to licensing actions. These are: number of licensing action completions per year, size of the licensing action inventory, and age of the licensing action inventory.

Other licensing tasks are 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 licensees' 10 CFR 50.59 analyses and FSAR updates. The FY 2000 NRC Performance Plan incorporates one output measure related to other licensing tasks. This is: number of other licensing tasks completed.

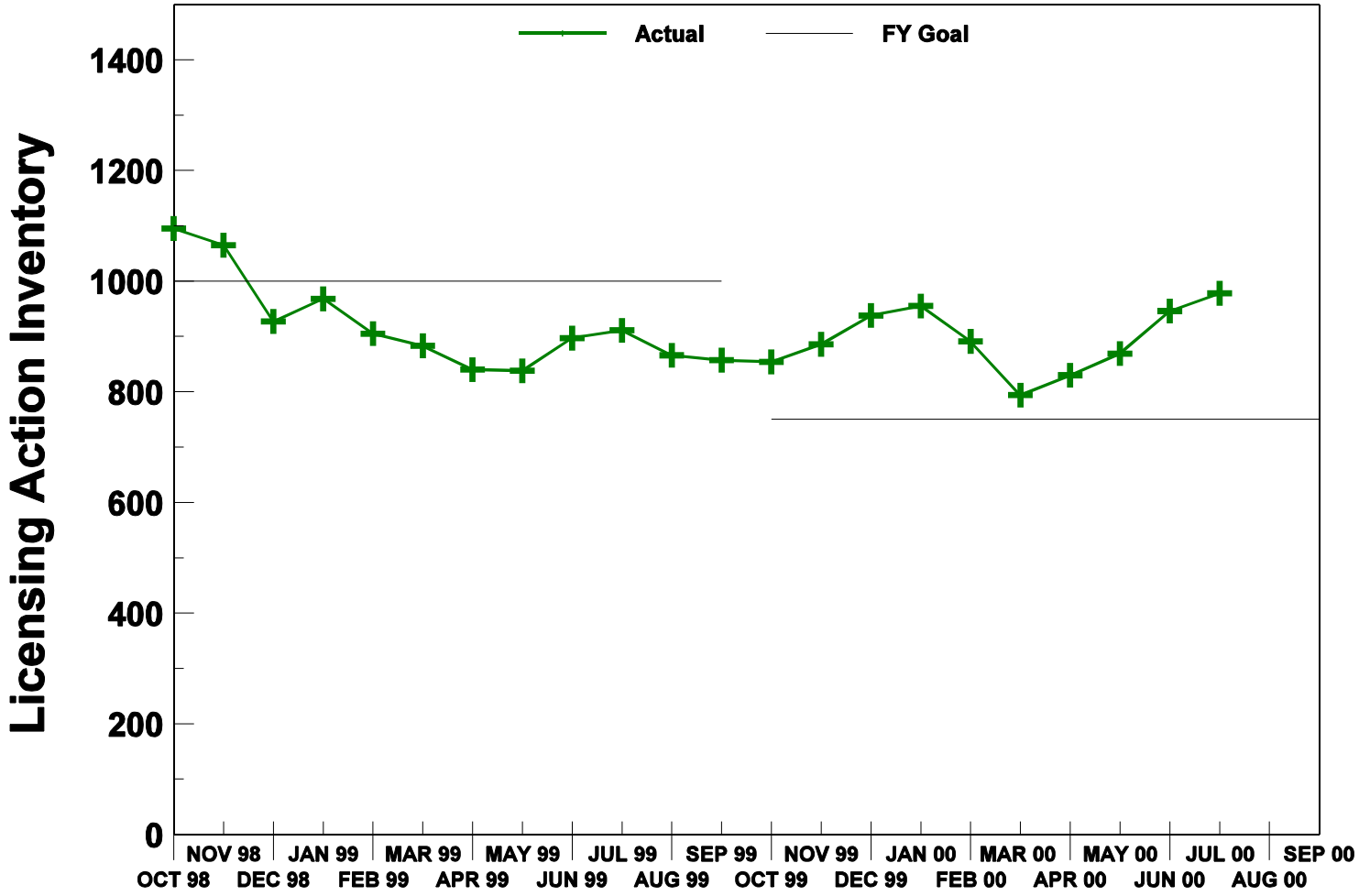
The actual FY 1998 and FY 1999 results, the FY 2000 goals, and the actual FY 2000 results through the end of July 2000 for the four NRC Performance Plan output measures for licensing actions and other licensing tasks are shown in the table below.

