

October 28, 2005

Mr. Kerry Schutt, President and Manager
Nuclear Fuel Services
P.O. Box 337, MS 123
Erwin, TN 37650

Dear Mr. Schutt,

We would like to inform you of our having developed a Temporary Instruction (TI) 2600/012, "Institutionalizing Concern Regarding Safety Issues Identified in Selected Past Generic Communications," that was issued on September 28, 2005, for occasional application at fuel cycle facilities during our upcoming inspection cycle that ends on December 31, 2006.¹

Our intent is to conduct this TI as part of each fuel facility's core inspection program, to minimize, to the degree possible, additional burden on fuel cycle licensees. However, if experience proves that the implementation of this TI requires additional effort, beyond the resources committed for the core inspection program, resources that have been set aside for regional initiatives may be used, as well.

You may be aware of an event that occurred at the Davis-Besse Nuclear Power Station in March 2002, where a cavity was discovered to have formed in a pressure vessel head due to boric acid corrosion. Because this event had significant safety implications, the U.S. Nuclear Regulatory Commission (NRC) soon afterward formed a Davis-Besse Lessons Learned Task Force (DBLLTF) to conduct a study of how the NRC could better improve its regulatory oversight in light of this Davis-Besse event. Although the results of this study had the most direct implications for the NRC's reactor oversight program, the Division of Fuel Cycle Safety and Safeguards (FCSS) reviewed the DBLLTF report to determine what lessons and recommendations also may apply to the fuel cycle regulatory oversight program.

One of the lessons learned was that the responses to generic issues sometimes may not endure over a long period of time, so that the same generic issues may re-emerge at the same or at other facilities after an initial period of concerted activity, following which the issue no longer remains in the forefront of NRC and licensee safety consciousness.

To determine if there was potential for the re-emergence of such issues in the fuel cycle arena, the FCSS staff, in coordination with Region II fuel cycle inspection staff, examined NRC generic communications (including Bulletins, Generic Letters, and Information Notices) ranging over the last two decades, addressed wholly, or in part, to fuel cycle licensees or certificate holders. This examination identified those generic communications that addressed ongoing and currently risk-significant issues that may merit further examination, to determine if there is a risk

¹This TI has been posted on the NRC public web site at the following location:
<http://www.nrc.gov/reading-rm/doc-collections/insp-manual/temp-instructions/ti2600012.pdf>.

of these issues re-emerging as risk-significant conditions or events. TI 2600/012 was developed to support specific inspection activity at the fuel cycle facilities believed to be affected by the identified issues.

The issues to be inspected in TI 2600/012 all fall under existing inspection areas currently addressed in the NRC's core fuel cycle inspection program, but the applicable procedures may not contain sufficiently detailed guidance relative to the issues to be inspected in TI 2600/012. The results of the inspections conducted under this TI may lead to improvements in current inspection or license review guidance to ensure that the issues will not form the basis for later undesired conditions or events at regulated fuel cycle facilities.

Should you have any questions regarding this temporary instruction, please contact Lance Lessler, of my staff, at (301) 415-8144 or lj1@nrc.gov.

/RA/

Robert C. Pierson, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
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