

October 23, 2001

The Honorable Harry Reid, Chairman  
Subcommittee on Transportation,  
Infrastructure, and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

The Fiscal Year 2001 Energy and Water Development Appropriations Act, House Report 106-693, 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. The FY 2000 Energy and Water Development Appropriations Act, House Report 106-253, expanded the scope of the report requirement to include regulatory reform efforts affecting power reactor operations beyond 10 CFR Part 50, particularly NRC efforts to evaluate NRC security regulations. In FY 2000, we 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. In response to increased Congressional interest, in the May 2001 report we began to provide information regarding the status of activities involving power uprate licensing actions. On behalf of the Commission, I am pleased to transmit the thirty-third report, which covers the month of August (Enclosure 1).

In light of the recent terrorist attacks on the World Trade Center and the Pentagon buildings, the NRC and its staff have been working around the clock to ensure adequate protection of nuclear power plants, nuclear fuel facilities, conversion facilities and independent spent fuel storage installations. This has involved close coordination and consultation with the Federal Bureau of Investigations, other intelligence and law enforcement agencies, the Department of Defense, NRC licensees, and state and local authorities. Immediately after the attacks, the NRC advised nuclear power plants to go to the highest level of security, which they promptly did. Subsequently, the agency has advised all of its licensees of additional actions considered prudent and appropriate to strengthen security. Although there have been no credible threats against a specific facility, the NRC has advised its licensees to remain at the highest level of security. The agency continues to monitor the situation, and is prepared to make any adjustments to security measures as may be deemed appropriate. In view of the recent unprecedented events, I, with the full support of the Commission, have directed the staff to review the NRC's security regulations and procedures. I will keep you apprised of any developments resulting from this review.

As a security precaution, the NRC shut down its public Web site ([www.nrc.gov](http://www.nrc.gov)) on October 11, while the staff performed a review of all material on the site for sensitive

information. A limited version of the site was restored the following week, which included categories of information deemed non-sensitive (e.g., public meetings, press releases, employment opportunities, information on how to report a safety concern, and the agency's mission statement). As this review progresses, appropriate content will be added to the site incrementally until the review is completed.

We previously included information on our recent activities related to through-wall circumferential cracks found on control rod drive mechanism (CRDM) penetration nozzles and weldments at Duke Power Company's Oconee Nuclear Station, Units 2 and 3, located in Seneca, South Carolina. These discoveries raised concerns about the structural integrity of reactor penetration nozzles fabricated from Alloy 600 material in the top of reactor pressure vessels at pressurized water reactors (PWRs) throughout the industry. Due to these concerns, the NRC issued a bulletin on August 3, to the licensees of the 69 PWRs, requesting information regarding the structural integrity of reactor vessel head penetrations. The licensees have since submitted the requested information. The staff is in the process of evaluating the information to determine the need for future regulatory actions to address generic aspects of the issue. The staff is providing frequent updates to its dedicated website, "Generic Activities on PWR Alloy-600 Weld Cracking" (<http://www.nrc.gov/NRC/REACTOR/ALLOY-600/index.html>) in order to keep stakeholders informed of its actions. We will continue to keep you informed about this issue.

On June 21, 2001, a crack was found on a CRDM housing at the Palisades Nuclear Power Plant in Covert, Michigan. The crack was located in the CRDM housing several feet above the nozzle head penetration, and is not similar to that found at Oconee. At Palisades, the licensee concluded that the cause of the cracking was transgranular stress corrosion cracking (TGSCC). TGSCC is characterized by cracking through the matrix of the grains. It is different from the primary water stress corrosion cracking (PWSCC) at Oconee, which was observed in CRDM vessel head nozzle penetrations and associated J-groove welds. Further non-destructive examinations of the CRDM housings at Palisades identified indications in 39 of the 45 housings. The licensee is replacing the defective CRDM housings. The company expects to complete installation of the housings in December 2001, and return the plant to service in January 2002. This particular CRDM housing design is found only at Palisades and Fort Calhoun and therefore has limited generic applicability.

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

- approved a request by FirstEnergy Nuclear Operation Company to increase the generating capacity of Beaver Valley Power Station Units 1 and 2 by 1.4 percent, or about 12 megawatts of electricity per unit. The power uprate at the station, located in Shippingport, Pennsylvania, will increase the generating capacity of each reactor to about 822 megawatts of electricity. The facility intends to implement the power increase this fall. The application for the increase in power was submitted to the NRC on January 18, 2001. The NRC staff determined that the licensee could safely increase the power output of the two reactors with minor modifications to plant equipment based upon technical refinements that permit more precise measurements of reactor operating conditions.
- adopted a final rule that revises the Commission's regulations to add site-specific criteria for use in a possible licensing decision on a potential geologic repository at Yucca

Mountain, Nevada, for the disposal of spent nuclear fuel and high-level radioactive waste. The NRC's rule conforms to the Environmental Protection Agency's (EPA) Yucca Mountain final standard that was issued on June 13. The changes reflect the Commission's overall philosophy of using risk-information in its regulations and respond to the Energy Policy Act of 1992, which directed the NRC to modify its technical requirements and criteria to be consistent with health and safety standards to be issued by EPA specifically for Yucca Mountain. The Commission expects this rule to become effective by the end of the calendar year.

