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POLICY ISSUE (Information)

November 27, 1996

SECY-96-244

FOR: The Commissioners

FROM: James M. Taylor
Executive Director for Operations

SUBJECT: ANNUAL STATUS REPORT ON LICENSING ACTIONS,
FISCAL YEAR 1996

PURPOSE:

To inform the Commission of the status of Office of Nuclear Reactor Regulation (NRR) licensing actions* and of NRR's progress in meeting age goals for the licensing action inventory.

BACKGROUND:

As discussed in the June 9, 1989, memorandum to the Commission, "Operating Reactor Licensing Actions and Technical Specifications Improvements," NRR established goals to control the size of the licensing action inventory and to improve its responsiveness to licensees' requests for license amendments. The maximum inventory level was set at an average of 25 licensing actions per plant ($110 \times 25 = 2,750$). The goals for responsiveness to licensees' licensing action requests were the following: 80 percent of the licensing actions in the inventory were to be less than or equal to 1 year old; 95 percent were to be less than or equal to 2 years old; 100 percent were to be less than or equal to 3 years old; and no licensing actions were to be older than 3 years. These goals are still in effect and have been implemented as standards in the agency's Performance Measurement Program.

Contact:
Michael L. Boyle, NRR
415-1401

SECY NOTE: TO BE MADE PUBLICLY AVAILABLE IN 5 WORKING DAYS FROM THE
DATE OF THIS PAPER.

* In this paper, "licensing actions" refer to those licensee requests, such as license amendments, reliefs, or exemptions, that require review and approval by the staff before they may be implemented by the licensee.

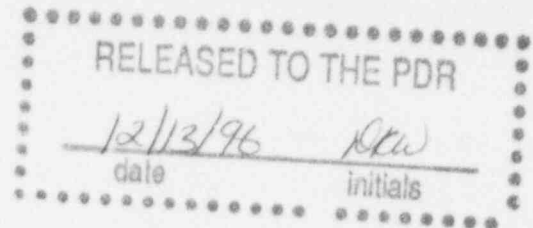
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DISCUSSION:

The licensing action inventory increased about 10 percent, from 1,000 licensing actions at the end of fiscal year (FY) 95 to 1,101 at the end of FY 96. Figure 1 shows the number of licensing actions completed compared to the number of those received each month in FY 96. Figure 2 puts the FY 96 data into historical perspective. Both the number of incoming and completed licensing actions showed an upward trend from FY 93 through FY 95, and the inventory itself decreased. In FY 96, the trend of incoming licensing actions was relatively constant, but was 10 percent less than that in FY 95. However, the number of licensing actions completed in FY 96 showed a downward trend resulting in an increase in the inventory.

