

November 15, 2001

The Honorable Harry Reid, Chairman
Subcommittee on Transportation,
Infrastructure, and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The Fiscal Year 2001 Energy and Water Development Appropriations Act, House Report 106-693, 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. The FY 2000 Energy and Water Development Appropriations Act, House Report 106-253, expanded the scope of the report requirement to include regulatory reform efforts affecting power reactor operations beyond 10 CFR Part 50, particularly NRC efforts to evaluate NRC security regulations. In FY 2000, we 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. In response to increased Congressional interest, in the May 2001 report we began to provide information regarding the status of activities involving power uprate licensing actions. On behalf of the Commission, I am pleased to transmit the thirty-fourth report, which covers the month of September (Enclosure 1).

In the wake of the September 11, 2001, terrorist attacks, the NRC and its staff have been working in close coordination with the Federal Bureau of Investigation, other intelligence and law enforcement agencies, the newly established Office of Homeland Security, NRC licensees, and military, state and local authorities. Immediately after the attacks, the NRC advised nuclear power plants to go to the highest level of security. Today, with continued uncertainty about the possibility of additional terrorist activities, the Nation's nuclear power plants remain at their highest level of security and the Commission continues to monitor the situation. The NRC staff also continues its work on a top-to-bottom review of all aspects of the Agency's safeguards and physical security programs, as I, with the full support of my fellow Commissioners, recently directed. Beginning with the November 2001 Monthly Report, we plan expand the discussion in Section XIII, "Power Reactor Security Regulations," of Attachment 1 to reflect NRC actions resulting from this review.

The NRC has committed to issue Information Assessment Team Advisory Updates to fuel facilities, conversion facilities, nuclear power plants, independent spent fuel storage installations, and non-power reactor licensees. The advisories communicate certain actions that are intended to enhance safety and safeguards at NRC-licensed facilities. Additionally, on October 16, the NRC issued a threat advisory to all materials licensees suggesting that they establish and maintain a high level of awareness to security-related matters due to the strong

possibility of retaliatory actions by terrorists. In response to the terrorist threat advisory update announced by Attorney General Ashcroft on October 29, the NRC immediately issued an updated advisory urging NRC licensed nuclear power plants to take appropriate protective actions. The contents of the advisories are limited to those who have a need to know and as such are not shared with the public.

On October 16, 2001, the NRC conducted a closed meeting with representatives from the Nuclear Energy Institute (NEI) Safeguards Working Group and licensee security managers at the NRC headquarters in Rockville, MD. The purpose of the meeting was to provide a forum for the staff to explain the NRC safeguards advisories issued since the September 11, 2001, to discuss potential terrorist attacks, and to answer specific questions about the NRC advisories.

As part of the efforts to enhance safety and security in response to recent events, the NRC temporarily terminated access to its web site until we complete a more comprehensive review of material that may be considered sensitive. On October 17, selected material was returned to the web page. We are in the process of determining what materials can be appropriately shared with the public through the web page, and are adding information to the web incrementally.

We previously included information on our recent activities related to through-wall circumferential cracks found on control rod drive mechanism (CRDM) penetration nozzles and associated welds at Duke Power Company's Oconee Nuclear Station, Units 2 and 3, located in Seneca, South Carolina. These discoveries raised concerns about the structural integrity of reactor penetration nozzles. The nozzles, which were fabricated from Alloy 600 material, are located in the top of reactor pressure vessels at pressurized water reactors (PWRs) throughout the industry. Due to these concerns, on August 3, the NRC issued a bulletin to the licensees of the 69 PWRs requesting information regarding the structural integrity of reactor vessel head penetrations. The licensees have since submitted the requested information. The staff is in the process of evaluating the information to determine the need for future regulatory action(s). The staff is continuing its dialogue with licensees in order to ensure that the necessary information needed for the evaluation is provided to the NRC. During this reporting period, the Crystal River nuclear power plant, located near Crystal River, Florida, discovered and subsequently repaired a circumferential crack on one of their CRDM nozzles while performing a reactor vessel head inspection. We will continue to keep you informed about this issue.

Since our last report, the Commission and the NRC staff also:

- approved a request by Carolina Power and Light to increase the generating capacity of the Shearon Harris nuclear power plant by about 4.5 percent, or approximately 51 megawatts of electricity. The power uprate at the plant, near Raleigh, North Carolina, will increase the generating capacity of the reactor to about 968 megawatts of electricity. The application for the increase was submitted to the NRC on December 14, 2000. The NRC staff determined that the licensee could safely increase the power output of the reactor primarily by using more new fuel in the core and by replacing the steam generators.
- approved a request by TXU Electric Company to increase the generating capacity of the Comanche Peak Steam Electric Station by 1.4 percent for Unit 1 (or about 48 megawatts thermal power), and 0.4 percent for Unit 2 (or about 13 megawatts thermal power). The plant is located near Glen Rose, Texas. The application for the increase in

power was submitted to the NRC on April 5. The NRC staff determined that the licensee could safely increase the power output of the reactor with minor modifications to plant equipment because of technical refinements that permit more precise measurements of reactor operating conditions.

