

November 9, 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-second report, which covers the month of September (Enclosure 1).

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Until late 1998, power uprates have been limited to 5 percent nominal. A total of 42 power uprate amendments were issued between 1977 and mid-1998, all within 5 percent. The significance of the 5 percent stems from the fact that uprates beyond this threshold would require significant balance-of-plant equipment upgrades, including the high pressure turbine, condensate pumps & motors, transformers, iso-phase bus duct cooling, etc.

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*/RA/*

Richard A. Meserve

Enclosures:

1. Monthly Report
2. Tasking Memorandum

cc: Senator Bob Graham

November 9, 2000

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Subcommittee on Energy and Power  
Committee on Commerce  
United States House of Representatives  
Washington, D.C. 20515

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2. Tasking Memorandum

cc: Representative Rick Boucher



November 9, 2000

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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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cc: Representative Peter J. Visclosky

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Subcommittee on Energy and Water Development  
Committee on Appropriations  
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1. Monthly Report
2. Tasking Memorandum

cc: Senator Harry Reid



November 9, 2000

The Honorable Tom Bliley, Chairman  
Committee on Commerce  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

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2. Tasking Memorandum

cc: Representative John D. Dingell

November 9, 2000

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

Dear Mr. Chairman:

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cc: Senator Max Baucus



November 9, 2000

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United States Senate  
Washington, D.C. 20510

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

**SEPTEMBER 2000**

Enclosure 1

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

The staff continues to make progress on tasks involving use of probabilistic risk information in many areas. The milestone schedule for the more significant risk-informed activities are included in the Commission Tasking Memorandum (Enclosure 2 to the letter from Richard A. Meserve, NRC Chairman, forwarding the September 2000 monthly report to Congress on the status of NRC licensing and regulatory duties). The following activities have seen substantial progress since the last report.

### Risk-Informing Special Treatment Requirements for Power Reactors

The Commission decided in 1998 to consider promulgating new regulations that would provide an alternative risk-informed approach for special treatment requirements in the current regulations for power reactors. Special treatment may be defined as current requirements imposed on structures, systems, and components that go beyond industry-established for equipment classified as "commercial grade" that provide additional confidence that the equipment is capable of meeting its functional requirements under design basis conditions. These special treatment requirements include additional design considerations, qualification, change control, documentation, reporting, maintenance, testing, surveillance, and quality assurance requirements.

In April 2000, the Commission published an advance notice of proposed rulemaking (ANPR) inviting comments, advice, and recommendations from interested parties on the contemplated approach for this rulemaking (commonly known as Risk-Informed Part 50, Option 2). In SECY-00-194, "Risk-Informing Special Treatment Requirements," dated September 7, 2000, the staff provided preliminary views on the comments received on the ANPR and presented an approach for rulemaking. A Commission meeting was conducted on September 29 to discuss these issues. In addition to a presentation by the NRC staff, several members of the public, industry, and NEI presented their views on the subject.

### NRC Staff Participation in Revised Maintenance Rule Implementation Plan

As part the NRC's rollout plan for implementing its oversight of the new section of the maintenance rule (10 CFR 50.65), staff members visited four sites (one per region) to develop, verify and validate the baseline inspection procedure and a supplemental inspection procedure. This baseline inspection procedure uses a risk-informed and performance based approach. It will be used by the resident inspection staff to inspect the licensees' process to assess and manage risk before performing maintenance while at power or shutdown.

## **II. Reactor Oversight Process**

The NRC commenced initial implementation of its 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:

- a. The Working Group tasked with reviewing and assessing the current inspector training and qualification program, held meetings on August 23-24, 2000 and September 12-13, 2000, in headquarters and in Region I, respectively. The group completed the identification of inspector tasks to be addressed in the training and qualification process.

The tasks will be validated further through a survey of individuals throughout the agency who are involved with implementing the reactor oversight process. The results of the survey will be used to guide changes to the process for training and qualifying individuals to conduct inspections.