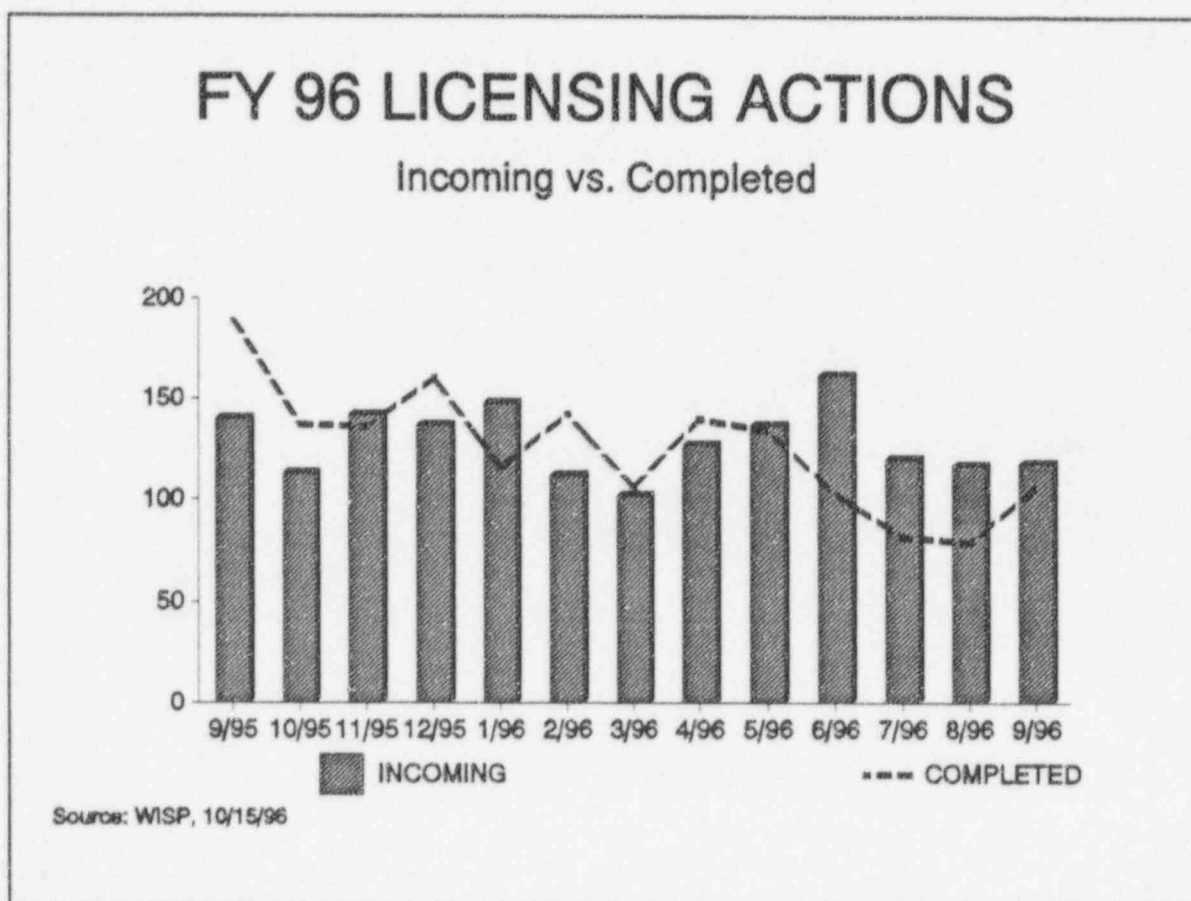


Figure 1

Several factors may have contributed to the increase in the licensing action inventory in FY 96. One factor was licensee participation in the NRC's Technical Specification Improvement Program. Conversion to the improved Standard Technical Specifications should result in fewer licensing action requests in the future. However, in the short term, for each conversion about 15 times more staff hours are expended than for the average non-conversion licensing action. In FY 93 through FY 95, applications for converting technical specifications for 14 plants were received. In FY 96 alone, applications for converting technical specifications for 11 plants were received. The number of conversion applications is expected to increase in FY 97. Another factor was the shift of a significant number of staff from work on low-priority licensing actions to other higher priority licensing tasks, such as reviewing responses to safety-significant generic letters and bulletins, oversight of Millstone, Haddam Neck, and Maine Yankee issues, and completing process improvement initiatives within NRR. This shift of resources should last through FY 97.

