

INFORMATION REPORT

December 10, 2001

SECY-01-0219

For: The Commissioners
From: John W. Craig, Assistant for Operations, Office of the EDO
Subject: SECY-01-0219 WEEKLY INFORMATION REPORT - WEEK
ENDING NOVEMBER 30, 2001

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*No input this week.

/RA/

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Office of Nuclear Reactor Regulation
Items of Interest
Week Ending November 30, 2001

Director's Decision Issued Regarding CAN Petition on Systemic Mismanagement

On November 21, 2001, the NRC staff completed their review of the December 4, 2000, request for emergency enforcement action (Petition pursuant to 10 CFR 2.206) by the Citizens Awareness Network (CAN) and issued a Director's Decision. The CAN Petition requested that the NRC: (1) suspend the license for the Indian Point Nuclear Generating Unit No. 2 (IP2) reactor because of the licensee's "persistent and pervasive, negligent management of the reactor," (2) investigate whether the potential misrepresentation of material fact by the utility regarding "significantly insufficient" engineering calculations was due to a lack of rigor and thoroughness or was deliberate, (3) revoke the IP2 operating license if it is found that the licensee deliberately provided insufficient and false information, (4) if the license is not revoked, maintain IP2 on the list of "agency focus" reactors until management demonstrates it can fulfill its regulatory requirements and commitments, (5) not approve the transfer of the IP2 license until management can demonstrate that the Updated Final Safety Analysis Report, the condition report backlog, and the maintenance requirements are up to date and workers have been retrained, and (6) not allow the IP2 reactor to restart until the fundamental breakdown in management is analyzed and corrected.

The NRC has completed its review of the information provided by the Petitioners, and concluded that the information contained in the Petition did not warrant NRC staff action to suspend or revoke the operating license for IP2. Likewise, the staff found no basis for initiating an investigation into wrongdoing on the part of Consolidated Edison (ConEd). For these issues, the Petitioners' requested actions were not granted. However, the NRC granted in part the Petitioners' request that IP2 remain on the list of agency focus plants (i.e., plants with multiple/repetitive degraded cornerstones). The NRC staff did not grant that portion of the Petitioners' request that would have, in effect, modified the conditions specified in the reactor oversight program (ROP) under which IP2 will be removed from the list of plants with multiple/repetitive degraded cornerstones. In addition, the staff found that the Petitioners' request to delay or deny a request to transfer the operating license for IP2 did not meet the requirements for review under 10 CFR 2.206. The NRC staff had previously found that the Petitioners' request to prevent the restart of the IP2 reactor was based on findings and issues that were previously reviewed through the NRC's assessment processes and did not warrant prohibiting the restart of IP2.

Palo Verde Nuclear Generating Station, Units 1, 2, and 3

Arizona Public Service Company (APS) has announced that it has signed an agreement that will have the three Palo Verde units become part of the STARS alliance in January 2002. The STARS alliance is currently comprises eight units of the following five other pressurized water reactor (PWR) facilities: Callaway Plant, Comanche Peak Steam Electric Station, Diablo Canyon Power Plant, South Texas Project, and Wolf Creek Generating Station. The announcement stated that the alliance members share the common objectives of improving operational performance and safety, enhancing economic performance, and strengthening industry leadership and influence by speaking with one voice. Palo Verde's

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alignment with STARS makes the group the second-largest alliance of nuclear power facilities in the United States. The alliance will represent 11 operating units and more than 13,000 Megawatts of power generation.

Since its inception in February 2000, STARS has submitted joint submittals to the NRC on three different proposed licensing actions to the NRC. The joint submittals have reduced the NRC review time per facility. Two reviews have been completed. Already, Palo Verde has been identified in three future joint submittals from the STARS plants, with one submittal to be received before the end of the year.

Sequoyah Nuclear Plant, Units 1 and 2 - Power Uprate License Amendment Application

The Tennessee Valley Authority submitted a license amendment application on November 15, 2001, to raise Sequoyah's the authorized maximum power limit from 3411 MWt to 3455 MWt (approximately 1.3 percent). The justification for raising the power level is the use of a Caldon Leading Edge Flowmeter to more accurately measure steam generator feedwater flow. The amendment is being reviewed by the staff with a target completion date of March 15, 2002. Upon approval, and following the Unit 2 refueling outage in the spring of 2002, both Sequoyah units will have the required instrumentation and procedures to take advantage of the increase in authorized power level.

