The Honorable James M. Inhofe, Chairman Subcommittee on Clean Air, Wetlands, Private Property and Nuclear Safety Committee on Environment and Public Works United States Senate Washington, D.C. 20510

Dear Mr. Chairman:

The Fiscal Year 2000 Energy and Water Development Appropriations Act, Senate Report 106-58 and House Report 106-253, directed the Nuclear Regulatory Commission (NRC) to continue to provide a monthly report on the status of its licensing and regulatory duties. The initial reporting requirement arose in the Fiscal Year 1999 Energy and Water Development Appropriations Act, Senate Report 105-206. As further directed in House Report 106-253, we have expanded the monthly report to include regulatory reform efforts affecting power reactor operations beyond 10 CFR Part 50, particularly NRC efforts to harmonize NRC security regulations with Part 50. We have also expanded the monthly report to include the status of all license renewal applications that are under active review and other NRC initiatives in developing implementation guidance for the license renewal rule. I am pleased to transmit the eighteenth report, which covers the month of May (Enclosure 1).

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Sincerely,

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Richard A. Meserve

Enclosures:

- 1. Monthly Report
- 2. Tasking Memorandum

cc: Senator Bob Graham

The Honorable Joe Barton, Chairman Subcommittee on Energy and Power Committee on Commerce United States House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

The Fiscal Year 2000 Energy and Water Development Appropriations Act, Senate Report 106-58 and House Report 106-253, directed the Nuclear Regulatory Commission (NRC) to continue to provide a monthly report on the status of its licensing and regulatory duties. The initial reporting requirement arose in the Fiscal Year 1999 Energy and Water Development Appropriations Act, Senate Report 105-206. As further directed in House Report 106-253, we have expanded the monthly report to include regulatory reform efforts affecting power reactor operations beyond 10 CFR Part 50, particularly NRC efforts to harmonize NRC security regulations with Part 50. We have also expanded the monthly report to include the status of all license renewal applications that are under active review and other NRC initiatives in developing implementation guidance for the license renewal rule. I am pleased to transmit the eighteenth report, which covers the month of May (Enclosure 1).

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Richard A. Meserve

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- 1. Monthly Report
- 2. Tasking Memorandum

cc: Representative Rick Boucher

The Honorable Ron Packard, Chairman Subcommittee on Energy and Water Development Committee on Appropriations United States House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

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Richard A. Meserve

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- 1. Monthly Report
- 2. Tasking Memorandum

cc: Representative Peter J. Visclosky

The Honorable Pete V. Domenici, Chairman Subcommittee on Energy and Water Development Committee on Appropriations United States Senate Washington, D.C. 20510

Dear Mr. Chairman:

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- 2. Tasking Memorandum

cc: Senator Harry Reid

The Honorable Tom Bliley, Chairman Committee on Commerce United States House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

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- 1. Monthly Report
- 2. Tasking Memorandum

cc: Representative John D. Dingell

The Honorable Bob Smith, Chairman Committee on Environment and Public Works United States Senate Washington, D.C. 20510

Dear Mr. Chairman:

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- 2. Tasking Memorandum

cc: Senator Max Baucus

The Honorable Pete V. Domenici United States Senate Washington, D.C. 20510

Dear Senator Domenici:

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

May 2000

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LXXI. Implementing Risk-Informed Regulations

The staff continues to make progress on tasks involving use of probabilistic risk information in five general areas: Rulemaking and Generic Communications; Licensing Activities; Reactor Oversight (Inspection, Enforcement and Licensee Performance Assessment); Events Assessment; and Probabilistic Risk Analysis Methods and Standards. A noteworthy accomplishment in the area of Probabilistic Risk Analysis Methods and Standards involving follow-up evaluation of individual plant examination results as they were applied in the license renewal for Calvert Cliffs is summarized below:

Probabilistic Risk Analysis Methods and Standards

The NRC is currently interacting with Calvert Cliffs Nuclear Power Plant (CCNPP) staff to:

- Identify the reasons behind the higher estimated core damage frequency (CDF) for CCNPP, from the individual plant examination (IPE), when compared with CDFs from other, similar Combustion Engineering Owners Group plants;
- Il Identify potential improvements in probabilistic risk assessment (PRA) models, as well as improvements in design and procedures, which would reduce the estimated CDF; and
- If Assess the merits of potentially cost-beneficial design improvements which were identified by the license renewal process (e.g., severe accident mitigation alternatives).