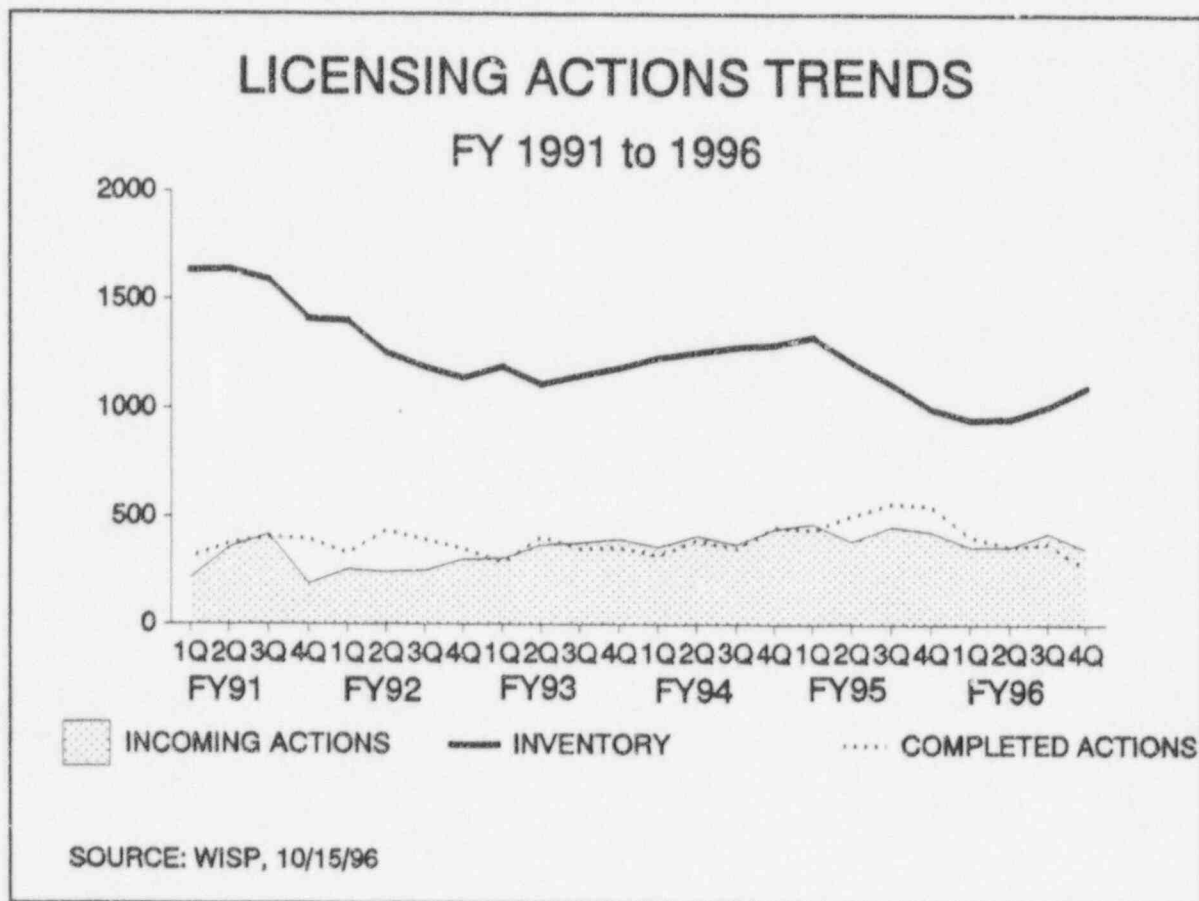


Figure 2

Although NRR has not yet fully achieved its goals with regard to responsiveness to licensing action requests, progress has continued toward reaching the goals. At the end of FY 91, 11 percent of the licensing action inventory was over 3 years old. In FY 92, NRR conducted a detailed analysis of the oldest licensing actions and initiated an action to reduce their number. Figure 3 shows the number of licensing actions in each age category in FY 96. The percentage of licensing actions less than or equal to 2 years old was 96 percent at the end of FY 96, up from 92 percent at the end of FY 95; 98.4 percent of licensing actions were less than or equal to 3 years old in FY 96, about the same as in FY 95. The percentage of licensing actions greater than 3 years old was 1.6 percent, about the same as in FY 93 through FY 95.