PERFORMANCE PLAN				
Output Measure	**FY 1998 Actual**	**FY 1999 Actual**	**FY 2000 Goals**	**FY 2000 Actual (thru 07/31/2000)**
Licensing actions completed/year	1425	1727	1500	1281
Size of licensing actions inventory	1113	857	750	978
Age of licensing action inventory	65.6% ≤ 1 year; 86.0% ≤ 2 years; and 95.4% ≤ 3 years old	86.2%≤ 1 year; 100% ≤ 2 years; and 100% ≤ 3 years old	95% ≤ 1 year and 100% ≤ 2 years old	94.1% ≤ 1 year; 99.5% ≤ 2 years; and 0.5% > 2 years old
Other licensing tasks completed/year	1006	939	800	980

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

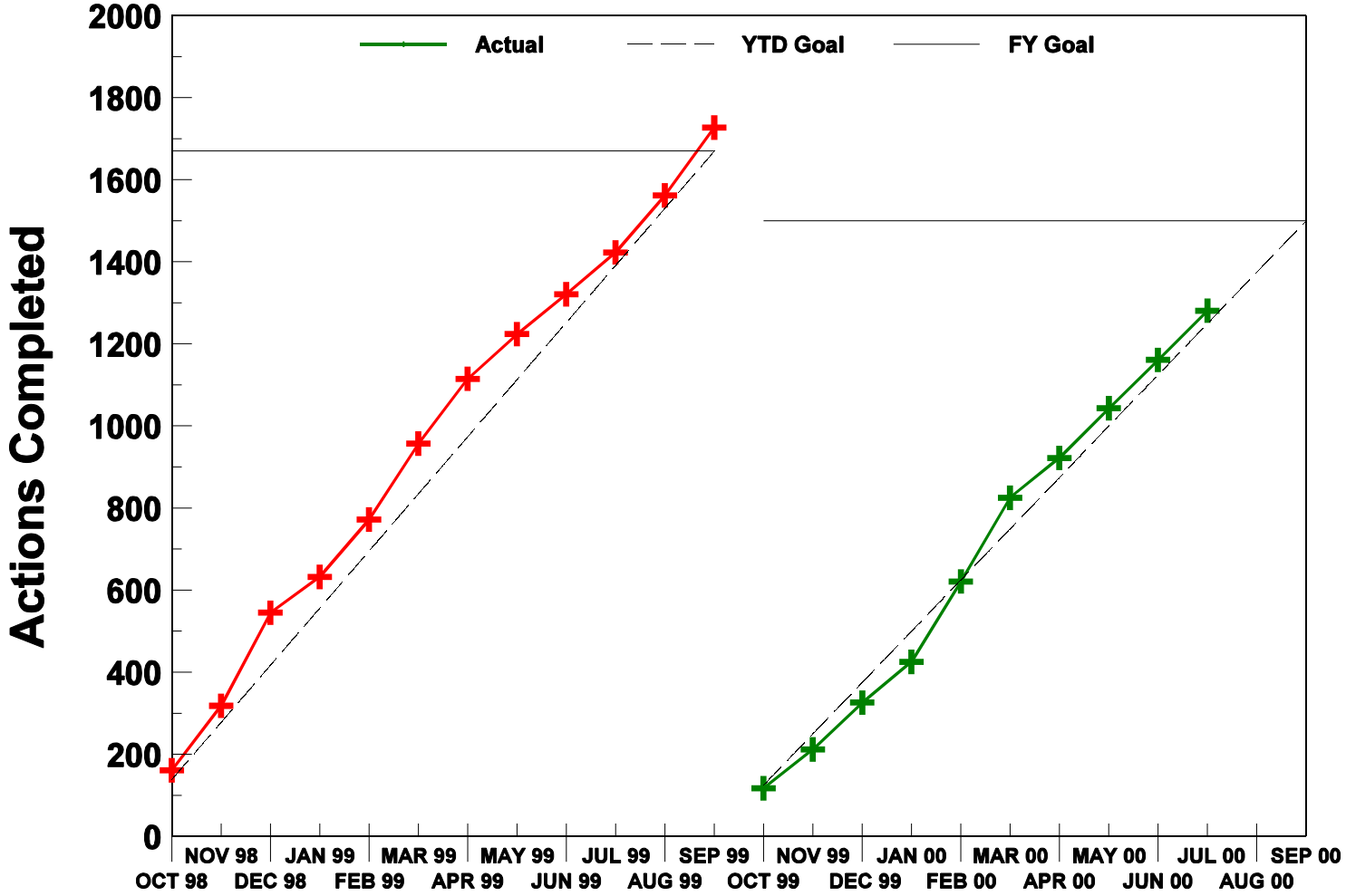
Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Licensing Action Inventory



