



Protecting People and the Environment

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

March 2010 - October 2010

Note: The period of performance covered by this report includes activities occurring between the first day of April 2010 and last day of September 2010. 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.

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VII Power Reactor Security and Emergency Response Regulations

The NRC continues its security inspection and oversight activities, as well as continues its rulemaking activities to incorporate applicable security and emergency preparedness (EP) enhancements into the regulations.

The NRC rulemaking effort pertaining to the physical protection of plants and materials requirements (10 CFR Part 73) was published in the *Federal Register* on March 27, 2009. Licensees were required to be in compliance with these regulations no later than March 31, 2010. The NRC approved 40 requests from individual licensees that requested schedule exemptions from the revised 73.55 because of an inability to complete site reconfiguration requirements needed to achieve full compliance with certain technical aspects of the rule. All licensees remain in full compliance with the earlier security requirements and most of the new requirements.

The NRC staff completed its revision of licensees' plans to ensure that they meet the intent of these specific regulations. The NRC staff and North American Electric Reliability Corporation have completed a Memorandum of Understanding on regulatory oversight framework for cyber security to minimize the potential for overlapping regulation.

The NRC is continuing force-on-force inspections at each nuclear power reactor and Category I fuel cycle facility on a normal 3-year cycle using the adversary characteristics that were developed as a result of the threat environment. The purpose of the force-on-force inspections is to assess licensees' defensive strategies in place at licensed facilities and highlight areas that need improvement. During the first and second quarters of FY 2011, the NRC completed force-on-force inspections at ten sites and re-inspected two sites. The current 3-year force-on-force cycle ends in January 2011. The NRC remains committed to working with the industry to improve the realism and effectiveness of the force-on-force inspection program.

The NRC developed a revised proposed rule amending requirements associated with enhanced weapons and firearms background checks in 10 CFR Part 73 that contains the implementing provisions for section 161A of the Atomic Energy Act (AEA) (42 U.S.C. § 2201a). The revised regulation would require new firearms background checks for armed security personnel and will permit certain NRC licensees to obtain enhanced weapons (preempting individual State laws prohibiting the ability of private entities from obtaining such weapons). The NRC worked with the U.S. Department of Justice, including the Federal Bureau of Investigation (FBI) and the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), to develop the firearms guidelines required by section 161A of the AEA. The NRC published the guidelines in the *Federal Register* on September 11, 2009 (74 FR 46800). This proposed rulemaking was published in the *Federal Register* on February 3, 2011 (76 FRN 6200).

The NRC continues to make progress on implementing a comprehensive revision to emergency preparedness (EP) regulations and associated guidance. The NRC staff submitted the draft EP final rule package, as well as the three associated NRC guidance documents, to the Advisory Committee on Reactor Safeguards (ACRS) in late FY10 to support the ACRS Subcommittee briefing on Plant Operations and Fire Protection that was held on November 1, 2010. The staff also facilitated several public meetings requesting additional external stakeholder feedback on the proposed implementation dates for the final EP rule in early FY11. As a result of these efforts, the NRC staff continues to engage with internal and external stakeholders on the status

of the EP rulemaking and has begun developing an integrated transition and implementation plan for the EP final rule and associated guidance.

The proposed final EP rule was made publicly available on regulations.gov and was delivered to the NRC's Commission in April, 2011; however, several milestones still remain. After submitting the proposed final EP rule package to the NRC's Commission, the staff continues to (a) coordinate with stakeholders to finalize the integrated transition and implementation plan, (b) prepare for the public Commission meeting on May 3, 2011, that will discuss the final EP Rule, and (c) engage with FEMA on the future initiative to revise NUREG-0654/FEMA-REP-1. Once the EP final rule is approved by the NRC Commission and published, the staff will conduct public workshops on its implementation plan. The final EP rule publication is planned before the end of CY 2011.

To date, all emergency preparedness and physical security program licensing reviews are on schedule for new power reactor applications. The NRC continues to work with the Department of Homeland Security (DHS) and FEMA to ensure milestones are accomplished in accordance with the predetermined schedules.

On March 30, 2011, the Commission finalized its staff requirements memorandum (SRM) on the proposed rule, "Requirements for Access Authorization and Physical Protection During Nuclear Power Plant Construction." The final SRM stipulated that the staff should terminate this rulemaking effort and directed the staff to communicate NRC's support for industry's voluntary implementation of access authorization controls and physical protection measures described in the Nuclear Energy Institute's document, "Security Measures During New Reactor Construction." The SRM also directed the staff to continue to focus on the plant's transition from construction to its operational phase, including implementation of the requirements of 10 CFR 73.55, to ensure that the safety-related structures, systems and components are protected. The staff's effort will include updating the necessary regulatory guidance.