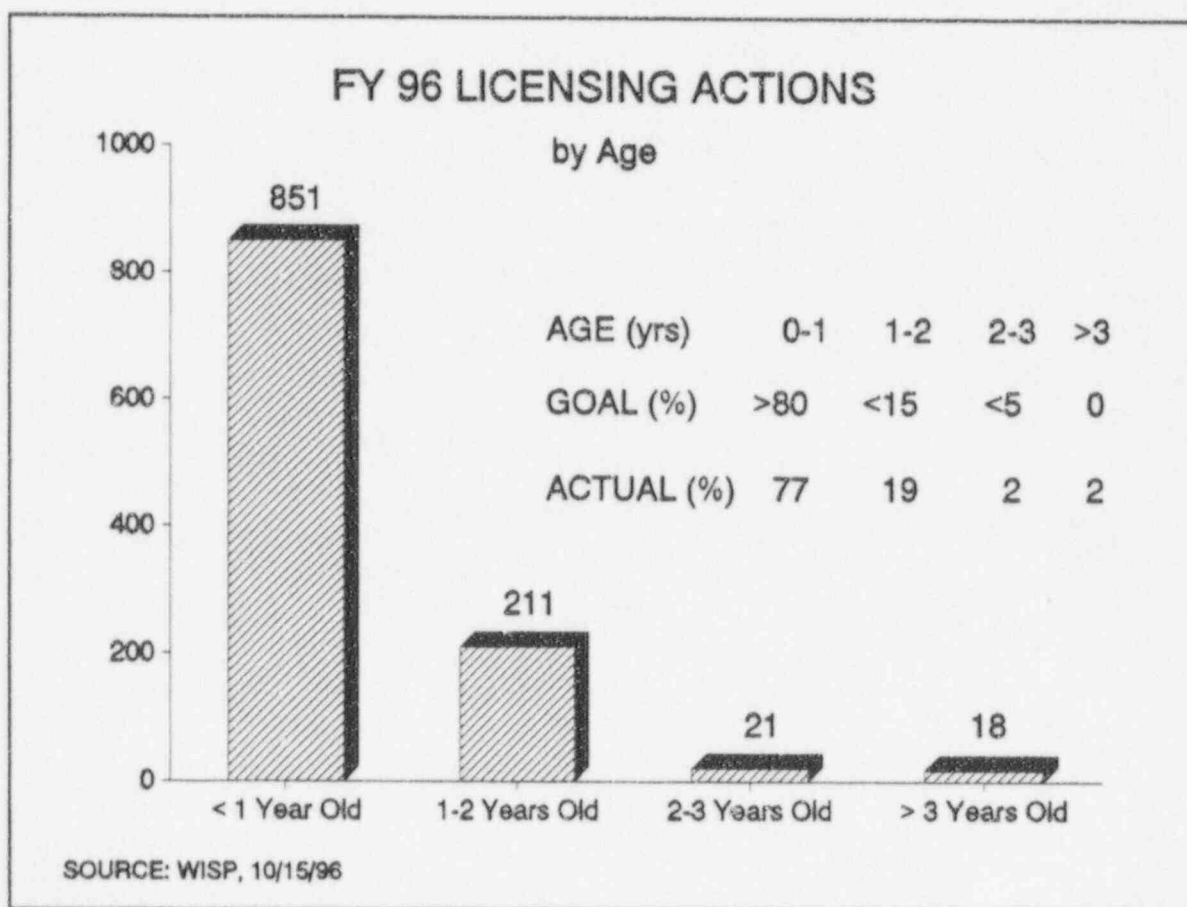


Figure 3

Figure 4 illustrates NRR's progress in reducing the median age of the licensing actions in inventory. In FY 96, the median age rose to 5.8 months, slightly higher than at the end of FY 95. This rise was due to the decrease in the licensing action completion rate in FY 96.

