

INFORMATION REPORT

January 24, 2011

SECY-11-0009

For: The Commissioners

From: Mary C. Muessle
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Office of the Executive Director for Operations

Subject: WEEKLY INFORMATION REPORT - WEEK ENDING
JANUARY 14, 2011

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*No input this week.

/RA/

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Office of Nuclear Reactor Regulation (NRR)
Items of Interest
Week Ending January 14, 2011

Acceptance of License Renewal Application for South Texas Project (STP), Units 1 and 2

On January 7, 2011, the NRC staff completed the acceptance review of the South Texas Project (STP), Units 1 and 2, license renewal application. The staff determined that the application contains sufficient information for docketing. By letter dated October 25, 2010, South Texas Project Nuclear Operating Company, Inc. submitted the license renewal application to the staff, requesting the extension of the operating licenses for an additional 20 years beyond the current 40-year terms. STP Units 1 and 2 are pressurized-water reactors designed by Westinghouse with current operating licenses that expire on August 20, 2027, and December 15, 2028, respectively. The staff plans to schedule public information sessions during March 2011 in Bay City, TX, to describe the license renewal process.

Issuance of Safety Evaluation Report (SER) With Open Items Related to the License Renewal of Diablo Canyon Nuclear Power Plant

On January 10, 2011, the NRC staff issued the SER with Open Items related to the Diablo Canyon Nuclear Power Plant, Units 1 and 2, license renewal application. By letter dated November 23, 2009, Pacific Gas and Electric Company submitted the license renewal application to the staff, requesting the extension of the operating licenses for an additional 20 years beyond the current 40-year terms. The SER has eight open items regarding scoping and screening results for auxiliary systems, the Flux Thimble Tube Program, the Buried Piping Program, and Time-Limited Aging Analyses related to metal fatigue and flaw growth evaluation. The SER also has two confirmatory items regarding the Inaccessible Medium Voltage Cables Not Subject to 10 CFR 50.49 Environmental Qualification Requirements Program and the Structures Monitoring Program. The staff is scheduled to meet with the Advisory Committee on Reactor Safeguards Subcommittee on February 9, 2011, to discuss the SER with Open Items.

Issuance of the Safety Evaluation Report Related to the License Renewal of Palo Verde Nuclear Generating Station

On January 11, 2011, the NRC staff issued the SER related to the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, license renewal application. By letter dated December 11, 2008, Arizona Public Service Company submitted the license renewal application to the staff requesting the extension of the operating licenses for an additional 20 years beyond the current 40-year terms. The staff performed its review in accordance with Title 10 of the *Code of Federal Regulations*, Part 54, "Requirements for Renewal of Operating Licenses for Nuclear Power Plants." The staff is scheduled to meet with the Advisory Committee on Reactor Safeguards on February 10, 2011, to discuss the SER.

Meeting with Southern California Edison Company

On January 12, 2011, representatives of Southern California Edison Company and the NRC staff held a meeting to discuss the licensee's plans to submit a license amendment request and an exemption request for the San Onofre Nuclear Generating Station, Units 2 and 3, to allow for the future use of AREVA fuel assemblies in both units.

Meeting with Omaha Public Power District

On January 13, 2011, representatives of Omaha Public Power District and the NRC held a pre-licensing meeting to discuss the licensee's plans to submit a request for extended power uprate for Fort Calhoun Station, Unit 1, in early 2011.

Office of New Reactors (NRO)
Items of Interest
Week Ending January 14, 2011

Revision to Review Schedule for U.S. Evolutionary Power Reactor Design Certification Application

By letter dated January 6, 2011, the NRC staff informed AREVA of a revision to the review schedule for the U.S. Evolutionary Power Reactor design certification application. The schedule is being revised because AREVA has not sufficiently responded to the staff's requests for additional information. The new date for the issuance of the final safety evaluation report is June 2012, which is an extension of 6 months from the previous date. The target date for the issuance of the final design certification rule is February 2013. In the letter, the NRC staff discusses three major areas contributing to the revision of the schedule: (1) resolution of GSI-191, "Assessment of Debris Accumulation of PWR Sump Performance," (2) digital instrumentation and control design, and (3) seismic and structural analysis.

Change to William States Lee III, Units 1 & 2 Combined License Application

On January 11, 2011, the staff notified Duke Energy of a change to the William States Lee III, Units 1 & 2 Combined License application public milestone schedule. The revised safety review schedule reflects issuance of the final safety evaluation report in August 2012. The schedule for issuance of the final environmental impact statement remains unchanged (August 2012).