- issued a "yellow" finding (a finding of substantial importance to safety) to Calvert Cliffs Unit 1 nuclear power plant. The plant, located in Lusby, Md., is operated by Constellation Nuclear. An NRC inspection was conducted over the summer to examine the failure of an auxiliary feedwater pump during a test on May 16. The inspectors found that workers failed to adhere to maintenance instructions during maintenance on the pump, resulting in pump failure. A supplemental NRC inspection will be scheduled to follow-up on Constellation's corrective actions.
- issued an amendment to the Westinghouse NAC-MPC cask system. The amendment permits a licensee to use an alternate fuel basket design with enlarged fuel tubes in corner locations and makes other adjustments in the Technical Specifications. The rule becomes effective November 13, 2001.
- published in the Federal Register (66 FR 47511) a notice of license amendment informing the public that the Cabot Corporation, Inc., site in Revere, Pennsylvania was being removed from NRC's site decommissioning management plan (SDMP). Cabot processed pyrochlore-bearing ores at the Revere site to extract columbium and tantalum metals for use in high-strength alloys and electronics component manufacture. The ore processing generated waste slag contaminated with natural uranium and thorium. Following on-site remediation, Cabot supplied, and NRC reviewed, site characterization and dose assessment information. Based on NRC's review, the Commission concluded that the Cabot-Revere site met the unrestricted release dose criteria, and was suitable for release for unrestricted use. The Commission released the Revere site for unrestricted use, removed the site from the SDMP, and removed the site from Source Material License SMC-1562.
- held a public meeting on September 5, with Exelon Generation, Department of Energy, and interested stakeholders regarding the Pebble Bed Modular Reactor (PBMR) and licensing review process. The goal of the meeting was to begin a series of interactions between the staff and Exelon to establish the expectations for a complete, high quality combined construction and operating license application and to establish more predictability in the licensing review process.
- issued NUREG-1715, Volume 4, "Component Performance Study -- Motor-Operated Valves, 1987-1998." This report documents an analysis of the performance of motor-operated valves used in risk important systems in U.S. commercial nuclear power plants. The study concluded that the probability of failure on demand estimates were consistent with the industry generic values. No evidence was found of an increase in failure rates over time indicative of "aging" problems. The findings are intended to assist in decision-making related to inspection and licensing activities.

- received a license amendment request from Tennessee Valley Authority (TVA) to produce tritium at its Watts Bar nuclear power plant, located near Spring City, Tennessee. The license amendment would allow, for the first time, tritium production by a commercial nuclear reactor to be used for future tritium stockpiling for national defense purposes. TVA's requested technical specification changes would allow them to irradiate up to 2,304 tritium-producing burnable absorber rods each fuel cycle, which lasts about 18 months. TVA would remove the irradiated rods and the Department of Energy would ship them to its tritium extraction facility at the Savannah River Site, near Aiken, South Carolina. There will be an opportunity for interested persons to request a hearing on the amendment. The staff is scheduling about one year to complete the amendment review. As part of NRC's public outreach program, NRC held a public meeting on October 2 with the Department of Energy (DOE) and TVA in Evansville, Tennessee, to discuss DOE's planned tritium production program and the role of TVA's Watts Bar and Sequoyah nuclear power plants in supporting DOE's program.

I have enclosed (Enclosure 2) the update to the Tasking Memorandum which delineates the schedules for accomplishing high priority initiatives.

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 James M. Inhofe

Identical letters to:

The Honorable Harry Reid, Chairman  
Subcommittee on Transportation,  
Infrastructure, and Nuclear Safety  
Committee on Environment and Public Works  
United States Senate  
Washington, D.C. 20510  
cc: Senator James M. Inhofe

The Honorable Joe Barton, Chairman  
Subcommittee on Energy Air Quality  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, D.C. 20515  
cc: Representative Rick Boucher

The Honorable Sonny Callahan, 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 Harry Reid, Chairman  
Subcommittee on Energy and Water Development  
Committee on Appropriations  
United States Senate  
Washington, D.C. 20510  
cc: Senator Pete V. Domenici

The Honorable W.J. "Billy" Tauzin, Chairman  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, D.C. 20515  
cc: Representative John D. Dingell

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

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

**AUGUST 2001**

Enclosure 1

## TABLE OF CONTENTS<sup>1</sup>

	<u>Page</u>
I. Implementing Risk-Informed Regulations . . . . .	1
II. Revised Reactor Oversight Process . . . . .	2
III. Status of Issues in the Reactor Generic Issue Program . . . . .	3
IV. Licensing Actions and Other Licensing Tasks . . . . .	3
V. Status of License Renewal Activities . . . . .	8
VI. Status of Review of Private Fuel Storage, Limited Liability Corporation's Application for a License to Operate an Independent Spent Fuel Storage Installation . . . . .	9
VII. Summary of Reactor Enforcement by Region . . . . .	10
VIII. Power Reactor Security Regulations . . . . .	12
IX. Power Upgrades . . . . .	12

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<sup>1</sup>Note: The period of performance covered by the report includes activities occurring between the first and last day of the month (e.g., August 31, 2001). The transmittal letter to Congress accompanying this report may provide more recent information in order to keep Congress fully and currently informed of NRC's licensing and regulatory activities.

## **VII. 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 August 2001 monthly report to Congress on the status of NRC licensing and regulatory duties). The following activities have seen substantial progress since the last report.

