

# INFORMATION REPORT

January 13, 2004

SECY-04-0003

For: The Commissioners  
From: William M. Dean, Assistant for Operations, Office of the EDO  
Subject: SECY-04-0003 WEEKLY INFORMATION REPORT - WEEKS  
ENDING DECEMBER 26, 2003 AND JANUARY 2, 2004

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\*No input for week ending 12/26/03.

•No input for week ending 1/2/04.

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William M. Dean  
Assistant for Operations, OEDO

Contact:  
M. Markley, OEDO

Office of Nuclear Reactor Regulation  
Items of Interest  
Week Ending December 26, 2003

Davis-Besse Nuclear Power Station

On December 19, 2003, public exit meetings were held at the Davis-Besse site to discuss the results of the NRC's Restart Readiness Assessment Team Inspection and Phase 3 of the Management and Human Performance Team Inspection. During these meetings, the staff informed the licensee that additional inspection was needed in areas related to both of these inspections. A telephone bridge line was provided for members of the public to listen to the meeting. Approximately 80 persons called into the bridge line.

By letter dated December 16, 2003, the licensee requested a license amendment to extend the 2-year surveillance interval for steam generator tube inspection from March 2004 to March 2005. The licensee completed its last tube inspection in March 2002, and the plant has been shut down since that time. As such, the licensee is requesting to perform its next inspection during a mid-cycle outage.

Diablo Canyon Nuclear Power Plant, Units 1 and 2

On December 18, 2003, the California Public Utilities Commission (CPUC) approved a settlement agreement between Pacific Gas and Electric Company (PG&E), its parent PG&E Corporation, and the CPUC, which will enable PG&E to emerge from nearly three years of Chapter 11 bankruptcy proceedings. The U.S. Bankruptcy Court held a hearing on December 22, 2003, to discuss the proposed settlement. If the final approvals are met, PG&E expects to exit Chapter 11 status by the end of the first quarter of 2004.

Point Beach Nuclear Plant, Units 1 and 2 - License Renewal

On December 22, 2003, Nuclear Management Company announced plans to seek renewal of the Point Beach Nuclear Plant, Units 1 and 2 operating licenses in accordance with 10 CFR Part 54. The licensee plans to submit application for renewal on or before February 27, 2004. A meeting between the licensee and the Office of Nuclear Reactor Regulation (NRR) License Renewal Branch is scheduled tentatively for January 21, 2004.

South Texas Project, Unit 2

On December 23, 2003, the licensee submitted an emergency technical specification amendment to extend the allowed outage time for a damaged Unit 2 emergency diesel generator. The licensee proposed an extension of the current 14-day allowed outage time to 21 days based upon probabilistic and deterministic justifications. A number of compensatory actions were also proposed. The purpose of the request is to allow the licensee additional time to perform nondestructive examinations of connecting rods on two other Unit 2 emergency diesel generators. The emergency amendment request was granted later in the day on December 23, 2003.

### AP1000 Structural Audit

On December 15-16, 2003, representatives of the Division of Engineering staff, Division of Regulatory Improvement Programs, and NRC consultants conducted a structural and seismic audit of the AP1000 standard design at the Rockville, MD office of Westinghouse. The objective of this audit was to review design calculations related to the remaining open issues from the staff's June 2003 Draft Safety Evaluation Report. The staff reviewed sections dealing with the seismic analysis, structural design, and seismic margins issues, and to obtain additional information or clarification to resolve them. All open issues were closed. Only one confirmatory item remains, and a future revision (Revision 9) is expected to incorporate the agreed upon changes to the table of seismic margins values in Chapter 19 of the Design Control Document.