- issued an exemption from the requirements of 10 CFR Part 72 to Maine Yankee Atomic Power Company. The exemption addressed inconsistencies in the Technical Specifications for the NAC-UMS system to allow its use at the Maine Yankee Independent Spent Fuel Storage Installation (ISFSI). Specifically, the surveillance frequencies for canister vacuum drying pressure and helium backfill pressure were corrected to be consistent with the canister loading times.
- dispatched a special inspection team to Millstone Unit 1 to evaluate the comprehensiveness of Northeast Utility's investigation into the circumstances surrounding the loss of two fuel rods. The team is spending about two weeks at the plant, located in Waterford, Connecticut, and also will evaluate the company's root cause analysis. On December 15, 2000, the licensee informed the NRC that it could not account for two spent fuel rods which had been stored in the Millstone Unit 1 spent fuel pool. Since receiving the notification, the NRC has been closely following the company's efforts to find the missing rods. Neither the company nor the NRC believe the material was stolen. There are significant radiological security controls at nuclear power plants such as Millstone that make theft dangerous, difficult and highly unlikely. Furthermore, the rods would not pose any risk of proliferating nuclear weapons due to their low uranium and plutonium content. The NRC team will issue an inspection report about 30 days after completion of the inspection.
- conducted public meetings from September 19-20, 2001, with Duke Cogema Stone & Webster (DCS) staff in Aiken, South Carolina, to discuss seismological, geological, and geotechnical engineering information as it relates to design of the Mixed-Oxide Fuel Fabrication Facility (MOXFFF). On September 21, 2001, the Atomic Safety and Licensing Board (ASLB) heard oral arguments on the standing of three Petitioners to intervene in the MOXFFF proceeding and on the admissibility of the Petitioners' proffered contentions. The three Petitioners are Georgians Against Nuclear Energy (GANE), Blue Ridge Environmental Defense League (BREDL), and Environmentalists, Inc.
- conducted Government-to-Government meetings among members of the Commission, the NRC staff, and representatives of Native American Tribes from September 26-27, 2001, concerning a potential high-level waste geological repository at Yucca Mountain, Nevada. The NRC staff explained the Agency's high-level waste regulatory process and its regulatory role; provided information on the hearing process; and fielded many questions from Tribal representatives, on these issues, and on the Department of Energy's Environmental Impact Statement.
- conducted public meetings from October 10-12 to explore high temperature gas-cooled reactor (HTGR) safety and research issues with HTGR experts from Germany, Japan, Russia, South Africa, United Kingdom, China, the International Atomic Energy Agency, and consultants and experts from the U.S. National Laboratories. The meetings focused on dominant accident scenarios for HTGRs, and research needs (including ongoing research programs) for high-priority safety issues. Participants generated a list of both research that is currently available, and research that is needed either to confirm

or understand better available safety margin. Research that appeared critical to the NRC regulatory process was designated high priority, followed by a discussion of the technical basis for the priority and level of effort. The staff plans to capitalize on the identified available international research, in establishing the research plan for HTGR.

- issued a Federal Register notice announcing a modification to the improved Standard Technical Specifications called Risk Informed Technical Specification (RITS) Initiative 2. RITS Initiative 2 revises the technical specifications by requiring that risk be taken into account in determining the correct course of action when a surveillance is missed. This modification allows unintentionally missed surveillance tests to be treated as an emergent condition and therefore be rescheduled through the licensee's configuration risk management program. Licensees will have the flexibility to consider the plant conditions and other planned activities so that the risk of performing the missed surveillance can be managed. This is the first of the eight proposed RITS improvement initiatives to be approved, and represents a major milestone in the joint NRC/industry project to risk inform technical specifications.
- published in the Federal Register on October 11 a final rule to allow licensing for the interim storage of greater than class C waste (GTCC) in a manner that is consistent with the interim storage of spent fuel (66 FR 51823). The final rule applies only to the interim storage of GTCC waste generated or used by commercial nuclear power plants and maintains Federal jurisdiction for storage of reactor-related GTCC. The final rule becomes effective November 13, 2001. These amendments will also simplify and clarify the licensing process.
- issued a Federal Register notice on October 16 announcing an advanced notice of proposed rulemaking (ANPR) concerning the use of entombment for decommissioning of power reactors (66 FR 52551). Entombment is defined as a decommissioning alternative in which radioactive contaminants are encased in a structurally long-lived material, such as concrete; the entombed structure is appropriately maintained; and surveillance is continued until the radioactivity decays to a level permitting termination of the license with unrestricted release. This advance notice of proposed rulemaking invites early input from affected parties and the public on the issues surrounding the feasibility of entombment. The ANPR comment period expires December 31, 2001.
- published in the Federal Register on October 17 a final rule amending NRC regulations to permit applicants for operator and senior operator licenses to fulfill a portion of the required experience prerequisites by manipulating a plant-referenced simulator as an alternative to manipulation of the controls of the actual nuclear power plant (66 FR 52657). This change, along with other amendments contained in this rule, takes advantage of improvements in simulator technology and reduces unnecessary regulatory burden on licensees.

I have enclosed (Enclosure 2) the update to the Tasking Memorandum which delineates the schedules for accomplishing high priority activities.

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Please do not hesitate to contact me if I may provide additional information.

