

December 20, 2002

Mr. David A. Lochbaum
Union of Concerned Scientists
1707 H Street, NW, Suite 600
Washington, D.C. 20006-3919

Dear Mr. Lochbaum:

In a letter to you dated August 21, 2002, I responded on behalf of the U.S. Nuclear Regulatory Commission (NRC) to your letter of May 14, 2002. In my letter, I addressed your concern regarding the Manual Chapter 0350 process and noted that a review of periodic updates to Final Safety Analysis Reports (FSARs) was on-going, and that upon completion of the review I would respond to your concern regarding licensees' conformance with the NRC's requirements for updating FSARs. In your letter you indicated that analyses, performed by licensees at the NRC's request, should be reflected in periodic updates to FSARs in accordance with Title 10, Section 50.71(e), of the *Code of Federal Regulations* (10 CFR 50.71(e)). Your letter further suggested that such updates could prevent events such as the degradation of the reactor pressure vessel head at the Davis-Besse Nuclear Power Station. You expressed similar views in your letters of June 12 and 19, 2002.

As a result of lessons learned from the experience with Millstone Nuclear Power Station and other initiatives related to updating FSARs, the NRC determined that additional guidance was needed with regard to compliance with 10 CFR 50.71(e). The staff, therefore, issued Regulatory Guide (RG) 1.181, "Content of the Updated Final Safety Analysis Report in Accordance With 10 CFR 50.71(e)," dated September 1999, to provide this guidance. RG 1.181 endorses Revision 1 of the Nuclear Energy Institute (NEI) "Guidelines for Updating Final Safety Analysis Reports," NEI 98-03, dated June 1999, as providing acceptable methods for complying with the provisions of 10 CFR 50.71(e). The guidance states that those safety analyses, performed by a licensee at the NRC's request, that affect the existing design bases, safety analyses, or UFSAR description, require an update to the UFSAR.

In September 1999, the Commission requested that the staff monitor FSAR updates submitted in accordance with RG 1.181 and NEI 98-03 to assess whether additional guidance for FSAR updates and regulatory oversight were needed. Between January 1, 2000, and March 1, 2001, the staff reviewed approximately 43 FSAR updates. The staff then reported the results of the monitoring program to the Commission in SECY-01-0055, dated March 28, 2001. On the basis of the review, the staff concluded that, except for minor deficiencies, licensees were updating their FSARs appropriately. The Commission determined that additional guidance was not needed and that the current regulatory oversight was appropriate. This oversight includes NRC project manager review of FSAR updates, as well as routine use of FSARs by NRC staff to support licensing and inspection activities.

In your letter, you state your belief that, if the Davis-Besse FSAR had been updated to include the B&W Owners Group evaluation related to boric acid corrosion, there would have been a greater likelihood that a plant worker or NRC inspector would have questioned one or

more of the warning signs. The issue of FSAR updates related to the Davis-Besse boric acid corrosion control program was addressed in the NRC's Lessons-Learned Task Force (LLTF) report dated September 30, 2002. The LLTF made the following observation:

The UFSAR did not discuss the boric acid corrosion control program, nor did it include any discussion of responses to NRC generic communications, such as GL [Generic Letter] 88-05. 10 CFR 50.71(e) provides requirements for updating the UFSAR. While the DBNPS's [Davis-Besse Nuclear Power Station's] evaluations relative to GL 88-05 were not required to be included in UFSAR updates on the basis of current industry guidance endorsed by NRC, having the program described in the UFSAR would have made the program commitments more visible to the DBNPS staff.

The LLTF proposed that the NRC reevaluate actions the NRC should take to follow up on significant generic communications. I expect that the Commission will receive recommendations on this and other recommendations of the LLTF from the Executive Director of Operations shortly.

As I discussed in my letter to you dated August 21, 2002, the NRC considers it essential for licensees to update their FSARs in order to ensure continuity and a common understanding of the licensing and design bases of a licensed facility. The staff therefore continues to review each licensee's FSAR updates for conformance with the requirements of 10 CFR 50.71(e), and we will address any plant-specific issues as appropriate.

Sincerely,

/RA/

Richard A. Meserve