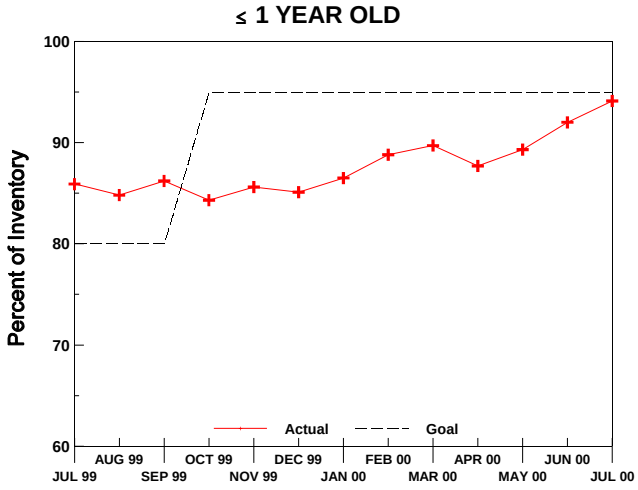
Nuclear Reactor Safety - Reactor Licensing

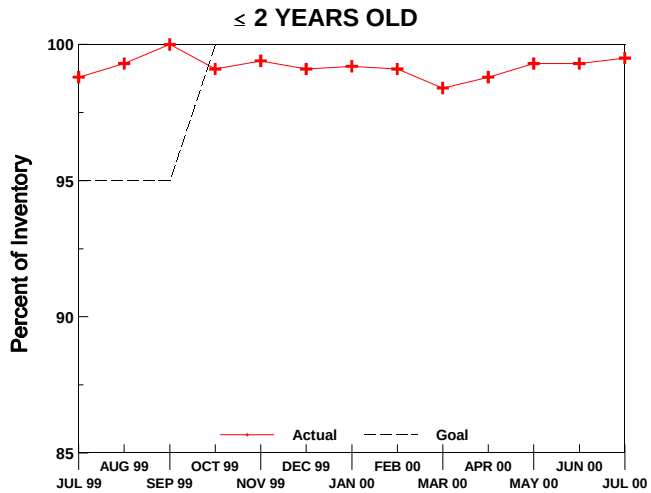
Performance Plan Target: Completed Licensing Actions

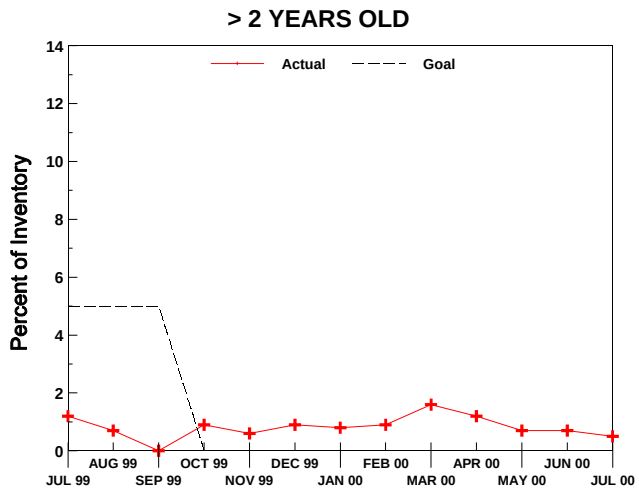


Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Age of Licensing Action Inventory