December 26, 2003

ENCLOSURE A

Office of Nuclear Material Safety and Safeguards  
Items of Interest  
Week Ending December 26, 2003

Meeting with the Department of Energy and the U.S. Enrichment Corporation

On December 18, 2003, staff from the Division of Fuel Cycle Safety and Safeguards, Region II, the Office of Enforcement, and the Office of the General Counsel met with representatives of the U.S. Enrichment Corporation (USEC) and U.S. Department of Energy (DOE) in an open meeting. The purpose of the meeting was to discuss regulatory oversight issues addressed in a draft Memorandum of Understanding (MOU) related to USEC's gas centrifuge uranium enrichment test and demonstration facility (Lead Cascade). During the meeting, USEC discussed oversight scenarios based on the phases of the Lead Cascade facility and provided comments on the draft MOU.

Conference Call with General Electric Morris Operation About License Renewal

On December 18, 2003, Spent Fuel Project Office management and staff participated in a conference call with General Electric - Morris Operation (GE-MO) to discuss the status of the GE-MO license renewal effort. On September 29, 2003, GE-MO provided a response to the staff request for additional information (RAI) on its 10 CFR Part 72 independent spent fuel storage installation license renewal application. GE-MO is revising its RAI response and expects to submit it to NRC by mid-January 2004.

Office of Nuclear Regulatory Research  
Items of Interest  
Week Ending December 26, 2003

Release of NUREG-1784, "Operating Experience Assessment - Effects of Grid Events on Nuclear Power Plant Performance"

On December 19, 2003 the Division of Systems Analysis and Regulatory Effectiveness released NUREG-1784. The NUREG report discusses the impact of deregulation on the structure of the electrical power industry and on grid performance and reliability. The report also discusses the partitioning of electric utilities into separate generating companies and transmission and distribution companies. Nuclear power plants (NPPs) rely on the grid to maintain adequate reactive and voltage support for operation. The report notes that changes associated with deregulation have resulted in higher transmission system loading, lower reactive capabilities, changes in operating voltage limits, increases in time to recover from loss-of-offsite power, and a subsequent increase in the number of transmission line relief requests, especially during the summer months. The NUREG report summarizes the impact of these issues and reinforces the need for NPP licensees and NRC to understand the condition of the grid throughout the year.

December 26, 2003

ENCLOSURE C

Nuclear Security and Incident Response  
Items of Interest  
Week Ending December 26, 2003

Preliminary Notifications

1. PNO-II-03-022, Honeywell International, Inc. - URANIUM HEXAFLUORIDE RELEASE.
2. PNO-II-03-022A, Honeywell International, Inc. - AUGMENTED INSPECTION TEAM ESTABLISHED FOR HONEYWELL EVENT.
3. PNO-IV-03-054, Pacific Gas and Electric Company - RESPONSE TO CALIFORNIA EARTHQUAKE.
4. PNO-IV-03-053, Arkansas Radiation Therapy Institute, Inc. - IODINE - 125 PERMANENT SEED IMPLANT MEDICAL MISADMINISTRATION.
5. PNO-IV-03-052, Shop Go Stores - LOST TRITIUM EXIT SIGNS.

December 26, 2003

ENCLOSURE D

Chief Information Officer  
Items of Interest  
Week Ending December 26, 2003

Network Continuity of Operations (COOP) Test

The OCIO staff executed a Network COOP exercise with favorable results. While there were a couple of minor issues with respect to Web access, the overall process was successful and the rollover to the backup site and rollback to headquarters went smoothly. Email and other critical systems performed as expected. Another test is planned for in January 2004 to address issues discovered during this test.

