# **INFORMATION REPORT**

# December 22, 2003

# SECY-03-0217

| <u>For</u> :     | The Commissioners  |
|------------------|--|
| <u>From</u> :    | William M. Dean, Assistant for Operations, Office of the EDO           |
| <u>Subject</u> : | SECY-03-0217 WEEKLY INFORMATION REPORT - WEEK ENDING DECEMBER 12, 2003 |

| <u>Contents</u>  | Enclosure |
|--|-----------|
| Nuclear Reactor Regulation<br>Nuclear Material Safety and Safeguards<br>Nuclear Regulatory Research<br>Nuclear Security and Incident Response<br>General Counsel<br>Administration<br>Chief Information Officer<br>Chief Financial Officer<br>Human Resources<br>Small Business & Civil Rights<br>Enforcement<br>State and Tribal Programs<br>Public Affairs<br>International Programs<br>Office of the Secretary<br>Region I<br>Region II<br>Region III<br>Region IV<br>Executive Director for Operations | A         |
| Congressional Affairs  | R*        |

\*No input this week.

# /RA/

William M. Dean Assistant for Operations, OEDO

# Office of Nuclear Reactor Regulation Items of Interest Week Ending December 12, 2003

# Davis-Besse Nuclear Power Station - Restart Status

On December 3, 2003, Davis-Besse 0350 Restart Oversight Panel meetings were held near the site. The licensee provided presentations on their recent Safety Culture and Safety Conscious Work Environment surveys, Cycle 14 Operational Improvement Plan, and the work scope for the planned mid-cycle (Cycle 14) outage. The licensee plans to commence the mid-cycle outage in January 2005. The licensee also plans to submit a license amendment to extend steam generator tube inspection surveillance beyond March 2004 but is prepared to conduct the outage in March 2004, if necessary.

Additional meetings are tentatively scheduled to be held on December 18, 2003 pending the results of ongoing site and inspection activities. A meeting is scheduled to discuss the results of the NRC Management and Human Performance Team Inspection. The licensee also plans to hold a meeting to discuss the basis for requesting restart of the plant (Mode 2 operation). As of December 9, 2003, twenty-four of thirty-one Restart Checklist Items were closed. The next 0350 Restart Oversight Panel monthly public meetings near the site are scheduled for January 13, 2004.

# Dresden Unit 3 - Maintenance Outage

On December 7, 2003, Dresden Unit 3 reached Mode 5 (Refueling) and started a mid-cycle maintenance outage. This outage was planned to inspect the Dresden Unit 3 steam dryer, and to make necessary repairs and modifications following extensive damage found at Quad Cities steam dryers. The outage scope of work includes an inspection to find a lost feedwater (FW) isokinetic sample probe that had broken away prior to last year's inspection and replacement, a walkdown to identify any equipment damage that may be attributable to the extended power uprate (EPU), and replacing some leaking fuel. Initial inspection identified two four-inch long through-wall cracks on the 90 degree (A) side on the steam dryer outer hood, consistent with expectations based on licensee analysis of high stress areas and experience at the other Dresden Unit. The licensee's boroscope inspection of the FW sparger identified two probes inside the sparger, when only one was expected. The licensee performed an ultrasonic examination of the feedwater line and concluded that a probe installed during the previous outage had also broken away. The licensee has completed the EPU walkdown and did not find any equipment damage attributable to EPU. NRC resident inspectors are monitoring the results of the licensee's steam dryer and FW sparger inspection. NRR is actively pursuing the root cause of the recently installed FW probe breaking with the licensee and will consider appropriate regulatory action.

#### North Anna Power Station, Units 1 and 2 - Seismic Activity

At 3:59 p.m., on December 9, 2003, an earthquake that registered 4.5 on the Richter Scale and centered 15 miles Southeast of Columbia, Virginia (29 miles from the site) was recorded at North Anna. Both units continued to operate at 100 percent power. The licensee entered its abnormal station procedure for earthquakes and inspected the site for damage, including the

December 12, 2003

service water reservoir and Lake Anna dams. During this inspection, no equipment or structural problems were discovered. The licensee has confirmed that this seismic activity was less than the operating basis earthquake levels for North Anna.