### South Texas Project Risk-Informed Exemption Requests From Special Treatment Requirements

On July 13, 1999, STP Nuclear Operating Company (STPNOC) requested risk-informed exemptions from certain special treatment requirements of 10 CFR Parts 21, 50, and 100 for safety-related structures, systems, and components that it had determined to be of low risk significance. The exemption request is based on a risk-informed categorization of components in the plant. On June 6, 2001, the staff forwarded a safety evaluation to the Commission approving the majority of the exemptions. The staff and STPNOC briefed the Commission on this matter on July 20, 2001, and the staff issued the final safety evaluation on August 3, 2001.

### Risk-Informing Specific Technical Requirements in 10 CFR Part 50

In SECY-00-0198, "Status Report on Study of Risk-informed Changes to the Technical Requirements of 10 CFR Part 50 (Option 3) and Recommendations on Risk-informed Changes to 10 CFR 50.44 (Combustible Gas Control)," dated September 14, 2000, the staff provided the Commission a status report on its study of possible risk-informed changes to the technical requirements of 10 CFR Part 50, and its recommendations for risk-informed changes to 10 CFR 50.44 ("Standards for Combustible Gas Control System in Light-Water-Cooled Power Reactors") that will both enhance safety and reduce unnecessary burden, and to provide policy issues for Commission decision.

On January 19, 2001, the Commission issued a staff requirements memorandum (SRM) on SECY-00-0198 that approved the staff's recommendations. In SECY-01-0162, "Staff Plans for Proceeding with the Risk-Informed Alternative to the Standards for Combustible Gas Control System in Light-Water-Cooled Power Reactors in 10 CFR 50.44," dated August 23, 2001, the staff answered the SRM and recommended proceeding with rulemaking to rebaseline 10 CFR 50.44 and to remove some unnecessary requirements.

### Recommendations on Risk-informed Changes to 10 CFR 50.46

In SECY-01-0133, "Status Report on Study of Risk-Informed Changes to the Technical Requirements of 10 CFR Part 50 (Option 3) and Recommendations on Risk-informed Changes to 10 CFR 50.46 (ECCS Acceptance Criteria), dated July 23, 2001, the staff provided the Commission with recommendations on risk-informed changes that can be made to 10 CFR 50.46. The staff recommended: (a) modification of the existing 10 CFR 50.46 to change the ECCS acceptance criteria and the Appendix K ECCS evaluation model; and (b) development of a voluntary risk-informed alternative to 10 CFR 50.46, Appendix K and General Design Criterion (GDC) 35 that will change the ECCS reliability requirements. Additional technical work, described in this paper, will be needed to support implementation of the recommendations.

## II. Revised 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 interested stakeholders on a periodic basis to collect feedback on the efficacy of the process and consider this feedback in making refinements to the ROP. Recent activities include:

- a. Staff conducted another of a continuing series of public meetings on August 15, 2001, with industry's working group on ROP. The key issues discussed included: initiating event cornerstone performance indicator replacement, unplanned power changes performance indicator replacement, closeout of Indian Point 2 issues, graded retirement of inspection findings and credit for old design issues, industry trends, changes to the NRC ROP Web page, and reviews of frequently asked questions.
- b. Staff conducted another periodic issue-specific public meeting with industry's ROP working group on August 16, 2001, to discuss and review issues associated with Safety System Unavailability (SSU) performance indicators (PIs). The long-term objective of the working group is to develop a common definition for unavailability for use in the ROP, maintenance rule, WANO, probabilistic risk assessments (PRAs), and other programs. During this meeting the working group reached agreement on six of nine issues identified as having different definitions among the various programs. The proposed resolutions of the three remaining issues will require evaluation by the staff. The working group identified several of these issues for near term implementation by January 2002. The remaining other issues will be pilot tested in a 6-month pilot program commencing January 2002.
- c. On August 16, 2001, staff held a public meeting with industry groups to discuss NRC Licensee Self-Assessment (LSA) experience under the old Reactor Inspection Program (IP 40501) during the 1990s, and an existing federal government self-assessment precedent at OSHA (Voluntary Protection Program). Representatives from Nuclear Energy Institute (NEI), CE Owner's Group (CEOG), and NRC staff participated in the meeting. CEOG shared their experiences with LSA. The outcomes of the meeting were recommendations for the next steps the staff should take to study the LSA concept. These recommendations included working groups, workshops, pilot trials, and the development of LSA procedures and guidance documents.
- d. The working group tasked with updating the program to train and qualify inspectors has completed a draft revision of Inspection Manual Chapter (IMC) 1245. The revision to IMC1245 is the result of an on-going effort to improve the inspector training and qualification process by making it more objective and more efficient. The draft manual chapter, containing the requirements and qualification journals for each of the inspector classifications, will be issued for comment to internal stakeholders in late September. The proposed program features the addition of a new qualification level - Basic Qualification. Basic Qualification will emphasize the role of the Agency, the role of the inspector, and ensure a basic understanding of the technology being regulated. Successful completion of the Basic Qualification is expected to require approximately 5 months and will allow an inspector to perform limited scope inspection activities in the field with close but not direct supervision. Further formal technical training and additional work in-the-field will be required to achieve Full Inspector Qualification. Full

Inspector Qualification, which will allow an inspector to perform independently as an inspector, is expected to require an additional 18 months.