Freedom of Information Act and Privacy Act Requests received during the period of  
December 19 through December 24, 2003:

Safety evaluation report non-concurrences by staff members	FOIA/PA-2004-0078
Documents related to Early Site Permit (ESP) studies under the Nuclear Power 2010 Initiative	FOIA/PA-2004-0079
Material License Tracking System	FOIA/PA-2004-0080
OIG investigation #03281	FOIA/PA-2004-0081

Office of Human Resources  
Items of Interest  
Week Ending December 26, 2003

<b>Arrivals</b>		
Acosta Acevedo, Caroline**	Nuclear Safety Intern	R-III
Black, Allison	Student Engineer	NRR
Goldstein, Claudene K.	Office Automation Assistant	NRR
Morgan, Michael*	Project Manager	NRR
Norman, Robert C.	Criminal Investigator	OIG
Welborn, Erica E.	HR Clerk	R-IV
<b>Retirement</b>		
Keeton, Jack	Project Engineer	R-IV
<b>Departures</b>		
Carrel, Kevin	Special Assistant to the Director	HR

\* Reassignment from R-II

\*\*Reassignment from NRR



Office of Public Affairs  
Items of Interest  
Week Ending December 26, 2003

Media Interest

Published reports indicating that a large portion of the Honeywell International nuclear fuel processing plant near Metropolis, Illinois, will remain shut down pending completion of certain actions provided in an NRC Confirmatory Action Letter, related to an inadvertent release of radioactive material on December 22, 2003.

Local coverage indicating that poor maintenance and lax oversight of contractors contributed to an excessive number of sudden shutdowns at Indian Point the past 18 months, according to NRC analysis.

Significant coverage related to security at nuclear power plants and other key infrastructure, given federal officials raising the national alert status to "high risk," or Orange, threat-level alert status.

Widespread coverage of NRC officials saying the Davis-Besse nuclear plant in Ohio will not restart in 2003, and maybe not early in 2004.

New Jersey, Pennsylvania and Kansas state officials bolstering security at nuclear power plants in light of government raising national threat level.

<b>Press Releases</b>	
<b>Headquarters:</b>	
03-164	NRC Advisory Committee On Reactor Safeguards Re-Elects Chairman, Vice Chairman and Member-at-Large (12/22)
<b>Regions:</b>	
I-03-077	New NRC Resident Inspector Assigned To Oyster Creek Nuclear Plant (12/22)
II-03-051	NRC Sends Inspection Team To Illinois Fuel Plant To Review Cause Of Radioactive Chemical Release (12/22)
II-03-052	NRC Sends Augmented Inspection Team To Illinois Fuel Plant And Issues Confirmatory Action Letter (12/23)
III-03-080	NRC Issues Confirmatory Order To University Of Missouri Reactor On Improving Employee Protections (12/22)
III-03-081	NRC Oversight Panel To Meet With FirstEnergy To Review Davis-Besse (12/23)
IV-03-046	NRC Assigns New Resident Inspector To Wolf Creek Nuclear Plant (12/23)

Office of the Secretary  
Items of Interest  
Week Ending December 26, 2003

<b>Document Released to Public</b>	<b>Date</b>	<b>Subject</b>
<b>Information Papers</b>		
1. SECY-03-0217	12/22/03	Weekly Information Report - Week Ending December 12, 2003

Commission Correspondence

1. Letter to Senator Barbara Boxer, dated December 24, 2003, responds to letter urging NRC undertake an emergency inspection of the Diablo Canyon nuclear power plant following the December 22, 2003 earthquake.

Region I  
Items of Interest  
Week Ending December 26, 2003

Meeting with Food and Drug Administration

On December 22, 2003, Region I staff met with representatives of the U.S. Food and Drug Administration (FDA) to discuss the results of a recent inspection. The inspection found no apparent safety problems, but did indicate a failure to effectively implement all aspects of the radiation safety program. FDA representatives stated that some of the apparent violations were the result of stresses caused by major staff and function relocation. FDA presented its Corrective Action Plan regarding these matters and discussed plans to decommission its main building (Federal Building 8) in the District of Columbia.

December 26, 2003

ENCLOSURE P

Region II  
Items of Interest  
Week Ending December 26, 2003

Honeywell International, Inc.

