

August 30, 2004

MEMORANDUM TO: Luis A. Reyes  
Executive Director for Operations

FROM: J. E. Dyer, Director */RA RWBorchardt for/*  
Office of Nuclear Reactor Regulation

Carl J. Paperiello, Director */RA JWCraig for/*  
Office of Nuclear Regulatory Research

SUBJECT: SEMIANNUAL REPORT - STATUS OF IMPLEMENTATION OF  
DAVIS-BESSE LESSONS LEARNED TASK FORCE REPORT  
RECOMMENDATIONS

By memorandum dated March 7, 2003, the Office of Nuclear Reactor Regulation (NRR) and the Office of Nuclear Regulatory Research (RES) submitted an overall plan to implement the recommendations of the Davis-Besse Lessons Learned Task Force (LLTF). The plan requires semiannual reports on the status of implementation of all LLTF recommendations.

This is the third status report. It covers the period from March to August 2004. The format of the report has been revised slightly from previous reports. The current status of implementation of all Davis-Besse LLTF recommendations is given in the attached table. The action plan milestone tables, which are reported separately through the Directors' Quarterly Status Report, are no longer included. However, the status line of the table provides information on the progress of each item, including action plan activities.

During this period, substantial progress has been made in completing the recommended actions. The following table indicates the progress in completing the recommendations.

PRIORITY	NUMBER	FEBRUARY 2004	AUGUST 2004
HIGH	21	7	13
MEDIUM	16	3	10
LOW	12	6	8

Completing implementation of the LLTF recommendations was one of the priority actions included in the Chairman's May 3, 2004, memorandum to the Executive Director for Operations (EDO). The schedules for completing the recommendations were evaluated and adjusted, where possible, to meet the requested completion date of May 2005. There are three

recommendations that may not be completed by May 2005 because they require completion of industry initiatives and potential rulemaking or other regulatory activities. These are the two recommendations related to updating the inspection and reporting requirements in the American Society of Mechanical Engineers (ASME) Code, and the recommendation to improve the reactor coolant system (RCS) leakage limits.

Management controls have been enhanced during this period. The overall plan called for managing the implementation of the high-priority recommendations through four action plans and the remaining lower-priority items through the agency's Planning, Budgeting, and Performance Management process. Office executive level approval is now required to certify completion or change implementation schedules. All items closed prior to this report period were reviewed again at this level and completion was verified. Also, to provide assurance that the actions taken are effective, we have added an effectiveness review, if appropriate, following completion of each recommendation. A new column was added to the attached table to indicate target dates for effectiveness reviews. In general this will occur within one year of closing an item or during the subsequent Reactor Oversight Program (ROP) annual self-assessment. There will also be a subsequent comprehensive effectiveness review in which individual items will be reviewed in the aggregate to determine if effective action has been taken in each category.

Also, in response to the March 12, 2004, staff requirements memorandum (SRM), which directed that LLTF information on the NRC Web site be presented in an integrated manner and made more accessible to the general public, a new Web site was added to the NRC public Web site during this period. All LLTF-related information (correspondence, reports, briefing materials, meeting transcripts, etc.) is now accessible in one location.

The following discussion summarizes the significant activities in each of the four major categories during this report period.

#### 1. Assessment of Stress Corrosion Cracking

Activities related to reactor pressure vessel head inspection included continued monitoring of licensee outage inspection results pursuant to First Revised Order EA-03-009, following up with plants discovering defects, and evaluating requests for alternatives to the order. Inspection procedures were revised to provide more detailed guidance for NRC inspector review of licensee inservice inspection activities and boric acid corrosion control programs.

A rulemaking plan to incorporate the inspection requirements of the order into 10 CFR 50.55a was submitted to the Commission for consideration in July 2004. The Commission decided not to pursue this option and directed the staff to continue to work with the industry to update the inspection requirements in the ASME Code. The staff will continue to interact with the industry and will review the industry's proposed guidelines and associated technical bases, when submitted.

## 2. Assessment of Operating Experience

The plan for implementing the recommendations of the Operating Experience Task Force was completed in April. A team of NRR and RES staff members will develop the revised operating experience framework (draft management directive and associated handbook) by December 2004. In addition, substantial improvements in NRC staff access to and communication of operating experience information will be made in approximately the same timeframe.

The follow-on verification of licensee actions in response to previous generic communications will focus on Generic Letter 89-13, "Service Water Problems Affecting Safety-Related Equipment." A temporary instruction was issued to conduct a sample review of three plants in each region by October 2004.

Also, the NRR office instructions for generic communications and regulatory commitments were revised to include guidance for verification of licensee actions in response to generic communications.

## 3. Evaluation of Inspection, Assessment, and Project Management Guidance

The task force evaluating the effectiveness of previous lessons learned reports completed its evaluation and issued a report in August 2004. The task force found that the previous lessons learned task forces had conducted thorough reviews and identified areas for improvement, but the recommendations were not always effectively implemented. Additional actions to address deficiencies noted in the evaluation will be scheduled following management review of the report.

The staff reviewed current guidelines for reviewing licensee safety culture and safety-conscious work environment. Several options for enhancing agency guidance in these areas were presented in a memo from the EDO to the Commission in July 2004. The target date for completing this item will be adjusted, if necessary, following receipt of the Commission's SRM.

A sample review of plant assessments conducted under the interim Plant Performance Review process, which was used during the transition period from the Systematic Assessment of Licensee Performance to the ROP, was completed in June 2004. It did not identify any issues that had not been adequately addressed.

The Director of the Division of Licensing Project Management (DLPM) issued a memorandum to all project managers (PMs) in June reinforcing expectations for PM site visits, coordination between PMs and resident inspectors, PM assignment duration, and verification of information provided by licensees. The DLPM Handbook and appropriate office instructions will also be updated to incorporate this guidance.

Refresher training on the ROP was provided to managers and staff members at each of the regional counterparts meetings in May 2004. The Inspector Qualification Program was revised to require annual ROP refresher training.

4. Assessment of Barrier Integrity Requirements

Argonne National Laboratory (ANL) submitted a draft report on the Barrier Integrity Research Program in May 2004. The report was technically reviewed by a team of RES and NRR staff and comments were provided to ANL. The final report will be submitted as a NUREG/CR in December 2004. A working group of NRR and RES staff will use the report to evaluate whether the NRC should revise RCS leakage limits and require plants to install enhanced leakage detection equipment. They will make their recommendations by March 2005.

Attachment: Status of LLTF Recommendations

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Attachment: Status of LLTF Recommendations

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LEARNED TASK FORCE REPORT RECOMMENDATIONS

Dated: August 30, 2004

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