Sincerely,

/RA/

Richard A. Meserve

Enclosures:

1. Monthly Report
2. Tasking Memorandum

cc: Senator James M. Inhofe

Identical letters sent to:

The Honorable Harry Reid, Chairman
Subcommittee on Transportation,
Infrastructure, and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator James M. Inhofe

The Honorable Joe Barton, Chairman
Subcommittee on Energy Air Quality
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative Rick Boucher

The Honorable Sonny Callahan, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515
cc: Representative Peter J. Visclosky

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

The Honorable W.J. "Billy" Tauzin, Chairman
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515
cc: Representative John D. Dingell

The Honorable James M. Jeffords, Chairman
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510
cc: Senator Bob Smith

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

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

SEPTEMBER 2001

Enclosure 1

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¹Note: The period of performance covered by the report includes activities occurring between the first and last day of the month (e.g., September 30, 2001). 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.

XII. Implementing Risk-Informed Regulations

The staff continues to make progress on tasks involving use of probabilistic risk information in many areas. The milestone schedule for the more significant risk-informed activities are included in the Commission Tasking Memorandum (Enclosure 2 to the letter from Richard A. Meserve, NRC Chairman, forwarding the September 2001 monthly report to Congress on the status of NRC licensing and regulatory duties). The following activities have seen substantial progress since the last report.

Risk-informed Technical Specifications

On September 28, 2001, the NRC staff issued a notice in the Federal Register announcing the availability to reactor licensees of the Consolidated Line Item Improvement Process (CLIIP) change on Risk Informed Technical Specification (RITS) Initiative 2. This CLIIP change provides the staff's final safety evaluation along with a model submittal for licensees and culminates several years of effort.

RITS Initiative 2 revises the technical specifications by requiring that risk be taken into account in determining the correct course of action when a surveillance is missed. This modification allows unintentionally missed surveillances to be treated as an emergent condition and therefore be rescheduled through the licensee's configuration risk management program. It allows licensees the flexibility to consider the plant conditions and other planned activities so that the risk of performing the missed surveillance can be managed. This is the first of the eight proposed RITS improvement initiatives to be approved, and represents a major milestone in the joint NRC/industry project to risk inform technical specifications.

II. Reactor Oversight Process

The NRC commenced initial implementation of its Reactor Oversight Process (ROP) at all nuclear plants in April 2000. The staff has continued meeting with interested stakeholders on a periodic basis to collect feedback on the efficacy of the process and consider this feedback in making refinements to the ROP. Recent activities include:

- a. Staff conducted another of a continuing series of public meetings on September 12, 2001, with industry's working group on ROP. Some key issues discussed included: unplanned power changes performance indicator replacement; Web-based ROP changes; planned revisions to IMC 0305, "Operating Reactor Assessment Program," and NEI 99-02, "Regulatory Assessment Performance Indicator Guideline." In addition, on September 26, 2001, staff conducted another meeting with industry's working group on ROP to discuss revisions to the NEI 99-02 guidance document. During this meeting the working group discussed incorporation of resolved frequently asked questions, and changes to the safety system unavailability (SSU) performance indicator and Web-based displays for performance indicator data.
- b. Staff conducted another periodic issue-specific public meeting with industry's ROP working group on September 13, 2001, to discuss and review issues associated with SSU performance indicators. The long-term objective of the working group is to develop a common definition for "unavailability" for use in the ROP, maintenance rule, WANO, probabilistic risk assessments (PRAs), and other programs. The working group reached

agreement on major policy issues and the proposed development/implementation schedule.

- c. Staff is continuing efforts to interface with internal stakeholders to discuss ROP initial implementation issues. For example, on September 5, 2001, staff briefed the Advisory Committee on Reactor Safeguards (ACRS) full Committee on the ROP. The purpose of the briefing was to present ROP information to support ACRS in their ROP evaluation which is due to the Commission shortly. The staff also provided support at the Region II ROP lessons learned meeting. During this meeting, the regional senior resident inspectors and managers discussed challenges and successes in ROP implementation.-

The NRC recently initiated a program to monitor trends in indicators of industry performance as a means to confirm that the safety of operating power plants is being maintained. The NRC uses the indicators to identify adverse trends, evaluate them and take appropriate regulatory action using its existing processes for resolving generic issues and issuing generic communications. The NRC reports to Congress each year regarding any statistically significant adverse trends in industry safety performance. The NRC formally reviews these indicators, as well as its response to adverse trends, as part of the Agency Action Review Meeting process.

No statistically significant adverse trends have been identified to date, based on level or declining long term trends in the indicators developed by the former NRC Office for Analysis and Evaluation of Operational Data (AEOD) and the Accident Sequence Precursor (ASP) program. There is not yet sufficient long term data (< 4 years) to draw conclusions on trends from the ROP performance indicators.

III. Status of Issues in the Reactor Generic Issue Program

Changes in the status or resolution dates for Generic Safety Issues (GSI) since the August 2001 report are described below:

GSI Number:	185
TITLE:	Control of Re-criticality Following Small-Break Loss of Coolant Accidents (LOCA) in Pressurized Water Reactors (PWR)
STATUS:	This issue addresses those small-break LOCA scenarios in PWRs that involve steam generation in the core and condensation in the steam generators, causing de-borated water to accumulate in part of the reactor coolant system (RCS). The staff is evaluating whether or not restart of the RCS circulation may cause a return-to-criticality event (reactivity excursion) by moving de-borated water into the core. The actions required to complete this GSI have been determined and are scheduled to be completed in September 2005.

IV. Licensing Actions and Other Licensing Tasks

Licensing actions are 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 2001 NRC Performance Plan incorporates three output measures related to licensing actions. These are:

number of licensing action completions per year, age of the licensing action inventory, and size of the licensing action inventory.