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

Resolution of issues in the Reactor Generic Issue Program continues to be on track in accordance with the existing schedules. There have been no changes in the status or resolution dates for Generic Safety Issues since the July 2001 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 2001 NRC Performance Plan incorporates three output measures related to licensing actions. These are: number of licensing action completions per year, age of the licensing action inventory, and size 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, NRC review of licensee 10 CFR 50.59 analyses and FSAR updates, or other licensee requests not requiring NRC review and approval before it can be implemented by the licensee. The FY 2001 NRC Performance Plan incorporates one output measure related to other licensing tasks. This is: number of other licensing tasks completed.

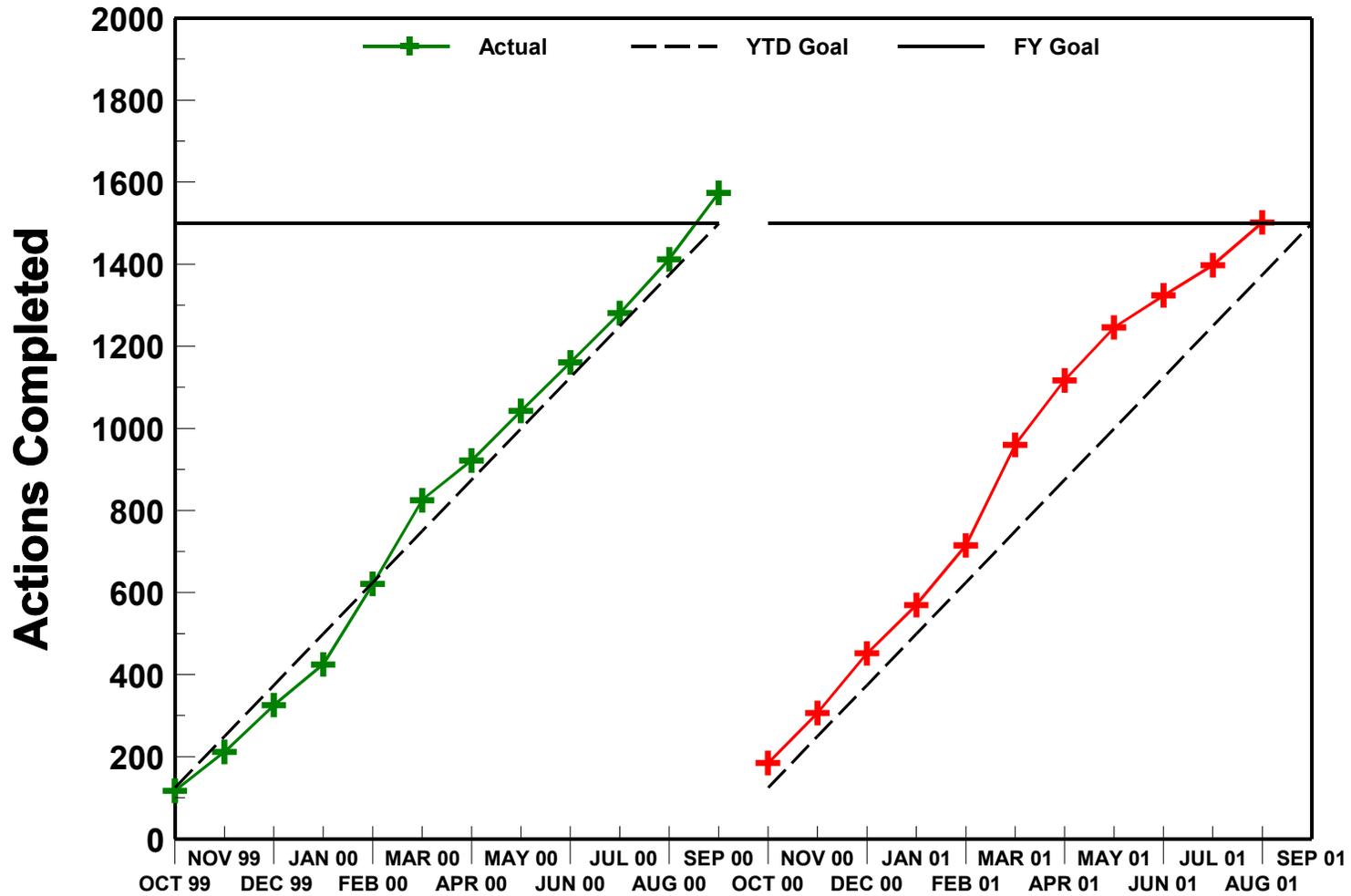
The actual FY 1999 and FY 2000 results, the FY 2001 goals and the actual FY 2001 results, as of August 31, 2001, for the four NRC Performance Plan output measures for licensing actions and other licensing tasks are shown in the table below.

PERFORMANCE PLAN				
Output Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Goals	FY 2001 Actual (thru 08/31/2001)
Licensing actions completed	1727	1574	≥ 1500	1398
Age of licensing action inventory	86.2% ≤ 1 year; and 100% ≤ 2 years	98.3% ≤ 1 year; and 100% ≤ 2 years	95% ≤ 1 year and 100% ≤ 2 years old	95.6% ≤ 1 year; 99.9% ≤ 2 years
Size of licensing action inventory	857	962	≤ 650	867
Other licensing tasks completed	939	1100	≥ 675	503

The following charts demonstrate NRC's FY 2001 trends for the four licensing action and other licensing task output measure goals.