On December 22, 2003, a valve in the uranium hexafluoride (UF<sub>6</sub>) process at Honeywell Specialty Chemicals leaked, which resulted in an approximately 40 minute release. Honeywell declared a Site Area Emergency and implemented their Emergency Plan. Approximately 25 members of the public near the plant were evacuated and approximately 75 remained in shelter. The Region II Incident Response Center and the Headquarters Operations Center were staffed to monitor the event, and the Resident Inspector at Paducah responded to the Honeywell site. An Augmented Inspection Team, consisting of Region II and Headquarters personnel, was dispatched to the site on December 22. Region II issued a Confirmatory Action Letter documenting the licensee's commitment to investigate the event, take corrective action, and not restart UF<sub>6</sub> processing until discussing their actions with the NRC.

December 26, 2003

ENCLOSURE P

Office of Nuclear Reactor Regulation  
Items of Interest  
Week Ending January 2, 2004

South Texas Project, Unit 2

On December 27, 2003, the licensee submitted an emergency technical specification amendment to extend the allowed outage time (AOT) for a damaged emergency diesel generator (EDG). The licensee proposed a one-time extension of the 21-day AOT approved on December 23, 2003, to 113 days, based upon probabilistic and deterministic justifications, for the purpose of repairing the damaged EDG. A number of compensatory actions were also proposed. The licensee provided supplemental information on December 27 and 28, 2003, regarding 1) confirmatory inspection results for two other Unit 2 EDGs that did not identify any recordable indications on the connecting rods; 2) descriptions of the four non-safety diesel generators that will be installed to provide electrical power to the bus associated with the damaged diesel; 3) risk assessment information concerning the proposed use of non-safety diesels; 4) details on the non-destructive examination technique used to inspect the connecting rods; and 5) the critical crack size, the minimum detectable crack size, and crack propagation assumptions for the connecting rods. The emergency amendment request was granted on December 30, 2003.

Office of Nuclear Material Safety and Safeguards  
Items of Interest  
Week Ending January 2, 2004

NRC Staff Renews Certificates of Compliance for Gaseous Diffusion Plants

On December 29, 2003, the Director of the Office of Nuclear Material Safety and Safeguards signed the renewed Certificates of Compliance for the Paducah, Kentucky, and Portsmouth, Ohio, gaseous diffusion plants (GDPs) for an additional 5-year period. The U.S. Enrichment Corporation had submitted applications for GDP recertification on April 11, 2003. The certificates were due to expire on December 31, 2003.

January 2, 2004

ENCLOSURE B

Office of Nuclear Regulatory Research  
Items of Interest  
Week Ending January 2, 2004

OECD-MCCI Program

On December 19, 2003, the first core-concrete interaction test (CCI-1) to generate the two-dimensional concrete erosion data involving reactor core material was conducted at the Argonne National Laboratory (ANL). This test was part of the Organization for Economic Cooperation and Development (OECD) Melt Coolability and Concrete Interaction (MCCI) Program, a cooperative program that was launched in January 2002, to provide confirmatory evidence and test data for various mechanisms to cool ex-vessel core debris by an overlying water pool. The severe accident management guidance for light-water-reactor plants includes, as one of several strategies, flooding the reactor cavity in the unlikely event of a severe core damage accident leading to vessel failure and relocation of molten debris on the cavity floor. Thus, the outcome of the OECD-MCCI Program is expected to determine the efficacy of severe accident management strategy of flooding the reactor cavity. Preliminary data from this test indicates enhanced cooling by overlying water upon crust breach.

To date, five water ingress tests have been conducted at ANL. Data from these tests indicate that additional cooling over and above conduction limited cooling was achieved. However, no appreciable effect of system pressure was observed on long-term cooling by water ingress. Also, absent any other cooling mechanism, water ingress alone did not appear to be effective in the late stage of molten core concrete interaction.

Results from water ingress, core-concrete interaction, and other tests will be used to develop coolability models for incorporation into NRC's severe accident code, MELCOR. This code is used to analyze potential risk and vulnerability of nuclear power plants from severe accidents. The OECD-MCCI Program is hosted and coordinated by NRC with participation by 13 OECD countries and by the U.S. Department of Energy.