NRC Regulatory Issue Summary 2001-22, Attributes of a Proposed No Significant Hazards Consideration Determination, Dated November 20, 2001

The NRC issued this regulatory issue summary (RIS) to provide addressees with guidance on preparing a no significant hazards consideration (NSHC) analysis for a license amendment request, as required by Title 10 *Code of Federal Regulations* (10 CFR) Sections 50.91 and 50.92.

Draft Regulatory Guide and Draft Standard Review Plan for Decommissioning Cost Estimates

On November 28, 2001, the Commission issued for public comment drafts of a regulatory guide and standard review plan, Draft DG-1085 "Standard Format and Content of Decommissioning Cost Estimates for Nuclear Power Reactors" and Draft NUREG-1713, "Standard Review Plan for Decommissioning Cost Estimates for Nuclear Power Reactors."

Draft Regulatory Guide DG-1085 is being developed to provide licensees with guidance on a method that is acceptable to the NRC staff on the preparation of the decommissioning cost estimates specified in the regulations (10 CFR 50.75 and 10 CFR 50.82)

Draft Standard Review Plan NUREG-1713 will provide guidance to Office of Nuclear Reactor Regulation and Office of Nuclear Material Safety and Safeguards staff on how to evaluate licensee cost estimate submittals.

The public comment period for both documents ends on January 30, 2002.

Meeting Between NRC Staff and Stakeholders on the Fitness-for-Duty Rule

On November 15, 2001, the NRC staff met with the Nuclear Energy Institute and other stakeholders to discuss (1) a proposed revision to 10 CFR Part 26, the Fitness-for-Duty (FFD) Rule; (2) the decision to integrate the previously separate amendment on the scope of random drug and alcohol testing under Part 26 into the larger rulemaking effort; and (3) the results of the NRC staff's review of NEI 99-08, "Industry Guidelines for Nuclear Power Plant Access Authorization Programs." The NRC staff has scheduled three future meetings with stakeholders on the proposed revision to Part 26 as follows: December 6, 2001, December 20, 2001, and January 3, 2002.

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Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending November 30, 2001

Meeting with Representatives for J. L. Shepherd and Associates

On November 28, 2001, NRC staff met with representatives of J. L. Shepherd & Associates (JLS&A) at NRC's Headquarters in Rockville, Maryland. The purpose of the meeting was to discuss JLS&A's plan and schedule to request that the July 3, 2001, Order be rescinded. JLS&A representatives described an approach to using the 2001 Quality Assurance (QA) program plan to develop implementation procedures and to train JLS&A personnel and contractors. JLS&A also believes it needs some type of independent validation of its procedures and training. JLS&A will request NRC to rescind the July 3, 2001, Order for good cause, based on its development and implementation of the 2001 QA program plan, and demonstration of its ability to conduct operations under the limited-scope QA program.

Meeting on the West Valley Development Project

On November 27, 2001, NRC staff participated in a meeting with the Environmental Protection Agency's (EPA's) Region 2 and New York State agencies to discuss the applicability of cleanup criteria for the West Valley Development Project. NRC, EPA, and State regulators discussed their respective roles and responsibilities and agreed to work together to develop a matrix with applicable remediation requirements that each agency believes to be applicable to the West Valley site. There appears to be a developing consensus that each agency's needs can be met, for the most part, by using the NRC license termination rule approach (subject to verification by calculations using the different methodologies of each agency). The Department of Energy (DOE) and the New York State Energy Research and Development Authority (NYSERDA) later joined these discussions to provide an update on environmental impact statement activities and ongoing negotiations between DOE and NYSERDA. The regulatory agencies agreed to a follow-up meeting, after issuance of the NRC Policy Statement, to continue these discussions.

Fansteel, Inc., to File Bankruptcy

On November 19, 2001, Fansteel issued a press release reporting that the parent company and its subsidiaries will likely file a voluntary petition for protection under Chapter 11 of the U.S. Bankruptcy Code on or before December 15, 2001, to protect their stakeholders, maximize their ability to obtain financing, and enable them to continue their day-to-day operations.

In preparation for the potential Fansteel bankruptcy filing, the Division of Fuel Cycle Safety and Safeguards formed a Bankruptcy Response Team with the appropriate offices. In addition, Region IV will be performing a safety and safeguards inspection at Fansteel during the week of December 3, 2001.