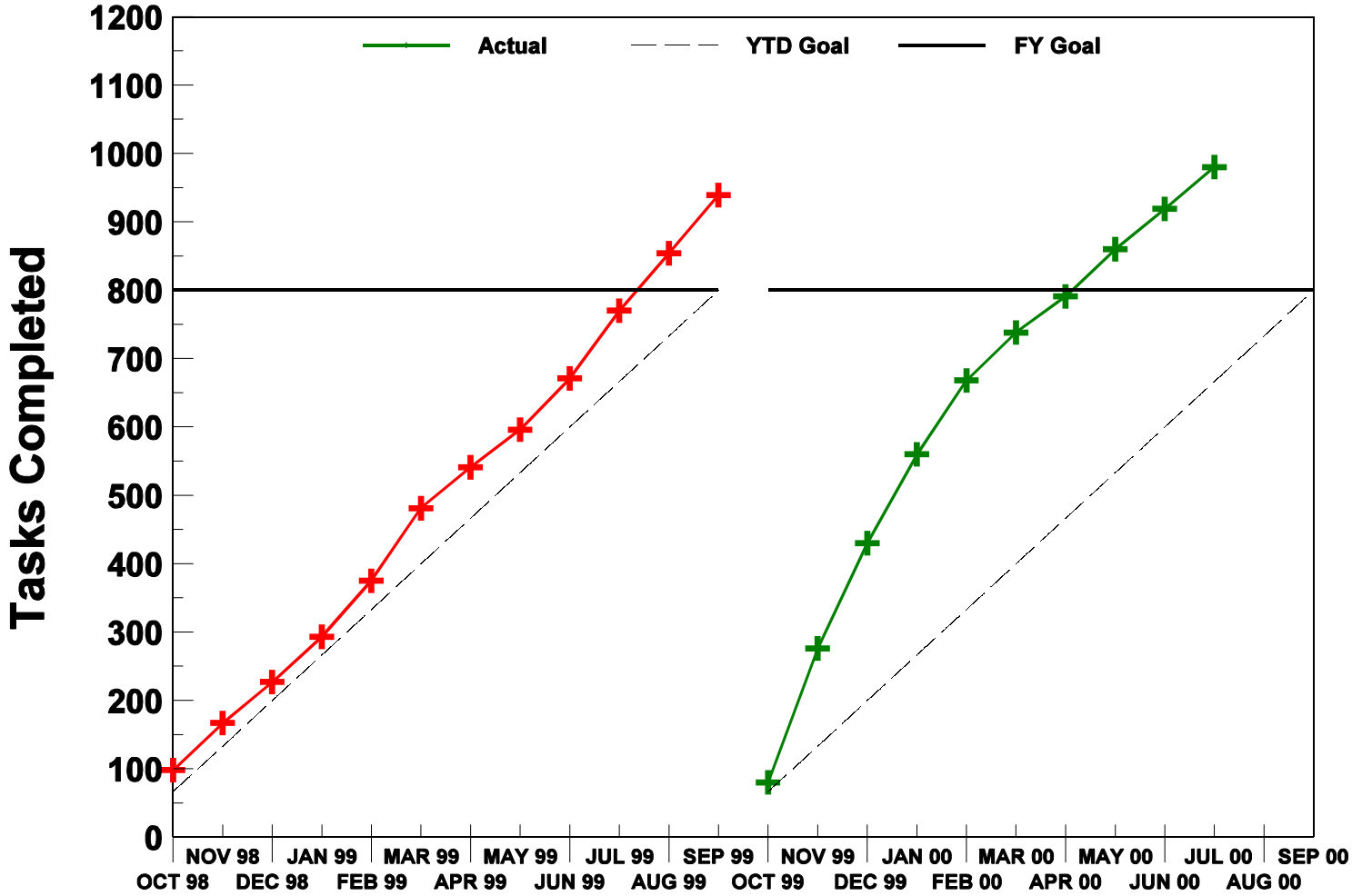






Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Completed Other Licensing Tasks



V. Status of License Renewal Activities

Calvert Cliffs Renewal Application

The renewed licenses for Calvert Cliffs were issued on March 23, 2000, completing the NRC's review of the license renewal applications.