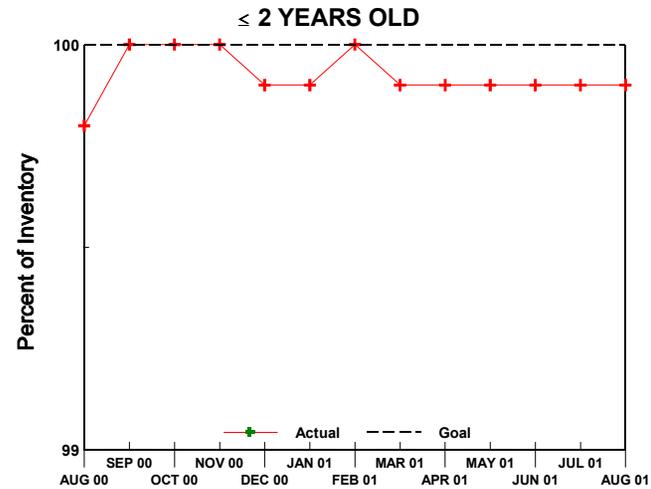
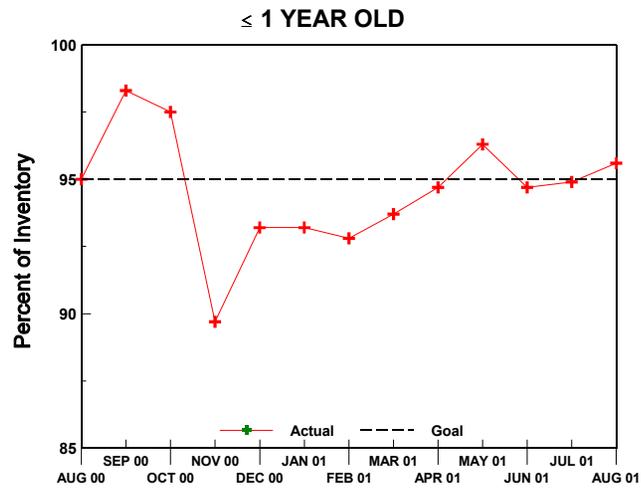
# Nuclear Reactor Safety - Reactor Licensing

## Performance Plan Target: Completed Licensing Actions



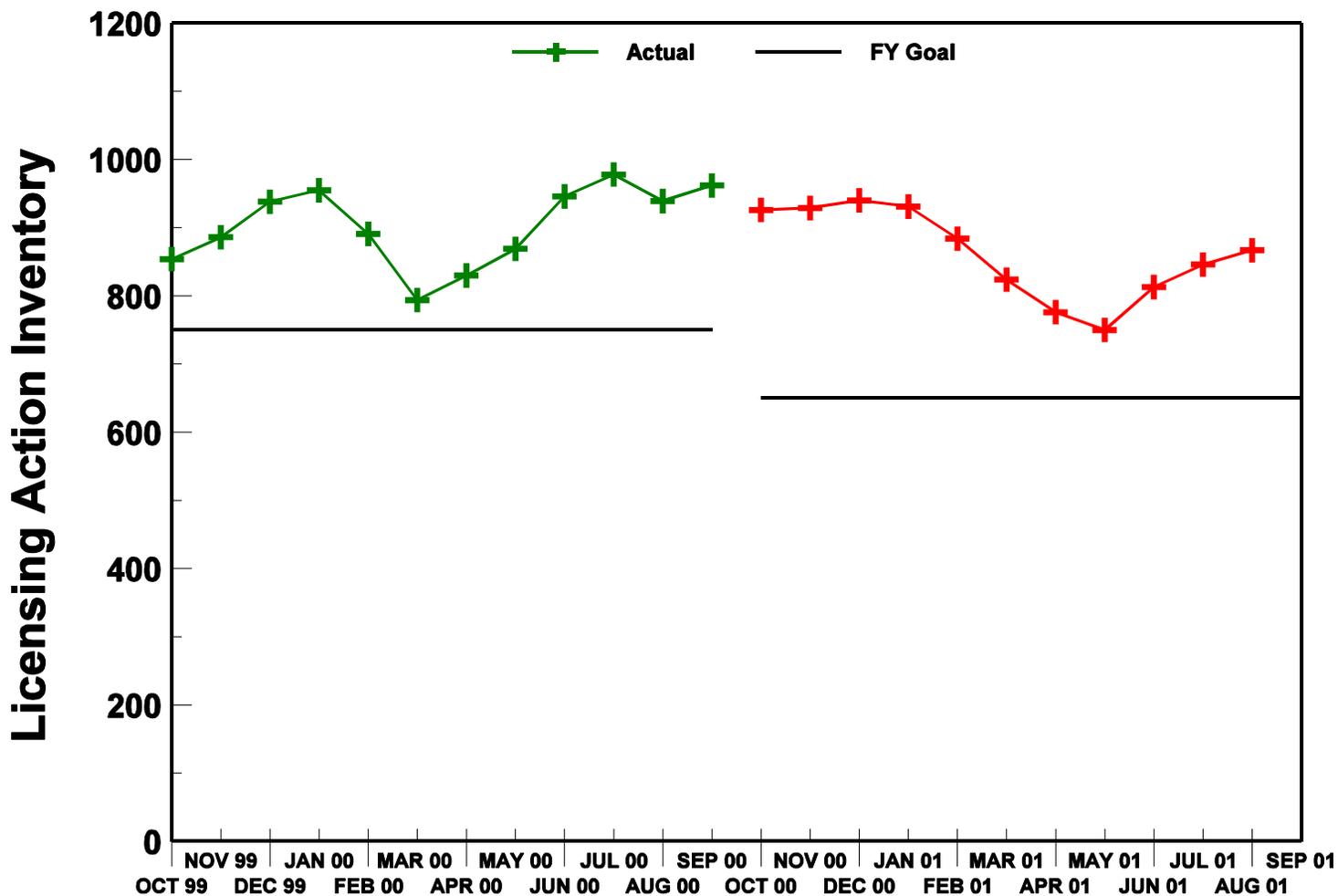
# Nuclear Reactor Safety - Reactor Licensing