Incident Response Operations
Items of Interest
Week Ending November 30, 2001

Federal Radiological Preparedness Coordinating Committee Meeting

On November 30, 2001, staff from Incident Response Operations (IRO), and the Offices of Nuclear Reactor Regulation (NRR) and the General Counsel attended a routine meeting of the Federal Response Preparedness Coordinating Committee (FRPCC). Topics covered at the meeting included: 1) updates of activities at the various Federal agencies on the FRPCC; 2) reports from subcommittees; and 3) discussions on a potential symposium on emergency response with invited international guests, the results from the October 4-5, 2001, workshop, and the proposed FRPCC annual report for 2001. The IRO staff reported for the Federal Response Subcommittee that the One-Voice White Paper was ready for full committee review. Copies of the paper were provided, and comments requested from agencies by January 15, 2002. It was agreed that a One-Voice tabletop exercise would be conducted in April or May 2002, following the Winter Olympics. NRR staff proposed several changes to the potassium-iodide policy that were adopted. In addition, the FRPCC approved the potassium-iodide policy being published in the Federal Register. The Food and Drug Administration reported that its guidance on potassium-iodide was in print, and should be available shortly. Also, the Environmental Protection Agency reported that they were finalizing their Protective Action Guidelines (PAG), and were planning to address the water PAG before the Winter Olympics. The Transportation Subcommittee reported that it needed additional funds (approximately \$100,000) to study the types of instruments needed for monitoring contamination following accidents, and would be sending a letter to FRPCC agencies requesting such funding.

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Office of Administration
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Acquisition Training

On November 29, 2001, the Division of Contracts and Property Management conducted a half-day Acquisition Certification and Training Program module entitled "Acquisition for Supervisors of Project Managers" with 19 attendees. This workshop familiarized participants with the principles of the acquisition process with an emphasis on policies and procedures managers need to understand.

List of Approved Spent Fuel Storage Casks: NUHOMS -24P, -52B, and -61B (Part 72)

A direct final rule that revises the NUHOMS -24P, -52B, and -61B cask system listing in the list of approved spent fuel storage casks was published in the Federal Register on November 29, 2001 (66 FR 59541). This action allows storage of low burn-up spent fuel in the NUHOMS-24P canister and makes a number of administrative corrections. The direct final rule becomes effective February 12, 2002.

The companion proposed rule to this direct final rule was published in the Federal Register on November 29, 2001 (66 FR 59547). The comment period closes December 31, 2001.

Risk-Informed Treatment of Structures, Systems and Components (Part 50)

A document announcing the availability of draft wording for a possible amendment to NRC's regulations concerning the risk-informed treatment of structures, systems, and components was published in the Federal Register on November 29, 2001 (66 FR 59546). The contemplated amendments would permit power reactor licensees and applicants to implement an alternative regulatory framework with respect to certain treatment requirements for commercial grade equipment to add assurance of the capability of structures, systems, and components to perform their intended functions. Comments should be submitted by December 13, 2001.

Chief Information Officer
Items of Interest
Week Ending November 30, 2001

Freedom of Information and Privacy Act Requests received during the Period of
November 23, 2001 through November 29, 2001:

Daily plant status reports, 10/11/01 to present. (FOIA/PA-2002-0052)

Anderson Columbia Construction Plant No. 5, Bagdad, FL, report no. 999-90002/96-04 of
8/8/96 inspection and licensee letters of 9/6/96 and 9/10/96. (FOIA/PA-2002-0053)

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Chief Financial Officer
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Implementation of Cost Accounting

Improved cost reporting to offices will become available with the implementation of STARFIRE Payroll and Time and Labor modules in Pay Period 24. The first set of quarterly reports will be issued by January 31, 2002 for the quarter ending December 31, 2001; these reports will include payroll costs as well as other agency costs. Over the next two months there will be communications to offices regarding cost management and the use of cost reports. Preliminary cost reports will be reviewed for reasonableness with selected offices before January 31. Office briefings on the use of the cost reports will be provided in February 2002.

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Office of Human Resources
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Retirements		
HSU, Chuck	MECHANICAL ENGINEER	RES
MCNULTY, William	DIRECTOR, OI FIELD OFFICE	RII
SHEDLOSKY, John	SENIOR REACTOR ANALYST	RI
THOMPSON, David	PHYSICAL SECURITY INSPECTOR	RII
Departures		
KEE, Gregory	BRANCH CHIEF	OCIO
MINNICK, Sheri	HEALTH PHYSICIST	RI
REBER, Eric	HEALTH PHYSICIST	RI

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Office of Public Affairs
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Media Interest

There was interest in preparations underway to make potassium iodide pills available to states that request them.

A proposal by several Senate Democrats to put NRC in charge of the security guards at nuclear plants received press coverage.

There was media interest in the results of a recent Operational Safeguards Response Evaluation (OSRE) test at the Vermont Yankee nuclear plant.