The Commission's denial of a request for hearing on the Calvert Cliffs application was appealed to the Court of Appeals for the D.C. Circuit. On April 11, 2000, the court issued its decision denying the petition for review. The petitioner requested a rehearing by the full Court of Appeals which was denied on June 15, 2000. On September 13, the petitioner filed an appeal, seeking review by the Supreme Court.

Arkansas Nuclear One, Unit 1, Renewal Application

The review of the Arkansas Nuclear One, Unit 1, renewal application is on schedule. All environmental requests for additional information (RAIs) were issued by June 5, 2000, and the applicant's responses were received June 26, 2000. All safety RAIs were issued by June 23, 2000, and the applicant's responses were received by September 12, 2000.

Hatch, Units 1 and 2, Renewal Application

The review of the Hatch renewal application is on schedule. All environmental RAIs were issued by June 23, 2000, and the applicant's responses were received by September 18, 2000. All safety RAIs were issued by July 28, 2000, and the applicant's responses are due by October 11, 2000.

License Renewal Implementation Guidance Development

The NRC staff is continuing development of implementation guidance for the license renewal rule with input from interested stakeholders. The revised standard review plan, generic aging lessons learned report, and regulatory guide were issued in late August 2000, to obtain public comments. A public workshop was held on September 25, 2000 to discuss the documents and solicit comments.

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

During this reporting period, the staff of the Nuclear Regulatory Commission (lead agency) and the three cooperating Federal agencies (the U.S. Department of the Interior's Bureau of Indian Affairs and Bureau of Land Management and the U.S. Surface Transportation Board) held two meetings in Utah to receive oral public comments on the Draft Environmental Impact Statement. The meetings were held in Salt Lake City, Utah, on July 27 and Grantsville, Utah on July 28. Approximately 150-200 people attended the first meeting. The first of the 46 speakers was Governor Michael Leavitt of Utah. The Grantsville meeting was attended by 50-75 people. Approximately 25 members of the public spoke, including Congressman James Hansen who represents the Grantsville area in the U.S. House of Representatives.

At the July meetings, concerns were expressed regarding: exposure to radiation, the potential for the presence of seismic hazards at the site, and military issues (both potential accidents and the possibility that the existence of the facility could negatively impact Hill Air Force Base). These are

topics that are discussed in the Nuclear Regulatory Commission's Safety Evaluation Report, rather than in the Environmental Impact Statement. One speaker at the Grantsville session stated that she had found flaws in some of the hydrologic studies performed by one of the applicant's contractors. She stated that she would provide specifics in written comments on the Draft Environmental Impact Statement. Those speaking in favor of the facility during the July meetings spoke of: economic benefits to the Skull Valley Band of Goshute Indians, societal environmental benefits of maintaining the viability of nuclear power, and the general safety of an independent spent fuel storage facility. The meetings were transcribed and comments received will be considered by the four Federal agencies. Because of the large turnout in Salt Lake City, the staff of the Nuclear Regulatory Commission, in consultation with the cooperating Federal agencies, decided to hold two additional public meetings in Salt Lake City on August 21, 2000. The public comment period on the Draft Environmental Impact Statement closed on September 21, 2000.

Litigation in the adjudicatory proceeding on the Private Fuel Storage, Limited Liability Corporation application continued during this reporting period. An additional party, Mr. William Peterson, requested standing. His request is pending at this time. Admission of several late-filed environmental contentions was requested by the State of Utah. Also, the parties filed proposed findings of fact and conclusions of law regarding the contentions adjudicated during the June 2000 Atomic Safety and Licensing Board hearings.

VII. Enforcement Process and Summary of Reactor Enforcement by Region

Reactor Enforcement by Region

	Reactor Enforcement Actions*					
		Region I	Region II**	Region III	Region IV	TOTAL
Severity Level I	July 2000	0	0	0	0	0
	FY 2000 YTD	0	0	0	0	0
	FY 99 Total	0	0	0	0	0
	FY 98 Total	0	0	0	0	0
Severity Level II	July 2000	0	0	0	0	0
	FY 2000 YTD	1	2	0	0	3
	FY 99 Total	5	0	2	0	7
	FY 98 Total	3	1	1	1	6
Severity Level III	July 2000	0	0	0	0	0
	FY 2000 YTD	4	0	4	4	12
	FY 99 Total	9	2	7	8	26
	FY 98 Total	46	11	15	19	91
Severity Level IV	July 2000	0	0	0	0	0
	FY 2000 YTD	0	1	1	4	6
	FY 99 Total	52	42	57	60	211
	FY 98 Total	383	271	392	261	1307
Non-Cited Severity Level IV	July 2000	36	46	20	6	108
	FY 2000 YTD	279	190	250	231	950
	FY 99 Total	343	267	334	305	1249
	FY 98 Total	372	240	307	214	1133

*Numbers of violations are based on enforcement action tracking system (EATS) 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.