# South Texas Project, Unit 2 - Emergency Diesel Generator Failure

On December 9, 2003, with South Texas Project, Unit 2 at full power, emergency diesel generator (EDG) No. 22 sustained a mechanical failure during surveillance testing. The diesel could not be secured from the control room. Local shutdown was accomplished successfully using the fuel racks. Subsequent inspection revealed that a connecting rod had been ejected from the engine. No personnel injuries were sustained and the licensee is currently in a 14-day Limiting Condition for Operation. The same EDG (manufactured by Cooper) sustained a connecting rod ejection in 1989.

# Westinghouse Owners Group Risk Management Subcommittee Meeting

From December 2-4, 2003, representatives from Division of Systems Safety and Analysis (DSSA) and Division of Inspection Program Management (DIPM) met with the Westinghouse (and Combustion Engineering) Owners Group, Risk Management Subcommittee to discuss the Owners Group's plans for risk-informed initiatives and provide insights concerning NRC policy in these areas. Initiatives under development by the Owners Group include a methodology for analysis of shutdown and transition risk in support of NOEDs, Technical Specifications (TS) Improvement Initiatives, risk-informed fire protection activities, pressurized water reactor sump blockage, and related matters.

#### Issuance of McGuire and Catawba Renewed Licenses

On December 5, 2003, the Director of NRR renewed the operating licenses for the Catawba Nuclear Station, Units 1 and 2, and the McGuire Nuclear Station, Units 1 and 2, for an additional 20 years. This was done in accordance with the Commission's December 3, 2003 staff requirement memorandum (SRM). In the SRM, the Commission recognized that in view of the petition for review pending before it, if the renewed licenses are subsequently set aside on appeal, the previous operating licenses would be reinstated in accordance with 10 CFR 54.31(c). The renewed licenses were issued within 30 months of receipt of the application submitted by the Duke Energy Corporation. Subsequently, in an order, CLI-03-17, dated December 9, 2003, the Commission denied the petition for review filed by the Blue Ridge Environmental Defense League on the application. The Catawba and McGuire license renewals bring the total number of renewals to 23 reactor units. The staff is currently reviewing applications for 12 additional units.

#### Hungarian Atomic Energy Authority Visit

On December 3, 2003, DIPM staff met with the Hungarian Atomic Energy Authority (HAEA) to discuss the process contained in Inspection Manual Chapter 0350 for plant restart after a long-term shutdown. HAEA plans to implement a similar process in approving plant restart for the Paks Nuclear Power Plant which remains shut down after a fuel cleaning incident.

# Office of Nuclear Material Safety and Safeguards Items of Interest Week Ending December 12, 2003

# Meeting with PacTec Regarding Model MFFP Transport Package for Fresh Mixed-Oxide Fuel Assemblies

On December 4, 2003, Spent Fuel Project Office staff met with Packaging Technology, Inc. (PacTec) to discuss the Model MFFP package. The Model MFFP package is being designed to transport unirradiated mixed uranium and plutonium oxide fresh fuel assemblies. PacTec described the results of full-scale certification tests performed on the package and design changes that were incorporated as a result of the testing program. The package will be modified to provide additional features. PacTec plans to submit an application for package approval to NRC in March 2004.

# Western Nuclear Uranium Mill Tailings Site - Meeting with Western Nuclear, Inc.

On December 8, 2003, staff from the Office of Nuclear Material Safety and Safeguards and the Office of the General Counsel met with representatives from Western Nuclear, Inc. (WNI) in Rockville, Maryland. WNI requested this meeting to discuss issues related to its site closure license amendment, that contains a proposal for alternate groundwater standards in conjunction with institutional controls on private off-site properties. Discussions included issues related to an NRC request for additional information (RAI) dated November 18, 2003. WNI agreed to address the RAI and update the staff on its "good-faith efforts" to purchase properties within the proposed long-term care boundary in the small community of Red Mule, Wyoming. The groundwater plume from the mill is projected to impact Red Mule water supply wells within the standard time period. WNI is seeking early NRC feedback concerning source of an anomaly of elevated uranium concentrations detected in Red Mule water wells.