A report by N.Y. Congresswoman Sue Kelly regarding failure of several reactor operators at Indian Point-2 to pass re-qualification exams received press coverage.

Press Releases	
Headquarters:	
01-132	NRC Advisory Committee on Reactor Safeguards To Meet December 5 - 8 in Rockville, Maryland
Regions:	
I-01-065	NRC, Company to Discuss Cleanup Plan for Greenville, Pa., Site
II-01-047	NRC Staff to Hold Regulatory Conference with Virginia Power
III-01-055	NRC Seeks Comments on Draft Supplement to Environmental Statement on Decommissioning Nuclear Facilities; Meeting Dec. 6
IV-01-048	NRC Names Grant F. Larkin Resident Inspector at Waterford 3
IV-01-049	NRC Proposes \$3,000 Fine For Construction Engineering Labs Inc.
IV-01-050	NRC To Hold Regulatory Conference With Energy Northwest
IV-01051	NRC Seeks Comments on Draft Supplement to Environmental Statement on Decommissioning of Nuclear Facilities

Office of the Secretary
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Document Released to Public	Date	Subject
Information Papers		
1. SECY-01-0211	11/23/01	SECY-01-0211 Weekly Information Report - Week Ending November 16, 2001

Commission Correspondence

1. Letter to Congress dated November 29, 2001 concerns proposed security legislation.
2. Letter to Senator Harry Reid, dated November 29, 2001, concerns the alleged release to the Department of Energy of an early version of the staff's Yucca Mountain Review Plan.
3. Letter to Kenny C. Guinn, Governor of Nevada, dated November 29, 2001, concerns the alleged release to the Department of Energy of an early version of the staff's Yucca Mountain Review Plan.
4. Letter to Congressman William D. Delahunt, dated November 26, 2001, concerns the merits of federalizing security for the Pilgrim nuclear power plant and nuclear plants nationally, and the establishment of a no-fly zone above and around the Pilgrim plant.
5. Letter to Congressman William D. Delahunt, dated November 21, 2001, concerns Temporary Flight Restriction over the Pilgrim Nuclear Plant near Plymouth, Massachusetts.
6. Letter to Dade W. Moeller, Ph.D., dated November 21, 2001, concerns and suggestions for effectively coping with challenges arising from the "Tooth Fairy Project."
7. Letter to Sandra R. Galef, New York State Assembly, dated November 21, 2001, concerns request for NRC to reevaluate the safety of the Indian Point Nuclear Generating Station.
8. Letter to Ralph E. Beedle, Senior Vice President and Chief Nuclear Officer, Nuclear Generation, NEI, dated November 20, 2001, concerns comments on the NRC staff's proposals on risk-informed changes to the technical requirements of 10 CFR Part 50 (SECY-01-0133).
9. Letter to Robert H. Bryan, Westinghouse Owners Group, TVA, and Lewis A. Ward, Southern Nuclear Operating Company, dated November 20, 2001, concerns comments on the NRC staff's proposals on risk-informed changes to the technical requirements of 10 CFR part 50 (SECY-01-0133).

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10. Letter to Congressman Benjamin A. Gilman, dated November 19, 2001, concerns increased concern of residents in the Hudson Valley region about the security of the Indian Point Nuclear Generating Station in the wake of the terrorist attacks on the World Trade Center and the Pentagon on September 11, 2001.

Federal Register Notices Issued

1. Advisory Committee on Reactor Safeguards; Notice of Meeting.

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Region I
Items of Interest
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Three Mile Island - Plant Restart

TMI restarted from a refueling outage during the November 30th weekend. During the outage, TMI identified two significant issues. The first issue concerned a plugged steam generator tube that had severed at the secondary face of the upper tube sheet and caused significant wear on four adjacent tubes. Two other plugged tubes were subsequently found with significant degradation. During the outage, TMI stabilized the upper tube sheet region to ensure any future failure of a plugged tube will not affect adjacent tubes. The licensee presented its root cause to the NRC staff during a November 9, 2001, meeting. The NRC completed a special inspection at the site on November 29, 2001.

The second issue concerned licensee inspection and repair of reactor vessel head penetrations. During the outage, TMI repaired eight instrument tube and six Control Rod Drive Mechanism (CRDM) penetrations. Additionally, they evaluated indications in two other CRDM penetrations as suitable for service over the next operating cycle. The NRC staff continues to review licensee assumptions regarding crack growth rate, and its resultant impact on operating cycle length.