- b. NRR managers and members of the Inspection Program Branch (IIPB) are continuing efforts to interface with the NRC staff and stakeholders to discuss ROP initial implementation issues. For example, IIPB staff conducted a counterpart meeting with the regional DRS and DRP division directors on September 6-7, 2000, in the Region III office. The staff discussed the initial implementation issues with the ROP, and other policy and program issues including the forthcoming ROP self-assessment program.
- c. IIPB held its second cross-cutting issue task group meeting in HQ on September 14, 2000. The task group consisting of representatives from NRR and the regions discussed the cross-cutting issues lessons learned to date. The task group also discussed the need for clearer guidance on documenting cross-cutting issues. The task group will obtain industry perspective on cross-cutting issues in a public meeting in the near future.
- d. The IIPB staff made a presentation at the Nuclear Information Resource Management Association (NIRMA) symposium in Dallas, Texas, on August 22, 2000, entitled, "The Challenge of Communicating the NRC Reactor Oversight Process." At that meeting, the staff discussed the Reactor Oversight Process and how the agency has implemented a communication strategy which emphasized stakeholder dialogue, use of websites and plain English communications.
- e. Conducted another of a continuing series of public meetings on September 20-21, 2000, on the Reactor Oversight Process (ROP). Key issues discussed included a status report on the two performance indicators associated with the initiating events cornerstone pilot study; the process for approval and posting Frequently Asked Questions on the Web; and discussion of the proposed Operator Requalification Human Performance Significance Determination Process.

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

There was no change in this area from the August 2000 report.



#### 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 licensee 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 the number of other licensing tasks completed.

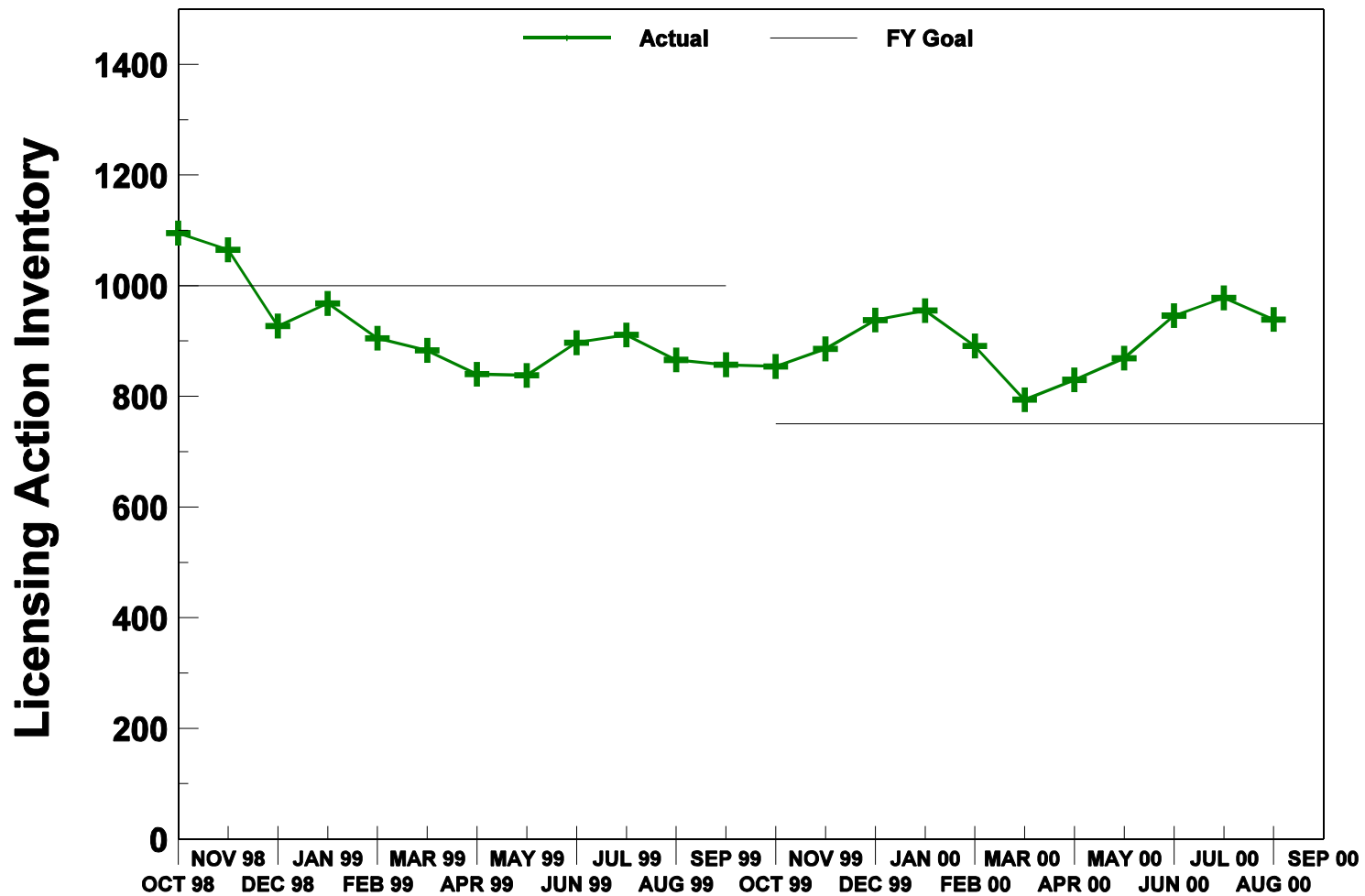
The actual FY 1998 and FY 1999 results, the FY 2000 goals and the actual FY 2000 results, through the end July 2000, for the four NRC Performance Plan output measures for licensing actions and other licensing tasks are shown in the table below.