# Publication of Proposed Rule, "Medical Use of Byproduct Material — Recognition of Specialty Boards"

On December 9, 2003, NRC published a proposed rule to amend 10 CFR Part 35 in the <u>Federal</u> <u>Register</u> (68 FR 68549) for a 75-day public comment period ending on February 23, 2004. The proposed amendments would revise NRC regulations to change requirements for recognition of specialty boards whose certifications may be used to demonstrate the adequacy of the training and experience of individuals to serve as radiation safety officers, authorized medical physicists, authorized nuclear pharmacists, or authorized users. The proposed rule would also revise the requirements for demonstrating the adequacy of training and experience for pathways other than the board certification pathway. NRC also submitted a statement in support of the proposed rule to the Office of Management and Budget. The proposed rule and supporting documents are available for public comment on NRC' s rulemaking web site at <a href="http://ruleforum.llnl.gov">http://ruleforum.llnl.gov</a>.

# Office of Nuclear Regulatory Research Items of Interest Week Ending December 12, 2003

# Completion of First High-Burnup LOCA Test with Quenching

On December 4, 2003, Argonne National Laboratory (ANL) completed the third in a series of high-burnup integral tests related to loss-of-coolant accidents (LOCAs). The tests at ANL are the first to be performed with high-burnup fuel rods, and this was the first test with a complete cycle of LOCA conditions: heat-up, ballooning, bursting, oxidation, cooling, and quenching. The LOCA test was designed to examine the likelihood that greater corrosion (oxidation) that occurs during long burnup periods will contribute to embrittlement of the cladding and affect the criteria in 10 CFR 50.46, as well as the related evaluation models. The third test involved a BWR fuel specimen (~64 GWd/t burnup) in a hot cell on December 4. This test entailed five minutes of operation at 2200 °F in steam after bursting and underwent the guenching phenomena that result from reflooding water. During the test, good axial gas flow was observed. The rupture occurred near the midplane of the specimen, and small fuel particles inside the rod are visible through the burst opening. The specimen stayed intact during quenching as expected. The specimen will be examined in detail, and further mechanical testing of the burst specimen may be performed. Integral tests and other LOCA-related testing on high-burnup BWR and PWR fuel rods are scheduled to continue during fiscal year 2004 to provide a basis for possible performance-based revision to temperature and oxidation limits (embrittlement criteria) in 10 CFR 50.46.

# Nuclear Security and Incident Response Items of Interest Week Ending December 12, 2003

# Preliminary Notifications

- 1. PNO-IV-03-051, Bayou Inspection Services MISSING INDUSTRIAL RADIOGRAPHY CAMERA.
- 2. PNO-IV-03-051A, Bayou Inspection Services RECOVERY OF LOST INDUSTRIAL RADIOGRAPHY CAMERA.

# Office of Administration Items of Interest Week Ending December 12, 2003

# Acquisition Training for Project Managers

On December 12, 2003, the Division of Contracts conducted the Acquisition for Project Manager's Overview workshop for 18 participants. Representatives from the Office of the Inspector General, the Office of Administration, and the Office of Small Business and Civil Rights were guest speakers. Presentations were given on fraud awareness, security requirements, and the Small Business Program. This workshop is one of the five mandatory workshops required for Project Manager certification.

# Chief Information Officer Items of Interest Week Ending December 12, 2003

# IT Security - Congressional IT Security Report Card

On December 9, 2003, the House Government Reform Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census issued the fourth annual score card on Cybersecurity. The NRC, whose grade jumped from a C to an A, had the highest rating of all Federal agencies. The National Science Foundation was second, with a grade that went from a D- to an A-. In a statement from the Committee Chairman, Congressman Adam Putnam, said that the NRC and the National Science Foundation should be commended for their outstanding scores. The federal government's overall grade on Cybersecurity improved over the last year, from an F in 2002 to a D in 2003. Fourteen of 24 agencies' grades were below a C, and eight failed.