** Violation totals for Region II reflect a shift from a 6 week inspection period to quarterly inspection periods.

	Escalated Reactor Enforcement Actions Associated with the Revised Reactor Oversight Process					
		Region I	Region II	Region III	Region IV	Total
NOVs related to white, yellow or red findings	July 2000 -Red	0	0	0	0	0
	-Yellow	0	0	0	0	0
	-White	0	0	0	0	0
	FY 2000	2	1	0	0	3

Description of Significant Actions taken in July 2000

No significant enforcement actions were taken in July 2000.

VIII. Power Reactor Security Regulations

The NRC staff is continuing its work to re-evaluate 10 CFR 73.55, "Requirements for physical protection of licensed activities in nuclear power reactors against radiological sabotage," and associated power reactor security regulations. In SECY-00-0063, "Staff Re-Evaluation of Power Reactor Physical Protection Regulations and Position on a Definition of Radiological Sabotage" (March 9, 2000), the staff proposed basing the new regulation on the development of performance criteria for protecting critical safety functions. In a Staff Requirements Memorandum dated April 12, 2000, the Commission approved this approach and directed the staff to publish SECY-00-0063 in the Federal Register for public comment. This paper was published in the Federal Register on June 9, 2000, and the public comment period closed on August 23, 2000. The NRC staff is currently evaluating these public comments and developing recommendations for the consideration of the Commission.

In addition, SECY-00-0142, "Status Report on the Safeguards Performance Assessment Pilot Program" (June 26, 2000), forwarded to the Commission draft 4 of the industry's Safeguards Performance Assessment Program (NEI 99-07), along with the staff's comments on the document, and draft 5 supplied by NEI responding to the staff's comments. This document will form the basis for the interim program between the cessation of Operational Safeguards Response Evaluations and the rule-based exercise program that is being developed as part of the re-evaluation of power reactor security regulations. On July 12, 2000, the staff held a public meeting with all stakeholders to discuss its comments on NEI 99-07. The NRC staff is currently evaluating the stakeholder comments and developing recommendations for the consideration of the Commission.

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 Rick Boucher

The Honorable Tom Bliley, Chairman
Committee on Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative John D. Dingell

The Honorable Bob Smith, Chairman
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator Max Baucus

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
United States Senate
Washington, D.C. 20510

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

October 16, 2000

Dr. Neal F. Lane, Director
Office of Science and Technology Policy
Executive Office of the President
17th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20506

Dear Dr. Lane:

I recently provided to Congress the Nuclear Regulatory Commission's latest monthly report on the status of its licensing and regulatory duties. I am forwarding a copy of that report to you in the hope that you also will find it of interest.

Best regards.

Sincerely,

/RA/

Richard A. Meserve

Enclosure: As stated

Identical letters sent to:

Dr. Neal F. Lane, Director
Office of Science and Technology Policy
Executive Office of the President
17th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20506

The Honorable Bill Richardson
Secretary of Energy
Washington, D.C. 20585-1000

The Honorable Jacob Lew, Director
Office of Management and Budget
Washington, D.C. 20503

Mr. Joe F. Colvin, President
and Chief Executive Officer
Nuclear Energy Institute
1776 I Street, N.W., Suite 400
Washington, D.C. 20006

Mr. Zack T. Pate, Chairman
World Associations of Nuclear
Operations (WANO)
700 Galleria Parkway, N.W.
Atlanta, GA 30339

Dr. James T. Rhodes, Chairman,
President, and Chief Executive Officer
Institute of Nuclear Power Operations
700 Galleria Parkway, N.W.
Atlanta, GA 30339

Mr. Howard Ris, Executive Director
Union of Concerned Scientists
Two Brattle Square
P.O. Box 9105
Cambridge, MA 02238-9105