Other licensing tasks are 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, responses to regional requests for assistance, NRC review of licensee 10 CFR 50.59 analyses and Final Safety Analysis Report (FSAR) updates, or other licensee requests not requiring NRC review and approval before it can be implemented by the licensee. The FY 2001 NRC Performance Plan incorporates one output measure related to other licensing tasks. This is: number of other licensing tasks completed.

The actual FY 1999 and FY 2000 results, the FY 2001 goals and the actual FY 2001 results, as of September 30, 2001, 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 1999 Actual	FY 2000 Actual	FY 2001 Goals	FY 2001 Actual (thru 09/30/2001)
Licensing actions completed	1727	1574	≥ 1500	1617
Age of licensing action inventory	86.2% ≤ 1 year; and 100% ≤ 2 years	98.3% ≤ 1 year; and 100% ≤ 2 years	95% ≤ 1 year and 100% ≤ 2 years old	96.9% ≤ 1 year; 99.9% ≤ 2 years
Size of licensing action inventory	857	962	≤ 650	877 ²
Other licensing tasks completed	939	1100	≥ 675	523 ³

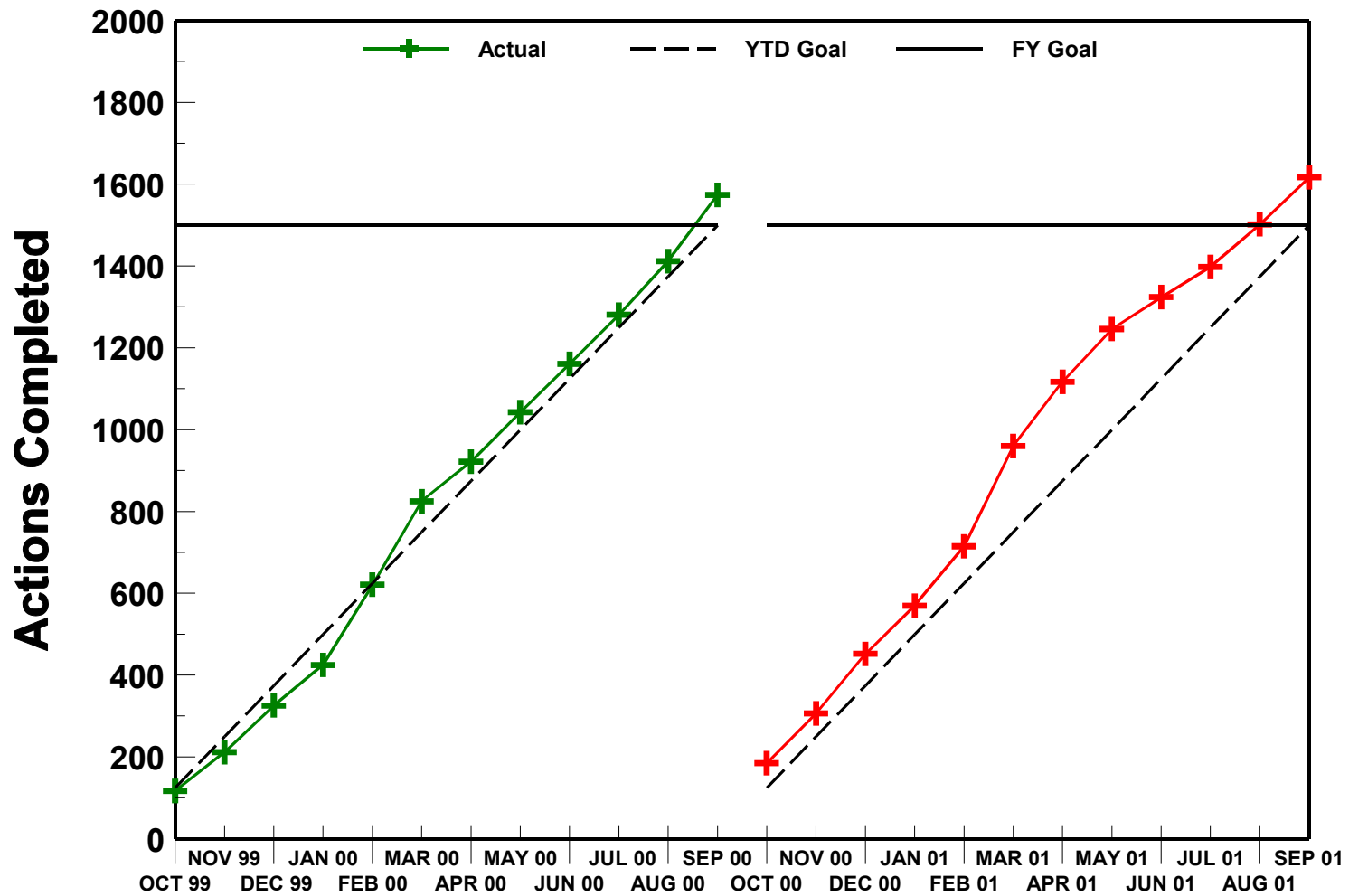
The following charts demonstrate NRC's FY 2001 trends for the four licensing action and other licensing task output measure goals.

