

March 7, 2005

MEMORANDUM TO: Chairman Diaz  
Commissioner McGaffigan  
Commissioner Merrifield  
Commissioner Jaczko  
Commissioner Lyons

FROM: Luis A. Reyes **/RA/**  
Executive Director for Operations

SUBJECT: SEMIANNUAL REPORT - STATUS OF IMPLEMENTATION OF  
DAVIS-BESSE LESSONS LEARNED TASK FORCE REPORT  
RECOMMENDATIONS

The purpose of this memorandum is to forward for your information the fourth semiannual report on the status of implementation of the Davis-Besse Lessons Learned Task Force (LLTF) recommendations. The report covers the period from September 2004 to February 2005. The implementing plan was forwarded to the Commission in a memorandum dated March 10, 2003.

During this period, the staff of the Office of Nuclear Reactor Regulation (NRR) and the Office of Nuclear Regulatory Research (RES) made substantial progress toward completing the recommended actions. Forty-one of the 49 recommendations have been completed to date. With two possible exceptions, we expect to complete all recommendations by May 31, 2005. The two exceptions depend on completion of industry initiatives and potential rulemaking or other regulatory activities.

Activities addressing stress corrosion cracking included continued monitoring of outage inspection results pursuant to First Revised Order EA-03-009, which established interim inspection requirements for reactor pressure vessel heads, following up on plants that had discovered defects and evaluating requests for alternatives to the order. The American Society of Mechanical Engineers (ASME) is developing a code case (N-729) for inspection of reactor vessel upper heads and upper head penetrations during refueling outages, but has not yet produced a code case acceptable to the NRC staff as a replacement for the requirements of the order. The staff continues to support this effort, but we have no indication as to when the ASME will develop acceptable inspection requirements for reactor vessel heads. Nevertheless, the order continues to provide adequate protection of public health and safety.

Separate, but related to updating ASME codes, the staff had originally scheduled to review the adequacy of a code case addressing the requirements for pressure testing/leakage evaluation (ASME Code Case N-722) by January 2005, based on the expectation that the ASME would have approved the code case in 2004. The ASME has yet to approve this code case. It could take two or three more ASME code meetings, which occur quarterly, before this code case is

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approved. Accordingly, the staff's schedule for implementing its action plan to evaluate this code case will be revised to December 2005 in the March 2005 action plan quarterly update.

With respect to operating experience, a team of NRR and RES staff members completed development of a revised operating experience program framework, which includes a new management directive and a revised office instruction in their draft forms, and the program is being implemented.

Inspection program effectiveness was enhanced (1) by revising guidance for monitoring and assessing licensee response to increasing reactor coolant leakage, (2) by establishing a criterion for minimum resident inspector coverage at reactor sites and developing a metric for it, and (3) by identifying alternate plant evaluation mechanisms for assessing the effectiveness of the Reactor Oversight Process.

A team has been formed to develop an agency-wide program to institutionalize agency lessons learned that will address the recommendations of the task force that evaluated the effectiveness of previous lessons learned reports. The program will be ready for implementation by December 31, 2005. As directed in the December 15, 2004, staff requirements memorandum, we will provide the development and implementation schedule to the Commission by March 15, 2005.

The Argonne National Laboratory report on the Barrier Integrity Research Program was issued as NUREG/CR-6861 in December 2004. A working group of NRR and RES staff continued its evaluation of potential revisions to reactor coolant system leakage limits and leakage detection equipment. A second working group is evaluating the adequacy of analysis methods for assessing passive component degradation. The working groups will make their recommendations by March 31, 2005.

Attachment: Memorandum dated 2/22/05 from J. Dyer  
and C. Paperiello to L. Reyes

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