PERFORMANCE PLAN				
Output Measure	FY 1998 Actual	FY 1999 Actual	FY 2000 Goals	FY 2000 Actual (thru 08/31/2000)
Licensing actions completed/year	1425	1727	1500	1412
Size of licensing actions inventory	1113	857	750	939
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	95.0% ≤ 1 year; 99.8% ≤ 2 years; and 0.2% > 2 years old
Other licensing tasks completed	1006	939	800	1045

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

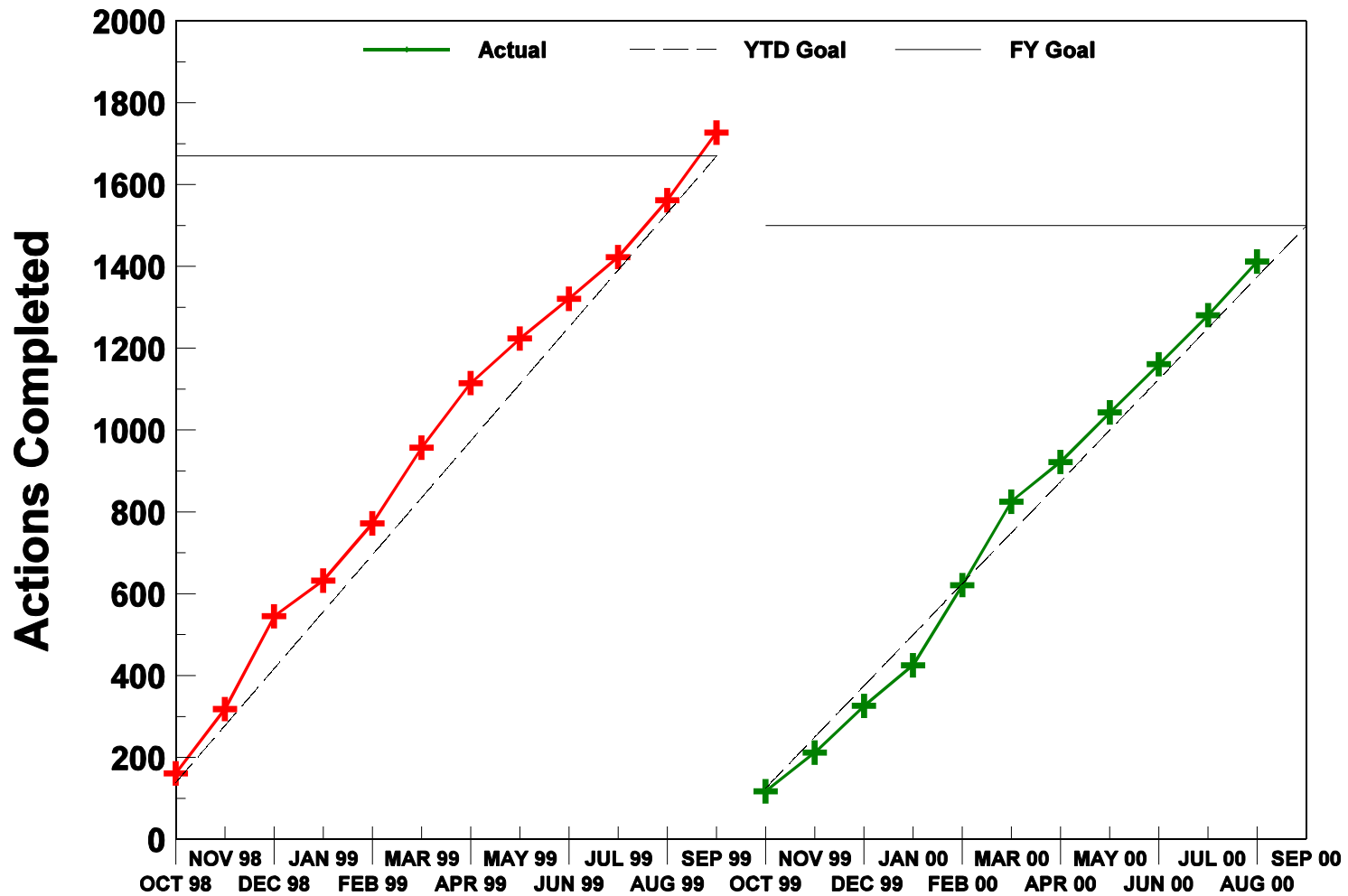
# Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Licensing Action Inventory