The licensee has implemented most of the improvements identified during the IPE and has been working on identifying additional cost-beneficial design and operation improvements as well as improvements in PRA models which would further reduce the plant's estimated CDF.

II. Revised Reactor Oversight Process

The NRC commenced initial implementation of its revised Reactor Oversight Process (ROP) at all nuclear plants (except for D.C. Cook due to its extended shutdown) in April 2000. It has continued meeting with the Nuclear Energy Institute (NEI) and other interested stakeholders on a periodic basis to continue refining the ROP and collect lessons learned information. Recent activities include:

- The last NRC Senior Management Meeting (SMM) was held at Region I, in King of Prussia, PA, on May 10-11, 2000, to determine whether any nuclear power plants required regulatory oversight at the highest agency level. The results of the meeting were published in a negative consent Commission paper dated May 17, 2000. On May 25, 2000, the NRC senior managers discussed the results of the SMM in a public Commission meeting.
- II On May 16-18, 2000, the NRC Technical Training Center (TTC) staff conducted ROP training for selected headquarters staff. In addition, the NRC's Inspection Program staff conducted two All Hands presentations on the revised ROP. The presentations

provided an overview of the new process and enhanced the NRR technical staffs' understanding of the new process.

- II On May 18, 2000, the NRC issued its annual assessment letters for the 9 nuclear power plants that were under the Revised Reactor Oversight Process (RROP) pilot program. The primary purpose of these assessments is to perform a comprehensive review of licensee performance using the most recent performance indicators and inspection findings from the period May 30, 1999, to April 1, 2000. Additionally, included in these assessments were the NRC's planned inspection efforts for the period April 2, 2000 to March 31, 2001.
- II As part of its effort to communicate with external stakeholders regarding the RROP, the NRC regional staff has began conducting public meetings in the vicinity of the non-pilot plants. These meetings will be used to describe the new reactor oversight process, explain why the agency is revising its process, and how the process will work to the members of the public.
- e. As part of its ongoing effort to communicate the results of plant performance to the stakeholders, the performance indicators and plant issues matrix used for assessing the plant performance have been posted on the NRC internal and external WEB (http://www.nrc.gov/NRR/OVERSIGHT/index.html). In addition, the NRC staff issued a revision to NUREG-1649, "New NRC Reactor Inspection and Oversight Program," in plain-English format.

III. Status of Issues in the Reactor Generic Issue Program

Although there were no changes in this area from the April 2000 report, the staff planned to participate in a June 7th organizational meeting of the wire systems safety interagency working group (IWG) under the leadership White House Office of Science and Technology Policy (OSTP). The IWG will be comprised of representatives from those governmental agencies where wire safety is important, including the Department of Defense, Department of Energy, Department of Transportation, Federal Aviation Administration, Office of Management and Budget, National Institute of Standards and Technology, the National Aeronautics and Space Administration and OSTP. It is anticipated that the IWG will develop a report on wire safety and the science and technology programs underway to address wire safety, and that the report would be presented to the Science Advisor and the President later this year. The IWG study would benefit from NRC's research efforts in resolving GSI-168, Environmental Qualification of Electrical Equipment. Participation in the IWG would also enable the NRC to use insights from other agencies' condition monitoring research to inform the resolution of GSI-168.

IV. Licensing Actions and Other Licensing Tasks

Licensing actions may be defined as requests for: license amendments, exemptions from regulations, relief from inspection or surveillance requirements, topical reports submitted on a plant-specific basis, notices of enforcement discretion, or other licensee requests requiring NRC review and approval before it can be implemented by the licensee. The FY 2000 NRC Performance Plan incorporates three output measures related to licensing actions. These are: size of the licensing action inventory, number of licensing action completions per year, and age of the licensing action inventory.