<u>Freedom of Information Act and Privacy Act Requests received during the period of December 5 through December 11, 2003</u>:

| Davis-Besse, correspondence between NRC and President Bush,<br>Sen. George Voinovich (Ohio), and First Energy Corporation   | FOIA/PA-2004-0070 |
|---|-------------------|
| Davis-Besse 2002 shutdown, all investigative and administrative documents from 1-1-01   | FOIA/PA-2004-0071 |
| Inspection Techniques for Post-Fire Safe Shutdown of Nuclear Generating Stations, technical report, 1989  | FOIA/PA-2004-0072 |
| Final Environmental Statement Related to Decommissioning of the Edgemont (SD) Uranium Mill and subsequent correspondence between Tennessee Valley Authority and NRC | FOIA/PA-2004-0073 |
| Radioactive material license 24-11511-01, Holnam Inc., Clarksville, MO, dated 12-17-93; amended license dated 03-17-00  | FOIA/PA-2004-0074 |

# Office of Human Resources Items of Interest Week Ending December 12, 2003

| Arrivals                  |                         |       |  |
|---------------------------|-------------------------|-------|--|
| Kathy L. Lyons-Burke      | IT Specialist           | OCIO  |  |
| David F. Carter           | IT Specialist           | OCIO  |  |
| Ray W. Crouse             | IT Specialist           | OCIO  |  |
| Mark E. Franke            | Reactor Engineer        | R-III |  |
| Maria Angeles P. Lavretta | Reactor System Engineer | NRR   |  |
| David A. Martin           | Student Clerk           | R-III |  |
| Kevin R. O'Kelly          | Student Clerk           | R-III |  |
| Dustin Reinert            | Student Engineer        | R-IV  |  |
| Margaret Sullivan         | Student Clerk           | R-III |  |
| John Wilson               | IT Specialist           | OCIO  |  |
| Adam Ziedonis             | Student Engineer        | R-I   |  |
| Departures                |                         |       |  |
| Daniel Galik              | IT Security Officer     | OCIO  |  |

# Office of Public Affairs Items of Interest Week Ending December 12, 2003

# Media Interest

Continuing NRC questions for FirstEnergy over Davis-Besse, as the plant makes final preparations for resuming operations.

A lawsuit by the Sierra Club seeking to force the NRC to hold public hearings on the terrorist threat at Diablo Canyon before authorizing dry cask storage of spent nuclear fuel at the site.

| Press Releases |  |  |  |
|----------------|--|--|--|
| Headquarters:  |  |  |  |
| 03-160         | NRC Announces Hearing on Early Site Permit for Clinton Site; Opportunity to Request Participation (12/8)             |  |  |
| 03-161         | NRC Announces Opportunity for Hearing on Application to Renew D.C. Cook, Units 1 and 2, Operating Licenses (12/11)   |  |  |
| 03-162         | NRC Invites Nominations for Advisory Committee on Medical Uses of Isotopes (12/12)                                   |  |  |
| Regions:       |  |  |  |
| III-03-072     | NRC Oversight Panel to Discuss Davis-Besse Corrective Action Program Improvements (12/8)                             |  |  |
| III-03-073     | NRC Staff to Meet with FirstEnergy to Discuss Davis-Besse Restart (12/8)   |  |  |
| III-03-074     | II-03-074 NRC to Meet with Nuclear Management Company to Discuss Results of Special Inspection at Point Beach (12/9) |  |  |
| III-03-075     | NRC to Discuss Safety Significance of Pump Problem at Perry Nuclear Plant (12/11)                                    |  |  |

# Office of International Programs Items of Interest Week Ending December 12, 2003

# Visit to NRC of Japan Atomic Energy Research Institute

On December 9, 2003, a principal research engineer of the Japan Atomic Energy Research Institute (JAERI), briefed the NMSS/ Fuel Cycle Facilities Branch on the status of their work in mixed-oxide fuel (MOX). Because Japan's schedule to utilize MOX has slipped, JAERI is currently using a conceptual model plant in their work in the development of a probabilistic safety assessment (PSA) methodology applicable to MOX fuel fabrication facilities. JAERI expects to shift to using a practical model next year. The budget for the 5-year JAERI program is \$1 million. JAERI and the Japan Nuclear Cycle Development Institute (JNC) are expected to combine their operations at the beginning of their 2005 budget year (April 2005) and receive most of their budget from the Ministry of Education, Culture, Sports, Science and Technology (MEXT). The balance of their budget will be supported by the Ministry of Economy, Trade and Industry (METI).