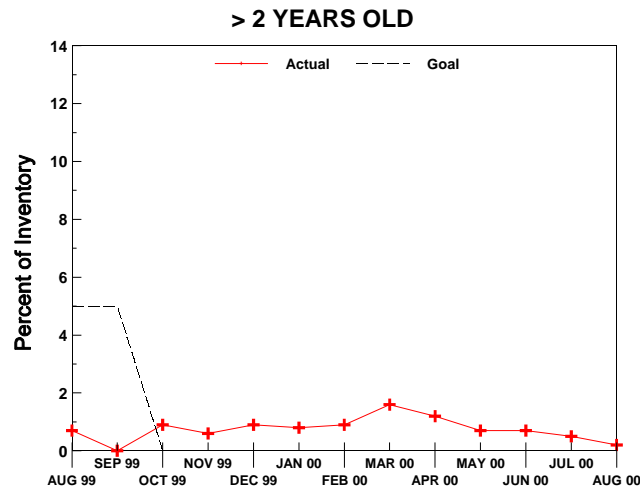
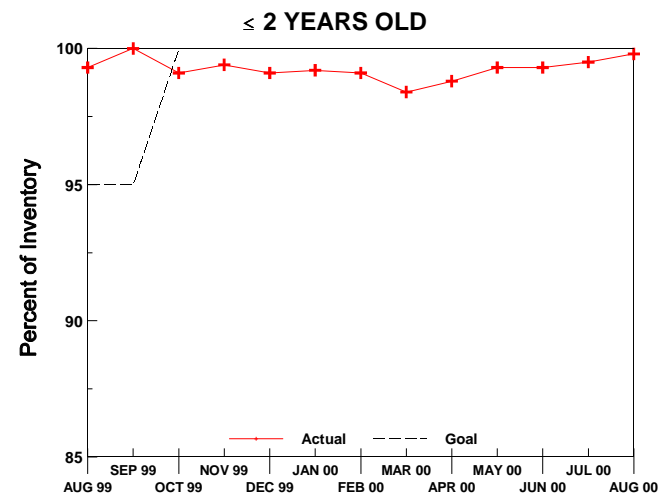
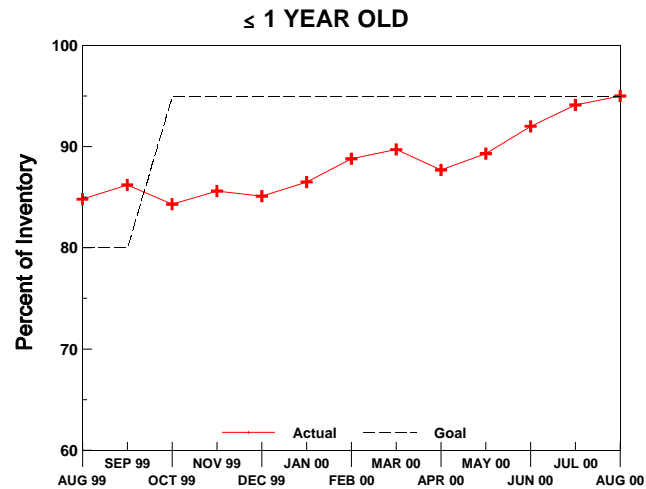
# Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Completed Licensing Actions



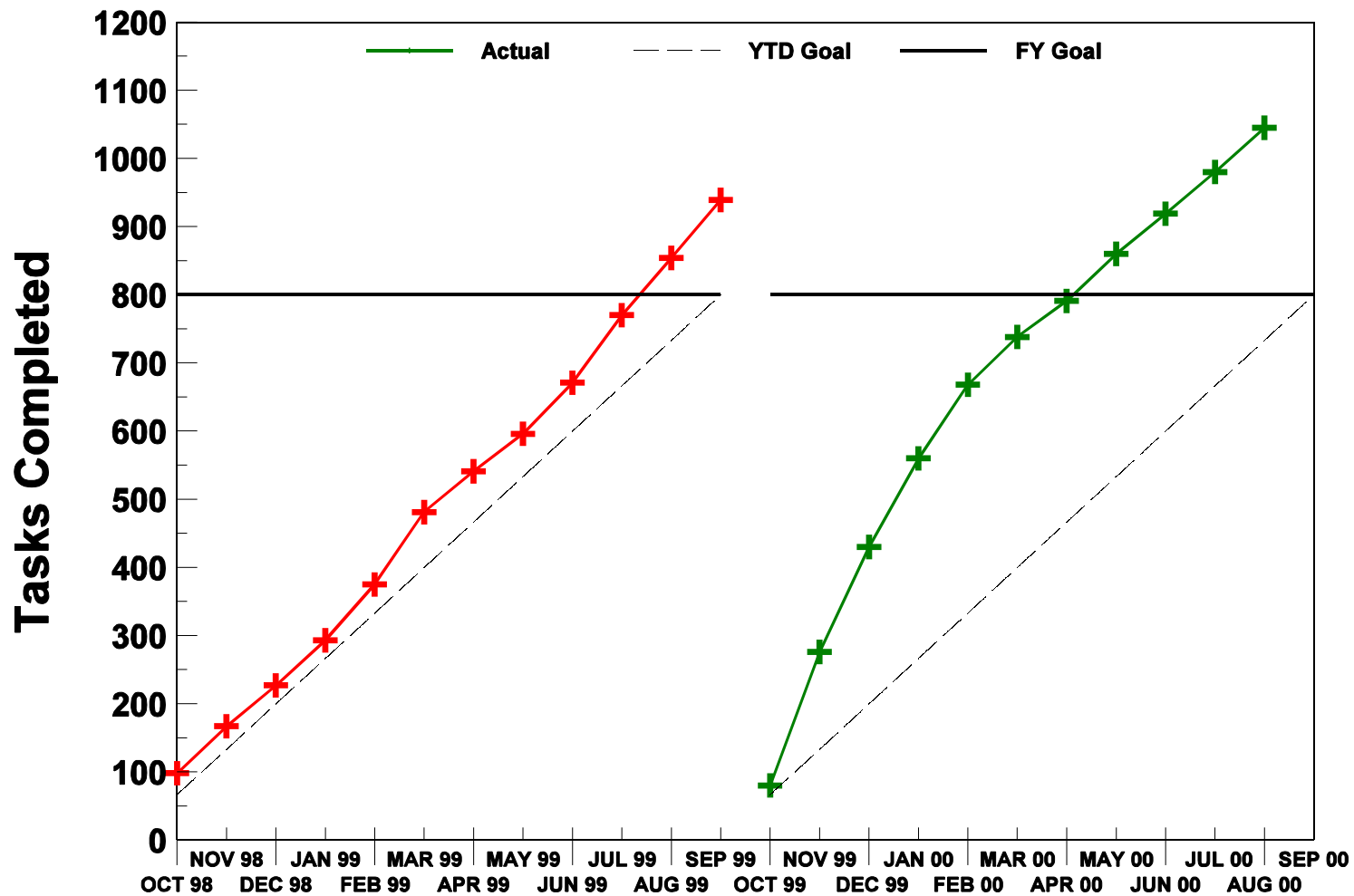
# Nuclear Reactor Safety - Reactor Licensing