Office of Nuclear Material Safety and Safeguards (NMSS)
Items of Interest
Week Ending January 14, 2010

Memorandum of Agreement Signed Between U.S. Department of Energy (DOE) and Idaho
Allows Commercial Spent Fuel Shipments to Idaho

On January 6, 2011, the DOE and the State of Idaho signed a Memorandum of Agreement concerning receipt, storage and handling of research quantities of commercial spent nuclear fuel at the Idaho National Laboratory (INL). This agreement allows the shipment of 'research quantities' (up to 400 kg heavy metal content per year, with a 55-ton heavy metal maximum, including up to 10 kg of 'library' materials) of spent nuclear fuel into the State of Idaho, and is in line with the DOE's choice of INL as their leading National Laboratory for nuclear energy research.

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ENCLOSURE C

Office of Federal and State Materials and Environmental Management Programs (FSME)
Items of Interest
Week Ending January 14, 2011

NRC Holds Workshop in Denver

On January 11, 2011, NRC staff and management conducted a workshop in Denver, Colorado on the safety processes and issues associated with uranium recovery (UR) licensing. There were approximately 90 participants (either in person or on the phone). Most participants were from industry, but a few represented interest groups. There was also a reporter from "Fuel Cycle Week" in attendance (article published in "Fuel Cycle Week", Vol. 10, No. 407, dated January 13, 2011, on page 1). A spokesperson of the National Mining Association noted that, while there had been a focus on the difficulties in completing the first three UR licensing actions, the past year had also seen many successes in this area. There seemed to be broad support for the staff's process enhancements.

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Office of Nuclear Regulatory Research (RES)
Items of Interest
Week Ending January 14, 2011

Meeting with the National Institute of Standards and Technology (NIST) on Polymer Aging and Degradation

On January 12, 2011, NRC staff met with NIST staff regarding polymer aging and degradation. NRC staff provided an overview of our current challenges in cable degradation and cable aging management for the renewed license period. NIST staff discussed their projects involving predicting the service life of polymers and gave the NRC staff a tour of the NIST laboratories including the NIST SPHERE for UV weathering of samples and the materials lab where polymers undergo testing. NIST has significant capabilities for polymer and cable testing that would be useful for investigating cable degradation and assessing condition-monitoring techniques. Specifically, NIST has done extensive research on the effects of moisture on polymer degradation.

NRC Publication of Draft Regulatory Guide (DG) 1229, "Assuring the Availability of Funds for Decommissioning Nuclear Reactors"

On January 13, 2011, NRC staff issued DG 1229 to provide an opportunity for public comments. DG-1229 is a revision of Regulatory Guide (RG) 1.159. DG-1229 was previously issued for public comment in June 2009. It is being reissued because of Commission-directed changes. The Commission approved the revision of RG 1.159 subject to changes, and for this reason it is being reissued for public comment. The Commission disapproved a proposed change directing merchant licensees to adjust decommissioning funds annually rather than once every 2 years, and it did not support the categorical prohibition on the use of the net present value method for parent guarantees. The staff was directed to engage stakeholders and relevant experts in a workshop to develop an option paper for the net present value method in 6 months for Commission consideration. DG-1229 is available on the NRC Web site at <http://www.nrc.gov/reading-rm/doc-collections/reg-guides/power-reactors/draft-index.html>.

Office of Administration (ADM)
Items of Interest
Week Ending January 14, 2011

Implementation Guidance for Distribution of Source Material to Exempt Persons and to General Licensees and Revision of General License and Exemptions; Notice of Availability of Draft Guidance for Public Comment (RIN 3150-AH15, NRC-2011-0003)

On January 7, 2011 (76 FR 1100), the NRC published draft guidance to address implementation of a proposed rule that would amend its regulations to require that the initial distribution of source material to exempt persons or general licensees be explicitly authorized by a specific license. The proposed rule would also modify the existing possession and use requirements of the general license for small quantities of source material and revise, clarify, or delete certain source material exemptions from licensing. Specifically, this notice announced the availability of the draft implementation guidance document for public comment. The public comment period ends on March 8, 2011.