NRC Issues Vermont Yankee OSRE Report

On August 23, 2001, the NRC completed an Operational Safeguards Response Evaluation (OSRE) at the Vermont Yankee nuclear power facility, during which the NRC identified weaknesses. Upon identification, the licensee took immediate compensatory measures to assure the security program was adequate while necessary longer term corrective actions are implemented. Before leaving the site, the NRC inspection staff determined that the security program at Vermont Yankee was sound. Maintenance of the completed compensatory measures was again confirmed by an NRC security specialist on September 27, 2001. The NRC issued its inspection report for this OSRE on November 28, 2001, which provided the NRC staff's preliminary assessment of the performance of the security program at Vermont Yankee. This inspection report includes a potential yellow finding consistent with the substantial safety significance classification under the NRC's Reactor Oversight Process.

Whittaker Pre-Decommissioning Plan Submittal Meeting

On November 27, 2001, representatives from Sciencetech, Inc., representing Whittaker Corporation, met with NRC Regional and Headquarters staff and representatives from the Commonwealth of Pennsylvania to discuss preparations for submitting their Decommissioning plan for the Whittaker site in Greenville, PA. The Whittaker property, which covers approximately six acres along the Shenango River, is listed on the Site Decommissioning Management Plan (SDMP) and contains ferro-columbium slag. Topics discussed included plans for sampling, potential impacts to adjacent properties, estimates of waste volumes and decommissioning costs, and financial assurance. Licensee representatives stated that they expect to submit a decommissioning plan to the NRC in the Spring of 2002.

Region II
Items of Interest
Week Ending November 30, 2001

Acting Regional Administrator Speaks at the Institute of Nuclear Power Operations

On November 27, 2001, the Acting Regional Administrator was at the Institute of Nuclear Power Operations in Atlanta, GA, to speak at the afternoon session of the New Engineering Managers Seminar.

Region II Management Retreat

On November 28-29, 2001, the Acting Regional Administrator and other management staff attended a management retreat in Athens, GA. Discussion focused on Region II actions to address the Chairman's challenges in FY 2002. Key areas included workforce planning and internal and external communications.

Regulatory Conference with Virginia Electric and Power Company

On November 30, 2001, Region II held an open Regulatory Conference with Virginia Electric and Power Company. The purpose of this meeting was to discuss the significance of the failed piston wrist pins and carrier bearings in the Number 3 Emergency Diesel Generator at Surry.

Metro Dade County, Florida Commission Town Hall Meeting

On November 29, 2001, the Regional State Liaison and Public Affairs Officer participated in a Town Hall meeting, in Cutler Ridge, Florida, at the request of the Metro Dade County Commission. The principal purpose of the meeting was to discuss the status of emergency preparedness and security programs at NRC licensed facilities subsequent to the events of September 11, 2001.

Region III
Items of Interest
Week Ending November 30, 2001

Staff Discusses Prairie Island Plant Inspection Findings with the Nuclear Management Co.

On November 27, 2001, NRC staff members held a regulatory conference with Nuclear Management Co. officials in the regional office to discuss the safety significance of NRC inspection findings concerning damage to an emergency diesel generator during testing in April at the Prairie Island Nuclear Power Station. The plant is located near Red Wing, Minnesota.

Region III Staff Participates in Byron Emergency Exercise

On November 28, 2001, Region III staff members participated in a "full participation" exercise involving the Byron Nuclear Power Plant in Byron, Illinois. Region III staff members were located in the regional office's Incident Response Center, at the licensee Emergency Operations Facility in Warrensville, Illinois, at the Joint Public Information Center in Morrison, Illinois, and at the plant site. The State of Illinois also participated in the exercise.

Office of Congressional Affairs
 Items of Interest
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CONGRESSIONAL HEARING SCHEDULE, NO. 39

OCA Contact	DATE & PLACE	TIME	WITNESS	SUBJECT	COMMITTEE
Combs	11/13/01 SD-416	TBA	Chairman Meserve, DOE, other groups POSTPONED	Price-Anderson Act	Senators Reid/Inhofe Transp, Infrastr & Nuclear Safety Environment and Public Works
Keeling	11/29/01 TBA	TBA	Chairman Meserve POSTPONED	Protecting Nuclear Material from Terrorists	Senators Feinstein/Kyl Technology, Terrorism, & Gov't Info Judiciary
Combs	12/05/01 SD-366	9:30	Vote	Nomination of Margaret Chu to be Director, OCRWM	Senators Bingaman/Murkowski Energy and Natural Resources
Keeling	12/05/01 2123 RHOB	10:00	Chairman Meserve WILL BE CLOSED	A Review of Security Issues at Nuclear Power Plants	Reps. Greenwood/Deutsch Oversight and Investigations Energy and Commerce

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