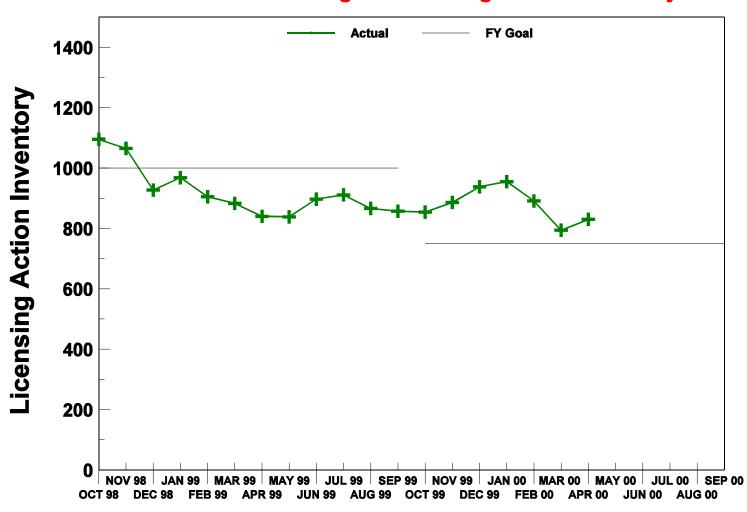
Other licensing tasks may be defined as: licensee responses to NRC requests for information through generic letters or bulletins, NRC responses to 2.206 petitions, NRC review of licensee topical reports, NRR responses to regional requests for assistance, and NRC review of licensee 10 CFR 50.59 analyses and FSAR updates. The FY 2000 NRC Performance Plan incorporates one output measure related to other licensing tasks. This is: number of other licensing tasks completed.

The actual FY 1998 and FY 1999 results, the FY 2000 goals and the actual FY 2000 results, through the end April 2000, for the four NRC Performance Plan output measures for licensing actions and other licensing tasks are shown in the table below.

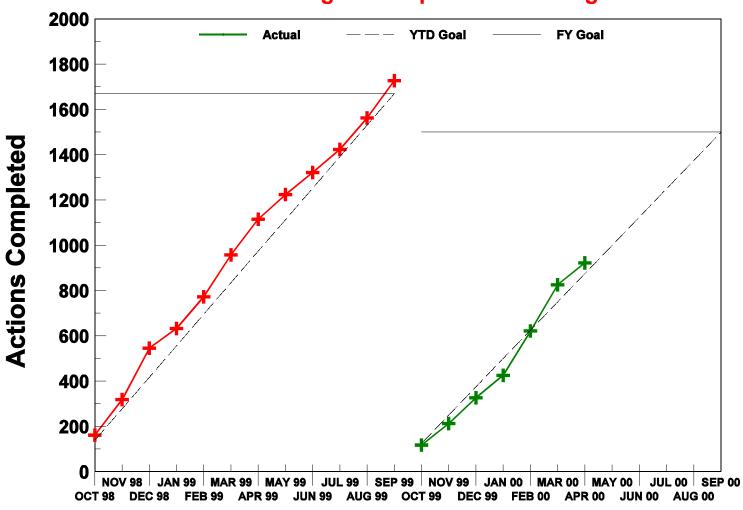
PERFORMANCE PLAN						
Output Measure	FY 1998 Actual	FY 1999 Actual	FY 2000 Goals	FY 2000 Actual (thru 04/30/2000)		
Licensing actions completed/year	1425	1727	1500	922		
Size of licensing actions inventory	1113	857	750	830		
Age of licensing action inventory	65.6% # 1 year; 86.0% # 2 years; and 95.4% # 3 years old	86.2%# 1 year; 100% # 2 years; and 100% # 3 years old	95% # 1 year and 100% # 2 years old	87.7% # 1 year; 98.8% # 2 years; and 1.2% > 2 years old		
Other licensing tasks completed/year	1006	939	800	791		

The following charts demonstrate NRC's progress in meeting the four licensing action and other licensing task output measure goals.