²Licensing action inventory is above the goal due to an unanticipated increase in the number of submittals from licensees during the year. The staff is cognizant of the inventory and will continue to monitor performance metrics for licensing action inventory timeliness. Should the inventory trend remain the same, or timeliness goals be challenged, the staff will reassess its resources using the PBPM process at the mid-year point.

³The number of other licensing tasks completed during the year is below the staff's goal because the backlog has been eliminated and the number of submittals from licensees decreased. In addition, the staff envisions submittals in this area will continue to decrease and will monitor the situation on a quarterly basis.

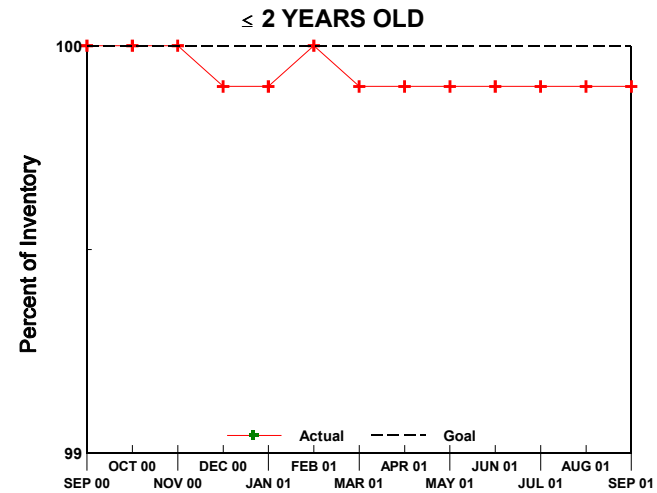
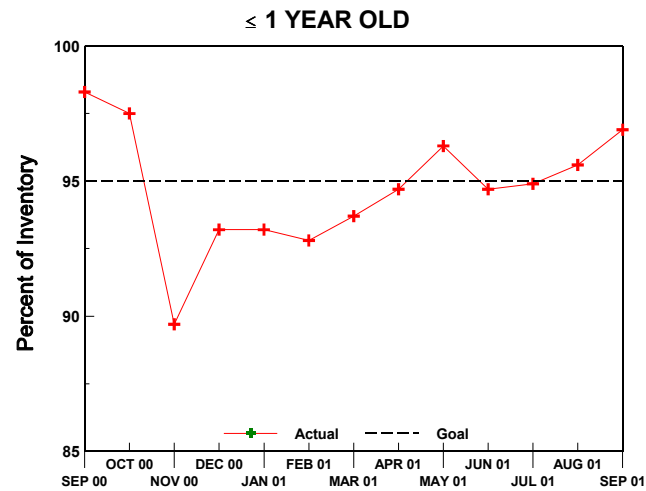
Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Completed Licensing Actions



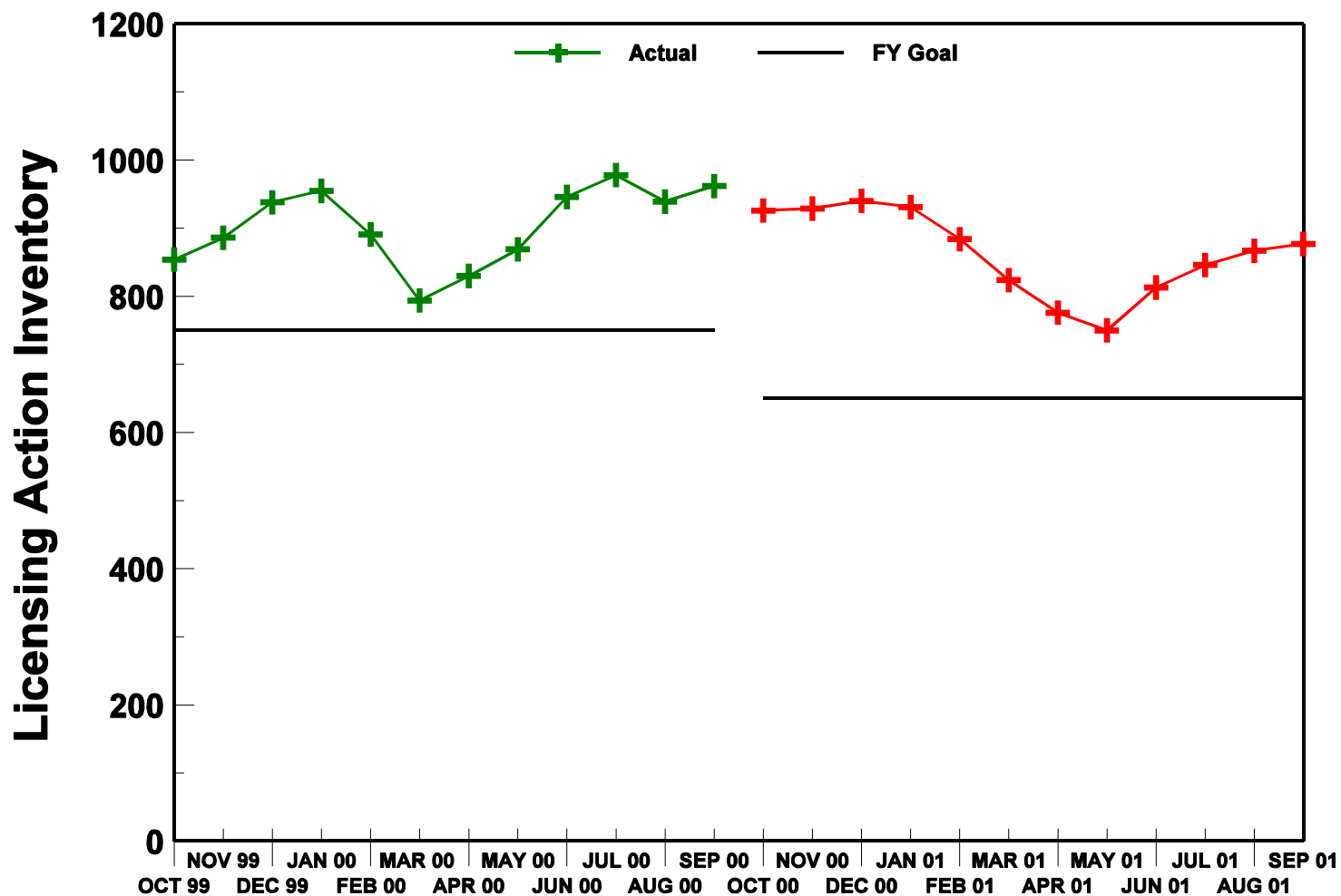
Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Age of Licensing Action Inventory