## 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 sought 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 safety and environmental requests for additional information (RAIs) were issued and the applicant's responses have been received. The staff is currently preparing the safety evaluation report and draft environmental impact statement.

### Hatch, Units 1 and 2, Renewal Application

The review of the Hatch renewal application is on schedule. All environmental RAIs were issued and the applicant's responses were received. The staff is currently completing preparation of the draft environmental impact statement. All safety RAIs were issued and the applicant's responses were due by October 11, 2000.

### Turkey Point, Units 3 and 4, Renewal Application

On September 11, 2000, the NRC received an application for renewal of the Turkey Point, Units 3 and 4, operating licenses. The staff is currently performing its acceptance review of the application.

### License Renewal Implementation Guidance Development

The NRC staff issued the revised standard review plan, generic aging lessons learned report, and regulatory guide for public comments on August 31, 2000. A public workshop was held on September 25, 2000, to discuss the documents and solicit input from stakeholders. Comments on the documents were being accepted through October 16, 2000. The comments received will then be evaluated by the staff and the documents revised and reissued by the summer of 2001.

## **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, NRC staff (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 Surface Transportation Board) held a third meeting in Utah to receive oral public comments on the Draft Environmental Impact Statement. The meeting was held in Salt Lake City, Utah on August 21. Approximately 150-200 people attended the meeting which was held in two sessions. Among those speaking at the meeting were U.S. Representative Merrill

Cook and the mayor of Salt Lake City, Ross Anderson. Over 50 other people presented comments, including Leon Bear, Chairman and Chief of the Skull Valley Band of Goshute Indians.

At the August 21 meeting, a strong preference was indicated by many members of the public attending the meeting for an extension to the 90 day period for public comments on the Draft Environmental Impact Statement. These requests for an extension to the public comment period were also made in the form of letters and petitions presented to NRC. NRC staff, in consultation with the three cooperating Federal agencies, has determined that an extension to the public comment period is not warranted. The agencies note that 45 days is generally the comment period required for draft environmental impact statements. The 90 day period appears sufficient and a number of comments were received in August, well in advance of the September 21 closing date for the public comment period.