## Performance Plan Target: Age of Licensing Action Inventory



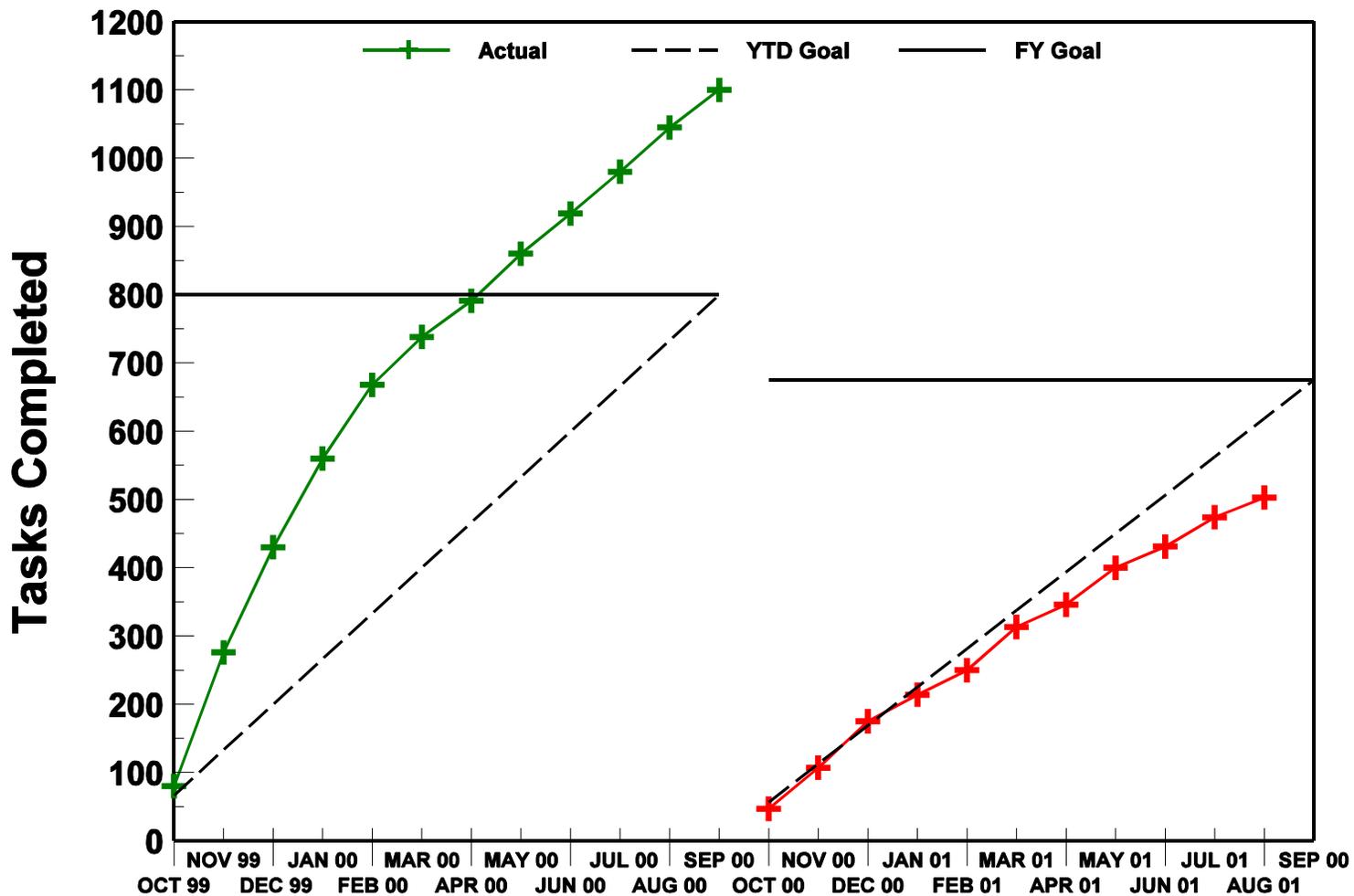
# Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: 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 NRC's review of the license renewal application.

### Oconee License Renewal Application

The renewed licenses for Oconee Units 1, 2, and 3 were issued on May 23, 2000, completing the NRC's review of the license renewal application.

### Arkansas Nuclear One, Unit 1, Renewal Application

The renewed license for Arkansas Nuclear One, Unit 1 (ANO-1), was issued on June 20, 2001, completing the NRC's review of the license renewal application. Because of the efficiencies gained through the lessons learned and implemented by the applicant and NRC staff from the Oconee Nuclear Station license renewal review (a plant similar to ANO-1), the review was completed approximately 8 months ahead of schedule.