Nuclear Security and Incident Response  
Items of Interest  
Week Ending January 2, 2004

Preliminary Notifications

1. PNO-IV-04-055, TXU Energy - OUTAGE LIKELY TO EXCEED 72 HOURS.
2. PNO-III-03-045, Southwest General Health Center/Ireland Cancer Center - MEDICAL EVENT INVOLVING AN INTRAVASCULAR BRACHYTHERAPY PROCEDURE.

January 2, 2004

ENCLOSURE D



Office of Administration  
Items of Interest  
Week Ending January 2, 2004

Contract Award

On December 20, 2003, delivery order no. DR-38-04-370, entitled "Temporary Personnel Support Services" was competitively awarded to Preferred Temporary Services, Inc., under the General Services Administration's Federal Supply Schedule. This delivery order requires the contractor to provide temporary secretarial support to NRC Headquarters. The period of performance is December 31, 2003 through December 31, 2004, with a one-year option. The total value of the delivery order is \$388,398.50, inclusive of the option.

January 2, 2004

ENCLOSURE F

Chief Information Officer  
Items of Interest  
Week Ending January 2, 2004

Freedom of Information Act and Privacy Act Requests received during the period of  
December 29 through December 31, 2003:

Certification Board of Nuclear Cardiology, 9929 Main Street, Damascus, MD, all documents, 9-15-03 to present	FOIA/PA-2004-0082
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January 2, 2004

ENCLOSURE G

Office of Human Resources  
Items of Interest  
Week Ending January 2, 2004

<b>Arrivals</b>		
Amanda Nerret	Intern	NSIR
<b>Retirement</b>		
Patricia Baker	Secretary (Stenography/OA)	EDO
William M. Beecher	Director Office of Public Affairs	OPA
James L. Blaha	Sr. Level Advisor to The Director	OIP
James Costello	Sr. Structural Engineer	RES
Ihor M. Czerwinskyj	Health Physicist	R-I
Richard J. Eckenrode	Sr. Human Factors Specialist	NRR
Margaret S. Farr	Management Analyst	RES
Robert J. Giardina	Reactor Engineer	NRR
Thomas Johnson	Sr. Resident Inspector	R-I
Mary Karabelnikoff	Secretary (Steno/OA)	RES
Keh-chun Leu	Structural Engineer	NMSS
Janie Lochte	IT Specialist (SYSANALYSIS)	OCIO
Marlene Mcallister	Licensing Assistant	NRR
Paul Narbut	Sr. Safety Inspection Engineer	NMSS
Scott Newberry	Director, Division of Risk Analysis & Application	RES
Paul E. Norian	Technical Assistant	RES
David N. Orrik	Sr. Program Manager	NSIR
Chester Poslusny	Sr. Transportation Project Manager	NMSS
Kenneth Raglin	Associate Director For Training & Development	HR
Charles Reed	Printing Specialist	OCIO
Frank Rinaldi	Project Manager	NRR
Carol Ann Rowe	Administrative Secretary	ACRS
Lillian Fay Scramlin	Secretary (OA)	OGC

January 2, 2004

ENCLOSURE I

Thomas Sheffler	IT Specialist	OCIO
Donna L. Smith	Administrative Chief of Staff	OCM
John A. Sullivan	IT Specialist (PLCYPLN)	OCIO
Valeria H. Wilson	Director, Div of Administrative Services	ADM
Thomas R. Wolf	Sr. Reliability & Risk Engineer	RES
Richard Woodruff	Regional Agreement State Program Officer	R-I
<b>Departures</b>		
Cassie Bray	Attorney	OIG
Margaret M. Sullivan	Student Clerk	R-III
Carla T. Walker	Office Automation Assistant	NRR
Adam Ziedonis	Student Engineer	R-I

January 2, 2004

ENCLOSURE I

Office of Public Affairs  
Items of Interest  
Week Ending January 2, 2004

Media Interest

The Atomic Safety and Licensing Board rejected environmentalist claims that a rail spur planned for the proposed Skull Valley nuclear storage site in Utah would ruin the wilderness quality in parts of Tooele County.