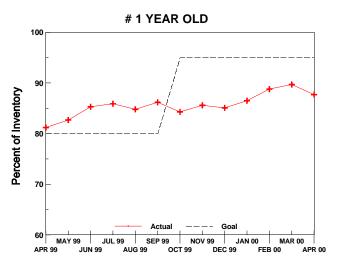
Performance Plan Target: Licensing Action Inventory

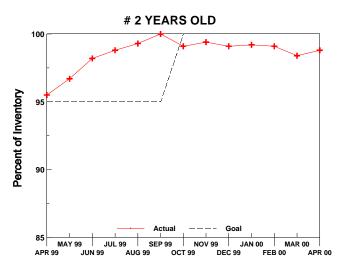


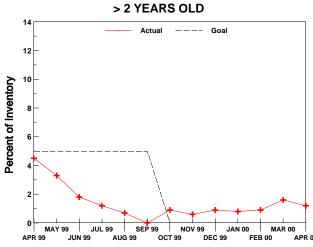
Performance Plan Target: Completed Licensing Actions



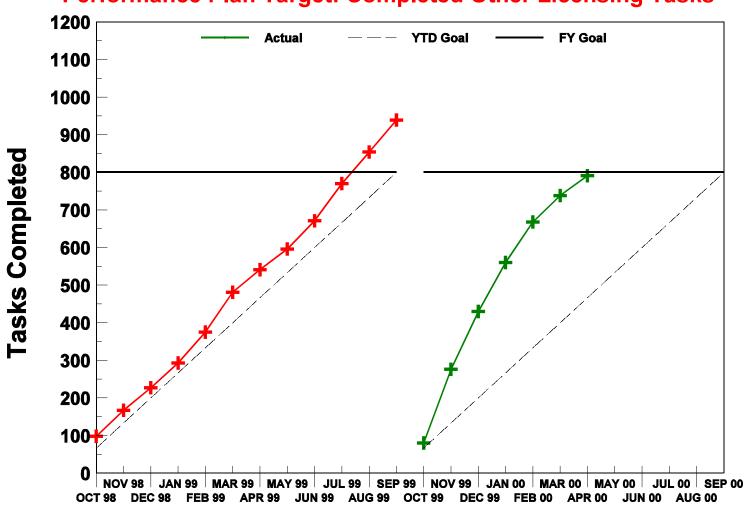
Performance Plan Target: Age of Licensing Action Inventory







Performance Plan Target: Completed Other Licensing Tasks



V. Status of License Renewal Activities

Calvert Cliffs Renewal Application

The renewed licenses for Calvert Cliffs were issued on March 23, 2000, completing the NRC's review of the license renewal applications.

The Commission's denial of a request for hearing on the Calvert Cliffs application was appealed to the Court of Appeals for the D.C. Circuit. On April 11, 2000, the court issued its decision denying the petition for review. On May 25, 2000, a petition was filed for rehearing <u>en banc</u>.

Oconee License Renewal Application

The renewed licenses for Oconee Units 1, 2, and 3 were issued on May 23, 2000, completing the NRC's review of the license renewal application.

Arkansas Nuclear One, Unit 1, Renewal Application

The NRC staff is continuing its review of the Arkansas Nuclear One, Unit 1, renewal application and is issuing requests for additional information (RAIs). All environmental RAIs are scheduled to be issued by June 23, 2000, and all technical RAIs by June 29, 2000.

Hatch, Units 1 and 2, Renewal Application

The application is currently under review and the staff is preparing requests for additional information. The environmental scoping process has begun and a public scoping meeting in the vicinity of the site was held on May 10, 2000. No requests for hearing were received in response to the April 3, 2000, public notice of an opportunity for hearing. Without a hearing, the review of the application is being reduced from 30 months to 25 months with a final decision on issuance of the license scheduled for April 2002.

License Renewal Implementation Guidance Development

The NRC staff is continuing development of implementation guidance for the license renewal rule with input from interested stakeholders. The revised standard review plan, generic aging lessons learned report, and regulatory guide are scheduled to be issued in August 2000 to obtain public comments.