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

The review of the Hatch renewal application is on schedule. The staff issued the safety evaluation report identifying open items in February 2001. The NRC staff and the applicant are working to resolve the open items and issue the completed report by October 2001. The final supplemental environmental impact statement was issued in May 2001.

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

The review of the Turkey Point renewal application is on schedule. The safety evaluation report identifying open items was issued on August 17, 2001. The NRC staff and applicant are working to resolve the open items and issue the completed report by April 2002. The draft supplemental environmental impact statement (SEIS) was issued for comment in June 2001 and a public meeting was held on July 17, 2001, to discuss the draft SEIS. After addressing the comments received on the draft SEIS, the final SEIS will be issued by January 2002.

### Surry and North Anna Renewal Applications

On May 29, 2001, the NRC received concurrent applications for renewal of the Surry, Units 1 and 2, and North Anna, Units 1 and 2, operating licenses. The application is currently under review and the staff is preparing requests for additional information. The environmental scoping process has begun and public scoping meetings are scheduled in the vicinity of Surry on September 19, 2001, and North Anna on October 18, 2001. Until it is determined whether a hearing will be conducted, a 30-month review schedule has been established with a final decision on issuance of the licenses scheduled for December 2003.

### McGuire and Catawba Renewal Applications

On June 14, 2001, the NRC received concurrent applications for renewal of the McGuire, Units 1 and 2, and Catawba, Units 1 and 2, operating licenses. The staff has completed its acceptance review and has found the applications acceptable for docketing and review. The review schedule and notice of the opportunity for hearing was issued on August 15, 2001. Until it is determined whether a hearing will be conducted, a 30-month review schedule has been established with a final decision on issuance of the licenses scheduled for December 2003.

### Peach Bottom Renewal Application

On July 2, 2001, the NRC received an application for renewal of the Peach Bottom, Units 2 and 3, operating licenses. The staff has completed its acceptance review and has found the applications acceptable for docketing and review. A notice of the opportunity for hearing was issued on August 31, 2001. Until it is determined whether a hearing will be conducted, a 30-month review schedule has been established.

### License Renewal Implementation Guidance Development

The Commission approved publication of the improved license renewal implementation guidance (standard review plan, NUREG-1800, and Regulatory Guide 1.188) and the documents were published in July 2001, completing this activity. The standard review plan incorporates by reference the Generic Aging Lessons Learned Report, NUREG-1801. The regulatory guide endorses an industry implementation guidance document, NEI 95-10, Revision 3. The implementation guidance documents will be revised and improved in the future as new lessons are learned.

## **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 continued its review of the license application amendments submitted by Private Fuel Storage, Limited Liability Company (PFS). Members of the staff held agency-to-agency meetings with representatives of the U.S. Air Force at Langley Air Force Base in Hampton, Virginia, and at the Pentagon, to discuss the staff's analysis of the information regarding aircraft crash hazard submitted by PFS. Additional information used by PFS in making its regulatory compliance case for the geotechnical amendment to the license application were requested by the staff and submitted by PFS during this reporting period.

Litigation in the adjudicatory proceeding on the PFS application continued during this reporting period as follows: (1) the NRC staff and the State of Utah responded to PFS's motion for summary disposition of one environmental contention, (2) the Atomic Safety and Licensing Board (ASLB) granted PFS's motions for summary disposition of two other environmental contentions, and (3) the ASLB issued a revised schedule for litigation, deferring hearings pending its receipt of a joint scheduling report from the parties in September.

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

**Reactor Enforcement by Region**

		<b>Reactor Enforcement Actions*</b>				
		Region I	Region II**	Region III	Region IV**	TOTAL
Severity Level I	July 2001	0	0	0	0	0
	FY 2001 YTD	0	0	0	0	0
	FY 00 Total	0	0	0	0	0
	FY 99 Total	0	0	0	0	0
Severity Level II	July 2001	0	0	0	0	0
	FY 2001 YTD	0	1	0	0	1
	FY 00 Total	1	2	0	0	3
	FY 99 Total	5	0	2	0	7
Severity Level III	July 2001	0	0	0	0	0
	FY 2001 YTD	1	1	1	1	4
	FY 00 Total	5	0	4	4	13
	FY 99 Total	9	2	7	8	26
Severity Level IV	July 2001	0	0	1	0	1
	FY 2001 YTD	0	0	2	1	3
	FY 00 Total	4	1	3	5	13
	FY 99 Total	52	42	57	60	211
Non-Cited Severity Level IV & Green	July 2001	17	24	15	24	80
	FY 2001 YTD	242	104	169	125	640
	FY 00 Total	313	190	289	258	1050
	FY 99 Total	343	267	334	305	1249

<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	July 2001 -Red	0	0	0	0	0
	-Yellow	0	0	0	0	0
	-White	1	1	0	1	3
	FY 2001 YTD	5	4	2	2	13
	FY 00 Total	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 Regions II & IV reflect a shift from a 6 week inspection period to a quarterly inspection period.

### **Description of Significant Actions taken in July 2001**

#### **Union Electric Company (Callaway) EA 01-130**

On July 23, 2001, a Notice of Violation was issued for a violation associated with a white significance determination process (SDP) inspection finding involving the essential service water (ESW) pump. The violation cited the inoperability of an essential service water train for approximately 132 hours.