Litigation in the adjudicatory proceeding on the Private Fuel Storage, Limited Liability Corporation application continued during this reporting period. Mr. William Peterson's request for standing was denied by the Atomic Safety and Licensing Board. The parties filed their proposed findings of fact and conclusions of law concerning the June 2000 hearings. In addition, the applicant and staff responded to four new contentions filed by the State of Utah, concerning the Draft Environmental Statement's consideration of the environmental effects of spent fuel transportation.

## VII. Enforcement Process and Summary of Reactor Enforcement by Region

		Reactor Enforcement Actions*				
		Region I	Region II**	Region III	Region IV	TOTAL
Severity Level I	Aug 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	Aug 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	Aug 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	Aug 2000	4	0	0	1	5
	FY 2000 YTD	4	1	1	5	11
	FY 99 Total	52	42	57	60	211
	FY 98 Total	383	271	392	261	1307
Non- Cited Severity Level IV	Aug 2000	17	0	11	10	38
	FY 2000 YTD	296	190	261	241	988
	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.



<b>Escalated Reactor Enforcement Actions Associated with the Revised Reactor Oversight Process*</b>						
		Region I	Region II**	Region III	Region IV	Total
NOVs related to white, yellow or red findings	Aug 2000 -Red	0	0	0	0	0
	-Yellow	0	0	0	0	0
	-White	4	0	0	0	4
	FY 2000	6	1	0	0	7

\*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.

### **Description of Significant Actions taken in August 2000**

#### **Consolidated Edison Company of New York, Inc., Indian Point 2 (EA 00-155)**

On August 9, 2000, a Notice of Violation was issued for three violations that were assessed as White SDP findings. These White findings involved failures to meet NRC emergency planning standards for (1) the timely augmentation by the emergency response organization, (2) the timely accountability of onsite radiation emergency workers, and (3) the factual and consistent dissemination of information to the media and a local official. These failures contributed to emergency response deficiencies that were exhibited during the course of the steam generator tube failure (SGTF) event, which was classified as an Alert.

#### **Entergy Operations, Inc., Waterford 3 (EA 00-093)**

On August 4, 2000, an immediately effective Confirmatory Order was issued to confirm commitments made by the licensee concerning the implementation of corrective actions for the physical security program at the Waterford 3 facility. The Order required the licensee to make specified improvements to the physical security program and its implementation. The specific improvements were derived from the Security Improvement Plan dated June 2000, and were necessary to maintain compliance with 10 CFR 73.55(a). In addition, the Order required the licensee to demonstrate the ability to protect the plant against the design basis threat by conducting force-on-force exercises that will be evaluated by the NRC.

### **FirstEnergy Nuclear Operating Company, Perry Nuclear Plant (EA 99-012)**

On August 3, 2000, an Order Imposing Civil Monetary Penalty in the amount of \$110,000 was issued. The action was based on a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$110,000 that was issued on May 20, 1999, for a violation of employee protection requirements. The licensee's February 25, 2000, response denied the violation and requested that the violation be withdrawn and the civil penalty rescinded. After considering the licensee's response, the NRC concluded that the violation occurred as stated and that there was not an adequate basis for withdrawing the civil penalty.

### **PECO Nuclear Energy (Peach Bottom 2), (EA 00-125)**

On August 3, 2000, a Notice of Violation was issued for a violation that was assessed as a White SDP finding involving the improper classification of radioactive waste for shallow land burial. Specifically, the shipment was identified as Class A waste containing 99 curies when it should have been classified as Class B waste containing 407 curies.

## **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. 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.

On September 6, 2000, the staff held another public meeting with all stakeholders to discuss its comments on NEI 99-07, "Safeguards Performance Assessment Program," an industry initiative which would provide for force-on-force exercises similar to those being conducted under the current Operational Safeguards Response Evaluations (OSRE) program. The NRC staff continues to evaluate this initiative and associated stakeholder comments and is developing recommendations for the consideration of the Commission.

The second-cycle of OSRE inspections is underway, and these inspections will continue until the OSRE follow-on program is approved by the Commission and implemented.