Technical Support to Assess the Risk Associated with Consequential Steam Generator Tube Rupture

On January 7, 2010, as a result of a competitive General Services Administration Federal Supply Schedule (FSS) acquisition, a labor hour type delivery order (NRC-HQ-11-P-04-0034) was awarded to Information Systems Laboratories, Inc., in Rockville, Maryland, to provide technical assistance for assessing the risk associated with consequential steam generator tube rupture. The period of performance is January 7, 2010, through December 31, 2012, with no options. The total ceiling price is \$523,260.00

Physical Protection of Irradiated Reactor Fuel in Transit, Extension of Comment Period; Proposed Rule (RIN 3150-AI64, NRC-2009-0163)

On January 10, 2011 (76 FR 1376), the NRC published an extension of the public comment period for a proposed rule that was published on October 13, 2010 (75 FR 62695). The proposed rule would amend the NRC's security regulations in Title 10 of the *Code of Federal Regulations* Part 73 pertaining to the transport of irradiated reactor fuel (for purposes of this rulemaking, the terms "irradiated reactor fuel" and "spent nuclear fuel" are used interchangeably). This proposed rule would establish generically applicable security requirements similar to those previously imposed by orders issued after the terrorist attacks of September 11, 2001. The proposed rule would establish the acceptable performance standards and objectives for the protection of spent nuclear fuel shipments from theft, diversion, or radiological sabotage. The proposed amendments would apply to those licensees authorized to possess or transport spent nuclear fuel. The proposed security requirements would also address, in part, a petition for rulemaking from the State of Nevada (PRM-73-10) that requests that NRC strengthen the regulations governing the security of spent nuclear fuel shipments against malevolent acts. The public comment period for this proposed rule expired on January 11, 2011. The NRC determined that additional time is needed for public review of the potential impacts of the proposed requirements. In order to allow the public sufficient time to review and comment on the proposed rule, the NRC has extended the comment period until April 11, 2011.

Technical Support for the Revision of Regulatory Guides

On January 11, 2011, as a result of a full and open competition, an indefinite quantity/indefinite delivery contract (NRC-HQ-11-C-04-0012) was awarded to Dade Moeller & Associates, Inc. in Richland, Washington to provide technical support in the revision of Regulatory Guides. The period of performance is three year base period from January 14, 2011, through January 13, 2014, with two one-year option periods. The total ceiling price is \$5,576,575.00, inclusive of options.

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ENCLOSURE G

Office of Public Affairs (OPA)
Items of Interest
Week Ending January 14, 2011

OPA Received Significant Media Inquiries on the Following

Pending merger of FirstEnergy and Allegheny Energy, a recent 2.206 petition and public concerns about the availability of sufficient funding for the eventual decommissioning of the Three Mile Island 2 reactor (Pennsylvania) if the merger takes effect.

Palisades nuclear power plant's (Michigan) recent unusual event declared that was associated with an electrical fault on a breaker that resulted in a small explosion and the loss of one of the two sources of offsite power.

Vermont Yankee nuclear plant's (Vermont) latest groundwater contamination inspection report and testimony at a recent Vermont Public Service Board hearing that centered on Entergy's root-cause evaluation of leakage resulting in groundwater contamination.

Other Public Affairs Items

OPA responded to inquiries following a press conference by groups opposed to the new reactor applications planning to use AP1000 reactor design. OPA pointed out that the groups had the opportunity to present their opinions to the Advisory Committee on Reactor Safeguards (ACRS), that the staff and ACRS had already reviewed the containment shell in the original AP1000 design, and that the groups could comment on the proposed certification rule for the amended design.

OPA and the Office of Nuclear Reactor Regulations staff did a phone interview with Inside NRC to bring the reporter up to date on activities pertaining to the Alternative Fire Protection Rule, known as NFPA 805, offering nuclear power plants the opportunity to use a new and scientifically sound way of reducing fire risks further.

OPA coordinated an interview with a Platts reporter and staff about the preliminary draft of the NRC's gap analysis of the reactor oversight process.

Press Releases Issued	
Headquarters:	
11-009	NRC Announces Opportunity for Hearing on Application to Renew Operating Licenses for South Texas Project Nuclear Power Plant (1/13)
11-008	NRC Issues Final Safety Evaluation Report for Palo Verde Nuclear Power Plant License Renewal (1/13)
11-007	NRC Directs Staff to Resolve Potential Debris Clogging of Emergency Cooling Water Source (1/12)
11-006	NRC Issues Safety Evaluation Report for Diablo Canyon Nuclear Power Plant License Renewal Application (1/11)

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ENCLOSURE M

11-005	National Academy of Sciences Announces Expert Panel for First Phase of NRC-Sponsored Cancer Risk Study (1/11)
11-004	Registration Opens for NRC Regulatory Information Conference March 8-10 in Rockville, Maryland. (1/10)
Regions:	
IV-004	NRC Hold Public Meeting to Discuss Results of License Renewal Inspection at the Diablo Canyon Nuclear Plant (1/13)
IV-003	NRC Names New Resident Inspector at River Bend Nuclear Station (1/13)

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