#### **Duke Energy Corporation (Oconee Nuclear Station) EA 01-125**

On July 18, 2001, a Notice of Violation was issued for a violation associated with a white SDP finding. The violation involved inadequate procedures for aligning the station auxiliary service water pump to mitigate a tornado and the licensee's failure to take prompt corrective action for this adverse condition even though the licensee had identified the condition approximately one year earlier.

#### **AmerGen Energy Company, LLC (Three Mile Island) EA 01-115**

On July 5, 2001, a Notice of Violation was issued for a violation association with a white SDP finding involving the motor driven emergency feedwater (EFW) pump. The violation was based on the licensee's failure to promptly identify and correct a significant condition adverse to quality that resulted in the "A" motor driven EFW pump being inoperable for longer than the technical specification allowed outage time.

## **VIII. Power Reactor Security Regulations**

In response to the terrorist attacks on September 11, 2001, the U.S. Nuclear Regulatory Commission (NRC) and the nuclear industry have taken a number of actions to ensure the security at nuclear power plants. Although nuclear power plants are among the most hardened and secure civilian facilities in the United States, the recent attacks have focused attention on the need to review policies and practices related to protecting civilian nuclear facilities against attack.

Immediately following the terrorist attacks on the World Trade Center and the Pentagon, the NRC advised nuclear power plant licensees to go to the highest level of security (Level 3), and all promptly did so. Because there is continuing uncertainty about the possibility of additional terrorist activities in the current environment, the Nation's nuclear power plants remain at the highest level of security and the NRC continues to monitor the situation. For the longer term, Chairman Meserve, with the full support of the Commission, directed the NRC staff to thoroughly reevaluate the NRC's safeguards and physical security programs. This reevaluation will be a top-to-bottom analysis involving all aspects of the Agency's safeguards and physical security programs. Information on the results of the staff's reevaluation will be provided in future Monthly Status Reports to Congress.

Given the nature of the attacks on September 11, the identification of any necessary adjustments to the safeguards and physical security measures for civilian nuclear facilities must involve consultation and coordination with other U.S. national security organizations. The NRC is currently interacting with the Federal Bureau of Investigation, other intelligence and law enforcement agencies, and the Department of Defense to ensure any changes to the NRC's programs will consider pertinent information from all relevant U.S. agencies.

Nonetheless, the Commission believes that the baseline security level at U.S. commercial nuclear reactors is very high compared with most other nations. Indeed, many foreign regulators often comment on the impressive security measures and large guard forces evident when they visit our nuclear power plants. The Commission is aware of no other regulator who systematically carries out security inspections involving force-on-force exercises.

## **IX. Power Uprates**

The staff has assigned power uprate license amendment reviews a high priority. The staff considers power uprate applications among the most significant licensing actions and is, therefore, conducting power uprate reviews on accelerated schedules.

Licensees have been applying for and implementing power uprates since the 1970s as a way to increase the power output of their plants. The staff has been conducting power uprate reviews since then and to date, has completed 62 such reviews. Figure 1, "Power Capacity Increase," shows the cumulative increase in power that has resulted from power uprates to date. This figure shows that, an equivalent of approximately two nuclear power plant units (approximately 1000 MWe each) has been gained through implementation of power uprates at existing plants.

During the month of August the staff received applications for power uprates of 15 percent each for the two Brunswick nuclear power units. The staff currently has 14 plant-specific applications and two General Electric Nuclear Energy topical reports for power uprates under review.

On the basis of the licensees' voluntary responses to NRC Regulatory Issue Summary (RIS) 2001-08, "Operating Reactor Licensing Action Estimates," and the results of a staff survey of all licensees in June 2001, to obtain information regarding the industry's future plans related to power uprate applications, the staff estimates that licensees plan to submit 42 additional power uprate applications in the next 5 years. Based on the information provided, planned power uprates are expected to result in an increase of approximately 1240 MWe. The staff will utilize the information provided in response to the RIS and the June survey for planning and allocating resources for power uprate reviews and to assure the staff's readiness and availability to perform the technical reviews for these applications when they arrive.

On August 23, 2001, the staff held the public workshop to discuss the staff's effort to make the measurement uncertainty recapture power uprate review process more effective and efficient. In the meeting notice, issued on August 3, 2001, the staff included draft guidance that the staff prepared for licensees' use in preparing applications for these types of power uprates. The guidance is intended to improve the quality of licensee submittals by identifying the areas of staff review and type of information required by the staff for its reviews of these types of power uprates. Submittals made in accordance with the draft guidance will also identify areas that are affected by the requested power uprate and allow the staff to focus its review on these areas. The staff believes that quality submittals and focused reviews can result in a reduction of 2 to 3 months in the staff's review time for measurement uncertainty recapture power uprate applications.

The purpose of the August 23<sup>rd</sup> workshop was to (1) discuss the draft guidance developed by the staff and (2) obtain feedback on the guidance from interested stakeholders with respect to scope, depth, clarity, and specificity of the guidance. The workshop was well attended. External stakeholders at the workshop were supportive of the approach taken by the staff and provided feedback to improve the draft guidance. The staff is currently evaluating the feedback received and will finalize and issue the guidance on an expedited schedule.

**Figure 1: Power Capacity Increase**