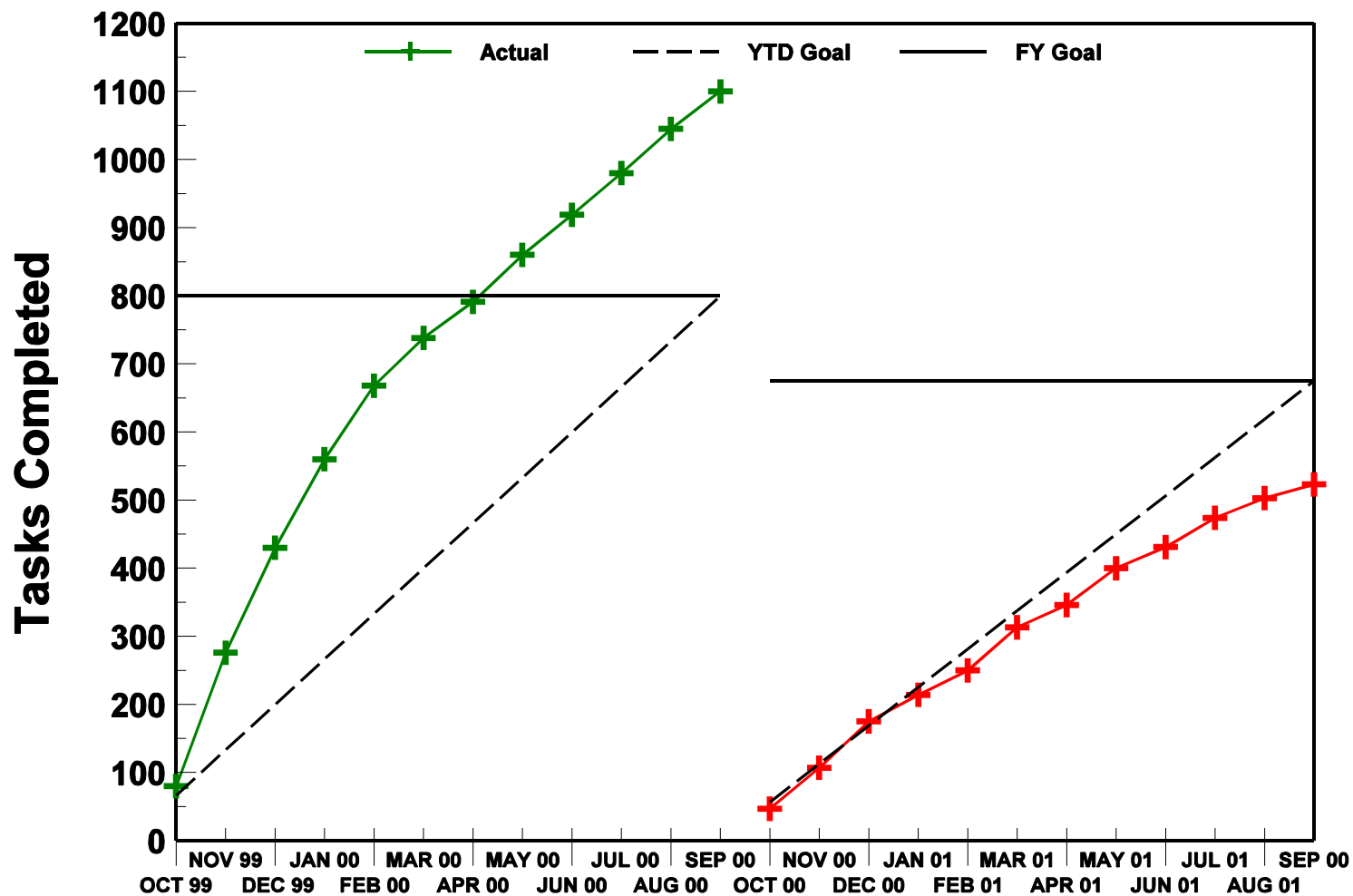
Nuclear Reactor Safety - Reactor Licensing

Performance Plan Target: Licensing Action Inventory



Nuclear Reactor Safety - Reactor Licensing

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 NRC's review of the license renewal application.