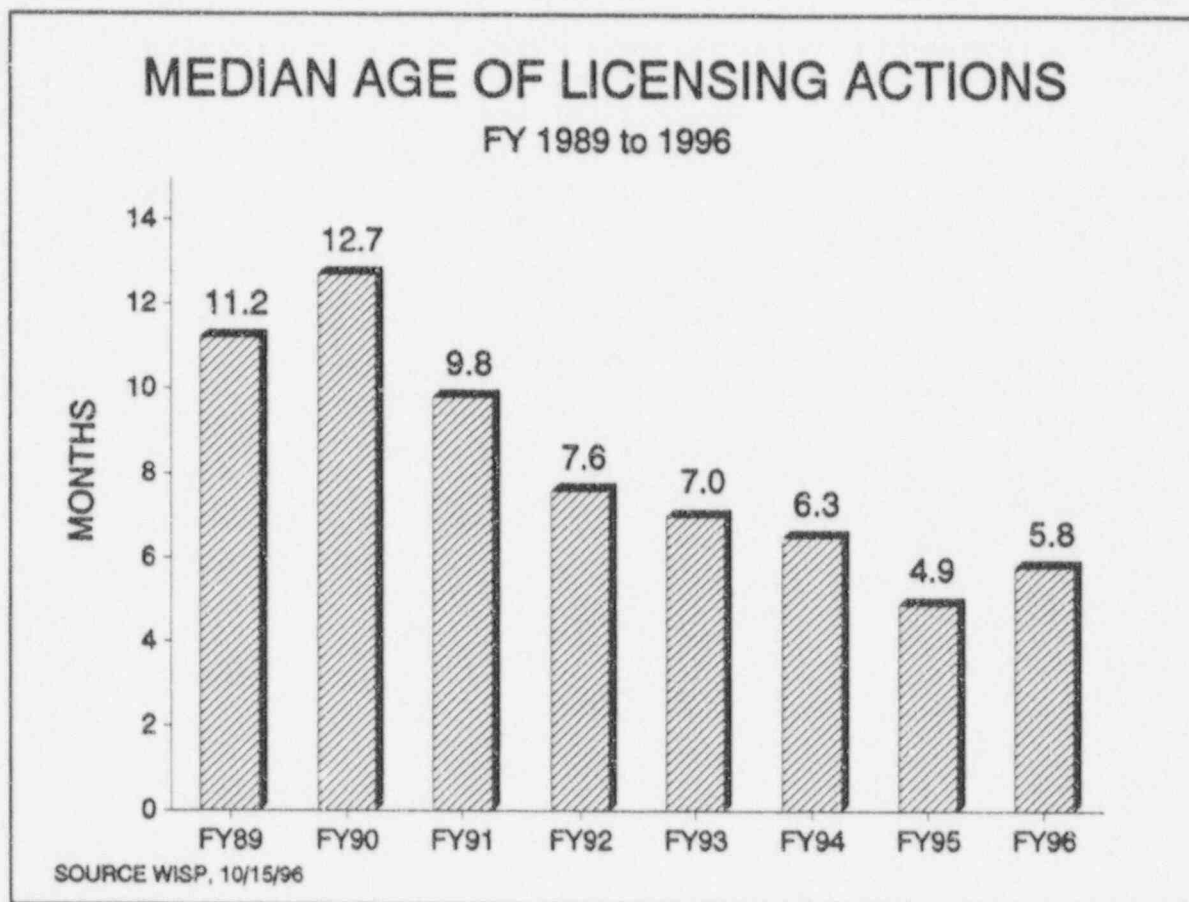
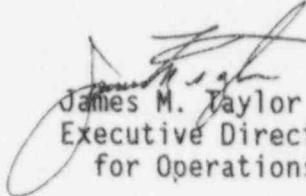


Figure 4

In summary, the number of licensing actions in the inventory increased about 10 percent, and given the continued need to shift staff from low priority licensing actions to other higher priority licensing tasks, that trend is expected to continue over the next few years. Notwithstanding the increase in inventory, the size of the inventory remains manageable overall, as well as on

a per-plant basis. The median age of licensing actions in the inventory is less than 6 months. There are fewer licensing actions in the 2-year-and-over group than the established goals, although the number in the over-3-year group has not decreased, indicative of the need for continuing efforts in this area.


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