VI. Status of Review of Private Fuel Storage, Limited Liability Corporation's Application for a License to Operate an Independent Spent Fuel Storage Installation on the Reservation of the Skull Valley Band of Goshute Indians

During this reporting period, the NRC staff determined that it would be necessary to revise the schedule for completion of the Draft Environmental Impact Statement. The Draft Environmental Impact Statement will now be released in June, one month later than previously scheduled. Private Fuel Storage, Limited Liability Corporation's decision to submit on the docket, two new major pieces of information that must be factored into the Draft Environmental Impact Statement are the cause of this schedule adjustment. NRC staff and the cooperating Federal agencies (The U.S. Surface Transportation Board, the U.S. Department of Interior's Bureau of Indian Affairs, and the U.S. Department of Interior's Bureau of Land Management) must evaluate the new cost-benefit analysis submitted by Private Fuel Storage in April 2000, and

include a determination of it in the Environmental Impact Statement. The Draft Environmental Impact Statement must also be revised to remove from the document all discussion of the British Nuclear Fuel, Limited, Fuel Solutions TranStor storage cask system (per an April 2000, request from Private Fuel Storage). At this stage, NRC does not foresee that the schedule for the Final Environmental Impact Statement will necessarily have to be revised from the current scheduled date of February 2001. However, if an extremely large number of complex public comments are received, then the schedule would have to be modified to allow enough time for the comments to be evaluated and for any necessary revisions to be made to the document.

Private Fuel Storage, Limited Liability Corporation submitted Revision 12 to its Safety Analysis Report during this reporting period. NRC staff is reviewing this information and will determine if it responds to open items previously identified by the staff. Private Fuel Storage has notified NRC that some information requested from the U.S. Air Force regarding military air operations in the Skull Valley area has not yet been provided. This information is needed in order for the NRC to complete its safety evaluation of the Private Fuel Storage application.

Litigation in the adjudicatory proceeding on the Private Fuel Storage, Limited Liability Corporation application continued during this reporting period. Hearings on the safety contentions before the Atomic Safety and Licensing Board are scheduled to begin on June 19, 2000, and last approximately two weeks.

VII. Enforcement Process and Summary of Reactor Enforcement by Region

Reactor Enforcement by Region

	Reactor Enforcement Actions*					
		Region I	Region II	Region III	Region IV	TOTAL
	April 2000	0	0	0	0	0
Severity	FY 2000 YTD	0	0	0	0	0
Level I	FY 99 Total	0	0	0	0	0
	FY 98 Total	0	0	0	0	0
	April 2000	0	0	0	0	0
Severity	FY 2000 YTD	1	2	0	0	3
Level II	FY 99 Total	5	0	2	0	7
	FY 98 Total	3	1	1	1	6
	April 2000	0	0	0	0	0
Severity	FY 2000 YTD	1	0	2	3	6
Level III	FY 99 Total	9	2	7	8	26
	FY 98 Total	46	11	15	19	91
	April 2000	0	0	1	1	2
Severity	FY 2000 YTD	0	1	1	4	6
Level IV	FY 99 Total	52	42	57	60	211
	FY 98 Total	383	271	392	261	1307
Nasa	April 2000	19	19	25	40	103
Non- Cited	FY 2000 YTD	205	130	179	194	708
Severity Level IV	FY 99 Total	343	267	334	305	1249
	FY 98 Total	372	240	307	214	1133

^{*}Numbers of violations are based on enforcement action tracking (EATS) system data that may be subject to minor changes following verification. The number of Severity Level I, II, III listed refers to the number of Severity Level I, II, III violations or problems. The monthly totals generally lag by 30 days due to inspection report and enforcement development.

	Escalated Reactor Enforcement Actions Associated with the Revised Reactor Oversight Process						
		Region I	Region II	Region III	Region IV	Total	
NOVs related to	April 2000 -Red	0	0	0	0	0	
white, yellow or	-Yellow	0	0	0	0	0	
red findings	-White	0	0	0	0	0	
	FY 2000	2	1	0	0	3	

VIII. Power Reactor Security Regulations

The NRC staff is continuing its work to risk-inform 10 CFR 73.55, "Requirements for physical protection of licensed activities in nuclear power reactors against radiological sabotage," and associated power reactor security regulations. The staff is continuing to hold periodic meetings with the stakeholders to achieve insights into this process. No significant milestones were reached during this report period.