FERC wants an independent and exhaustive evaluation of FirstEnergy's power grid and has indicated the company should pay for it. This comes in the wake of the August 2003 blackout, which is believed to have been caused by the utility's problems with its power plants and transmission lines.

Coverage of FirstEnergy announcement that it is wrapping up repair work at its troubled Davis-Besse nuclear plant and will ask the NRC soon to approve a much-delayed restart.

DOE has asked permission to reserve use of more than 300,000 acres of public land in rural Nevada to develop a railroad corridor to the proposed nuclear waste repository at Yucca Mountain.

USEC Inc. announced that its uranium enrichment (gaseous diffusion) plants in Paducah, Kentucky, and Piketon, Ohio, have been re-certified by the NRC for five years based on their compliance with the agency's safety, safeguards and security regulations.

<b>Press Releases</b>	
<b>Headquarters:</b>	
03-165	NRC Re-certifies Two Gaseous Diffusion Plants Operated By United States Enrichment Corporation (12/29)
03-166	NRC Revises Safety Standards For Packaging And Transportation Of Radioactive Material (12/30)
<b>Regions:</b>	
II-04-001	NRC To Provide Preliminary Inspection Results For Honeywell's Illinois Fuel Plant At Public Meeting On January 6, 2004 (1/2)
III-04-001	NRC Proposes \$60,000 Fine For Fitness For Duty Violation At Kewaunee (1/2)

Office of the Secretary  
Items of Interest  
Week Ending January 2, 2004

Document Released to Public	Date	Subject
<b>Decision Documents</b>		
1. SECY-03-0189	10/31/03	Report to Congress on the Health, Safety, and Environmental Conditions at the Gaseous Diffusion Plants
SRM on 03-0189	11/19/03	(same)
Commission Voting Record on 03-0189	11/19/03	(same)
<b>Information Papers</b>		
1. SECY-03-0214	12/12/03	Reactor Vessel Head Inspections

Commission Correspondence

1. Letter to Congressman Dennis J. Kucinich, dated December 18, 2003, responds to letter concerning the Davis-Besse Nuclear Power Station.
2. Letter to Congressman Edward J. Markey, dated December 18, 2003, concerns the "Slammer" worm infection at the Davis-Besse Nuclear Power Station.
3. Letter to Congress, dated December 17, 2003, provides NRC's report to Congress on the gaseous diffusion plants (GDPs) near Paducah, KY and Portsmouth, OH.

Federal Register Notices Issued

1. 10 CFR Pts 1, 2, 50, 51, 54, 60, 63, 70, 72, 73, 75, 76, and 110 Changes to Adjudicatory Process - Final Rule.
2. Compatibility with IAEA Transportation Safety Standards (TS-1) and Other Transportation Safety Amendments - Final Rule.
3. Revision of NRC Enforcement Policy; Packaging and Transportation of Radioactive Material.

Region IV  
Items of Interest  
Week Ending January 2, 2004

River Bend Enforcement Action

On December 29, 2003, Region IV issued a White finding and associated violation to Entergy Operations, Inc., for performance deficiencies associated with a failure to maintain a River Bend nuclear plant condensate prefilter vessel bypass flow control valve in a locked-open position. This deficiency resulted in a loss of feedwater following a reactor scram on September 18, 2002.

Cooperheat MQS Enforcement Action

On December 30, 2003, Region IV issued a Notice of Violation and Proposed Imposition of \$6,000 Civil Penalty to Cooperheat-MQS, a radiography licensee based in Houston, Texas. The Notice was for the licensee deliberately providing NRC with inaccurate information regarding radiographer refresher training.