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 renewed license for Arkansas Nuclear One, Unit 1 (ANO-1), was issued on June 20, 2001, completing the NRC's review of the license renewal application. Because of the efficiencies gained through the lessons learned and implemented by the applicant and NRC staff from the Oconee Nuclear Station license renewal review (a plant similar to ANO-1), the review was completed approximately 8 months ahead of schedule.

Hatch, Units 1 and 2, Renewal Application

The review of the Hatch renewal application is on schedule. The staff issued the draft safety evaluation report (SER) identifying open items in February 2001. The final SER was issued on October 5, 2001. The final supplemental environmental impact statement (SEIS) was issued in May 2001.

Turkey Point, Units 3 and 4, Renewal Application

The review of the Turkey Point renewal application is on schedule. The safety evaluation report identifying open items was issued in August 2001 and the NRC staff and applicant are working to resolve the open items and issue the completed report by April 2002. The draft SEIS was issued for comment in June 2001. After addressing the comments received on the draft SEIS, the final SEIS will be issued by January 2002.

Surry, Units 1 and 2, and North Anna, Units 1 and 2, Combined Renewal Applications

The Surry and North Anna renewal applications are currently under review and the staff is preparing requests for additional information. The environmental review and scoping process has begun and a public scoping meeting was held in the vicinity of Surry on September 19, 2001. The scoping meeting in the vicinity of North Anna is scheduled for October 18, 2001. All safety requests for additional information are scheduled to be issued by November 2001 and all environmental requests by January 2002.

McGuire, Units 1 and 2, and Catawba, Units 1 and 2, Combined Renewal Applications

The McGuire and Catawba renewal applications are currently under review and the staff is preparing requests for additional information. The environmental review and scoping process has begun and a public scoping meeting was held in the vicinity of McGuire on September 25, 2001. The scoping meeting in the vicinity of Catawba is scheduled for October 23, 2001. All safety requests for additional information are scheduled to be issued by January 2002 and all environmental requests by December 2001.

On August 15, 2001, a notice of opportunity for hearing was published in the Federal Register. Two petitions for hearing were received in response to the notice.

Peach Bottom, Units 2 and 3, Renewal Application

On July 2, 2001, the NRC received an application for renewal of the Peach Bottom operating licenses. The staff has completed its acceptance review and has found the applications acceptable for docketing and review. The review schedule and notice of the opportunity for hearing was issued on September 5, 2001. Until it is determined whether a hearing will be conducted, a 30-month review schedule has been established with a final decision on issuance of the licenses scheduled for January 2004.

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 staff continued its review of the license application amendments submitted by Private Fuel Storage, Limited Liability Company (PFS). Members of the staff held an agency-to-agency meeting with representatives of the U.S. Air Force at Hill Air Force Base in Ogden, Utah. Information received from the Air Force representatives at that meeting will assist the staff in the completion of its review of the license application amendment regarding the analysis of the potential for aircraft crashes near the site of the proposed PFS facility. Work also continued on the geotechnical amendment submitted by PFS. The NRC staff (representing NRC as the lead Federal agency) and the cooperating Federal agencies (U.S. Department of Interior's Bureau of Land Management and Bureau of Indian Affairs and the Surface Transportation Board) continued work on the Final Environmental Impact Statement (FEIS) for the proposed PFS project. The staff anticipates release of a revised Safety Evaluation Report and the FEIS by December 21, 2001.

Litigation in the adjudicatory proceeding on the PFS application continued during this reporting period as follows: (1) the NRC staff and PFS responded to the State of Utah's request to modify its proposed contention on seismic stability; (2) the Atomic Safety and Licensing Board (ASLB) granted PFS's motion for summary disposition of another environmental contention; (3) the ASLB issued a revised schedule for litigation, adopting the parties' proposal that hearings on all remaining contentions be held in April 2002, following publication of the staff's final review documents and the conclusion of discovery and other pre-hearing tasks; and (4) discovery commenced on the State's contention concerning PFS's request for an exemption from certain seismic regulations.

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
Severity Level I	Aug 2001	0	0	0	0	0
	FY 2001 YTD	0	0	0	0	0
	FY 00 Total	0	0	0	0	0
	FY 99 Total	0	0	0	0	0
Severity Level II	Aug 2001	0	0	0	0	0
	FY 2001 YTD	0	1	0	0	1
	FY 00 Total	1	2	0	0	3
	FY 99 Total	5	0	2	0	7
Severity Level III	Aug 2001	0	0	0	0	0
	FY 2001 YTD	1	1	1	1	4
	FY 00 Total	5	0	4	4	13
	FY 99 Total	9	2	7	8	26
Severity Level IV	Aug 2001	1	0	0	0	1
	FY 2001 YTD	1	0	2	1	4
	FY 00 Total	4	1	3	5	13
	FY 99 Total	52	42	57	60	211
Non-Cited Severity Level IV & Green	Aug 2001	24	1	6	13	44
	FY 2001 YTD	266	105	175	138	684
	FY 00 Total	313	190	289	258	1050
	FY 99 Total	343	267	334	305	1249

Escalated Reactor Enforcement Actions Associated with the Revised Reactor Oversight Process*						
		Region I	Region II**	Region III	Region IV**	Total
NOVs related to white, yellow or red findings	Aug 2001 -Red	0	0	0	0	0
	-Yellow	0	0	0	0	0
	-White	1	0	1	1	3
	FY 2001 YTD	6	4	3	3	16
	FY 00 Total	6	1	0	0	7

*Numbers of violations are based on enforcement action tracking system (EATS) 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.

