September 24, 2007

MEMORANDUM TO: Luis A. Reyes
                   Executive Director for Operations

FROM: Stephen D. Dingbaum **/RA/**
                   Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: EVALUATION OF
                   THE NRC'S USE OF PROBABILISTIC RISK ASSESSMENT
                   IN REGULATING THE COMMERCIAL NUCLEAR POWER
                   INDUSTRY (OIG-06-A-24)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR REGULATORY
                   RESEARCH, MEMORANDUM DATED AUGUST 31, 2007

Attached is the Office of the Inspector General (OIG) analysis and status of the
recommendations as discussed in the agency's response dated August 31, 2007.
Based on these responses, recommendations 1 and 3 remain resolved and will be
closed pending completion of the actions contained in the agency's responses and
OIG's review of those actions. Recommendation 2 was previously resolved and closed.
Please provide an updated status of recommendations 1 and 3 by February 1, 2008.

If you have questions or concerns, please call me at 415-5915 or Sherri Miotla at
415-5914.

Attachment: As stated

cc: V, Ordaz, OEDO
        M. Malloy, OEDO
        P. Tressler, OEDO

Audit Report

Evaluation of the NRC's Use of Probabilistic Risk
Assessment in Regulating the Commercial Nuclear
Power Industry
OIG-06-A-24

Status of Recommendations

Recommendation 1: Develop and implement a formal, written process for maintaining PRA models that are sufficiently representative of the as-built, as-operated plant to support model uses.

Agency Response Dated
August 31, 2007: The staff is on schedule to provide a revision to the RASP Handbook by December 2007.

OIG Analysis: Recommendation 1 will be closed when NRC provides evidence that its revised RASP Handbook is issued and implemented.

Status: Resolved.

Audit Report

**Evaluation of the NRC's Use of Probabilistic Risk
Assessment in Regulating the Commercial Nuclear
Power Industry
OIG-06-A-24**

Status of Recommendations

Recommendation 3:   Conduct a full verification and validation of SAPHIRE
                         Version 7.2 and GEM.

Agency Response Dated
August 31, 2007:   The development of SAPHIRE Version 8 is continuing. In
                         our supplementary response dated April 25, 2007, we stated
                         that the release was anticipated in CY 2009. Our current
                         estimate calls for a general release of SAPHIRE Version 8 in
                         July 2009.

OIG Analysis: Recommendation 3 will be closed when NRC releases
                         Version 8.

Status: Resolved.