** Violation totals for Regions II & IV reflect a shift from a 6 week inspection period to a quarterly inspection period.

Description of Significant Actions taken in August 2001

Exelon Generation Company, LLC (Peach Bottom) EA 01-148

On August 22, 2001, a Notice of Violation was issued for a violation associated with a white significance determination process (SDP) finding. The violation involved the licensee's failure to maintain adequate emergency facilities and equipment (public address and evacuation alarm system) required to support an emergency response.

Exelon Generation Company, LLC (Clinton) EA 01-147

On August 22, 2001, a Notice of Violation was issued for a violation associated with a white SDP finding. The violation involved the licensee's failure to correct self-identified deficiencies disclosed through control room communicator drills in 1999 and 2000.

Nebraska Public Power District (Cooper) EA 01-154

On August 13, 2001, a Notice of Violation was issued for a violation associated with a white SDP finding. The violation involved the failure to correct a risk-significant performance weakness that was identified in an emergency planning exercise in August 2000, such that it was repeated during an April 2001 drill.

VIII. Power Reactor Security Regulations

In response to the terrorist attacks on September 11, 2001, the U.S. Nuclear Regulatory Commission (NRC) and the nuclear industry have taken a number of actions to ensure the security at nuclear power plants. Although nuclear power plants are among the most hardened and secure civilian facilities in the United States, the recent attacks have focused attention on the need to review policies and practices related to protecting civilian nuclear facilities against attack.

Immediately following the terrorist attacks on the World Trade Center and the Pentagon, the NRC advised nuclear power plant licensees to go to the highest level of security (Level 3), and all promptly did so. Because there is continuing uncertainty about the possibility of additional terrorist activities in the current environment, the Nation's nuclear power plants remain at the highest level of security and the NRC continues to monitor the situation. For the longer term, Chairman Meserve, with the full support of the Commission, directed the NRC staff to thoroughly reevaluate the NRC's safeguards and physical security programs. This reevaluation will be a top-to-bottom analysis involving all aspects of the NRC's Agency's safeguards and physical security programs. Information on the results of the staff's reevaluation will be provided in future Monthly Status Reports to Congress.

Given the nature of the attacks on September 11, the identification of any necessary adjustments to the safeguards and physical security measures for civilian nuclear facilities must involve consultation and coordination with other U.S. national security organizations. The NRC is currently interacting with the Federal Bureau of Investigation, other intelligence and law enforcement agencies, the newly established Office of Homeland Security, and the Department of Defense to ensure any changes to the NRC's programs will consider pertinent information from all relevant U.S. agencies.

Nonetheless, the Commission believes that the baseline security level at U.S. commercial nuclear reactors is very high compared with most other nations. Indeed, many foreign regulators often comment on the impressive security measures and large guard forces evident when they visit our nuclear power plants. The Commission is aware of no other regulator who systematically carries out security inspections involving force-on-force exercises.

IX. Power Upgrades

The staff has assigned power upgrade license amendment reviews a high priority. The staff considers power upgrade applications among the most significant licensing actions and is, therefore, conducting power upgrade reviews on accelerated schedules. To date, approximately 7600 MWt (2530 Mwe) -- or the equivalent of more than two large nuclear power plant units -- has been gained through implementation of power upgrades at existing plants.

Licensees have been applying for and implementing power upgrades since the 1970s as a way to increase the power output of their plants. The staff has been conducting power upgrade reviews since then and to date, has completed 64 such reviews. The equivalent of approximately two nuclear power plant units has been gained through implementation of power upgrades at existing plants. During the month of September the staff completed review of two applications for power upgrades of 1.4 percent each for two nuclear power units. The staff currently has 14 additional

plant-specific applications and two General Electric Nuclear Energy topical reports for power uprates under review. The staff has assigned these reviews a high priority.

On the basis of the licensees' voluntary responses to NRC Regulatory Issue Summary (RIS) 2001-08, "Operating Reactor Licensing Action Estimates," and the results of a staff survey of all licensees in June 2001 to obtain information regarding the industry's future plans related to power uprate applications, the staff estimates that licensees plan to submit 40 additional power uprate applications in the next 5 years. Based on the information provided, planned power uprates are expected to result in an increase of about 3600 MWt (or approximately 1200 MWe). The staff will utilize the information provided in response to the RIS and the June survey for planning and allocating resources for power uprate reviews and to assure the staff's readiness and availability to perform the technical reviews for these applications when they arrive.

During the month of September, the staff posted an Internet web site on power uprates. The web site provides information related to (1) the power uprate application and review process, (2) past, ongoing, and future work in the area of power uprates, and (3) the staff's information needs for reviewing power uprate applications. The staff developed this web site to facilitate public access to power uprate related information thereby improving communication with stakeholders. The web site also provides potential power uprate applicants the type of information they need to optimize their power uprate applications for staff review. When licensees optimize their applications by providing the information required for the staff's review, they minimize the likelihood of questions being raised during the review process and the burden associated with addressing these questions. This can also improve the staff's effectiveness and efficiency by minimizing the resources required to address deficiencies in initial applications. The staff's review of power uprate applications will ensure that pertinent areas are adequately addressed to maintain safety.