#### NRC Briefings for Taiwan Representative

On December 11, 2003, the new Washington-based Taiwan Economic and Cultural Representative Office (TECRO) representative visited NRC for a series of overview briefings on NRR's role and responsibilities. Separate briefings with NMSS and RES will be scheduled in early 2004.

# Office of the Secretary Items of Interest Week Ending December 12, 2003

| [                  | Document Released<br>to Public | Date     | Subject  |  |
|--------------------|--------------------------------|----------|--|--|
| Decision Documents |                                |          |  |  |
| 1.                 | SECY-03-0160                   | 9/11/03  | Denial of Petition for Rulemaking (PRM-50-74) -<br>Amend Appendix K to 10 CFR Part 50 to Provide<br>a Voluntary Alternative which would Replace the<br>1971 American Nuclear Society Decay Heat<br>Standard with the 1994 American Nuclear<br>Society Standard |  |
|                    | SRM on 03-0160                 | 10/29/03 | (same)   |  |
|                    | Voting Record on 03-<br>0160   | 10/29/03 | (same)   |  |
| Information Papers |                                |          |  |  |
| 1.                 | SECY-03-0203                   | 11/20/03 | Equal Employment Opportunity (EEO) Briefing  |  |
| 2.                 | SECY-03-0209                   | 12/05/03 | SECY-03-0209 Weekly Information Report -<br>Week Ending November 28,2003   |  |
| 3.                 | SECY-03-0204                   | 11/25/03 | Research Effectiveness Review Board (RERB)   |  |

# Commission Correspondence

- 1. Letter to Congressman Rob Bishop, dated December 4, 2003, responds to request to reopen public comment period on a license amendment request from Enviorcare of Utah, Inc.
- 2. Letter to Governors, dated December 4, 2003, provides acknowledgment for participation in the U.S. Nuclear Working Group of the U.S.-Canadian Joint Power System Outage Task Force.
- 3. Letter to Congress, dated December 3, 2003, provides the draft FY 2004-2009 NRC Strategic Plan.

# Federal Register Notices Issued

- 1. Policy Statement on the Treatment of Environmental Justice Matters in NRC Regulatory and Licensing Actions; Extension of comment period.
- 2. Notice of Hearing and Opportunity to Petition for Leave to Intervene Early Site Permit (ESP) for the proposed Clinton ESP Site.

December 12, 2003

#### Region I Items of Interest Week Ending December 12, 2003

# Meeting Regarding Draft Additional Security Measures for Manufacturers and Distributors

On December 8, 2003, representatives of the NRC and the Agreement State manufacturing and distribution licensees met in Region I with management and technical staff from the NRC's Office of Nuclear Security and Incident Response (NSIR), Office of Nuclear Materials Safety and Safeguards (NMSS), and Region I. The purposes of the meeting were to provide background on NRC's security efforts in the materials arena, to discuss proper classification and protection of Safeguards Information - Modified, and to discuss the proposed Additional Security Measures (ASMs) for these licensees. The licensee representatives provided comments and other feedback on the proposed ASMs.

#### Region II Items of Interest Week Ending December 12, 2003

# Tennessee Valley Authority - Watts Bar Management Meeting

On December 8, 2003, representatives from Tennessee Valley Authority attended a management meeting in the NRC Region II office to discuss Watts Bar plant performance and planned major projects.

# Region II Inspector Counterpart Meeting

On December 9-11, 2003, the Region II Inspector Counterpart meeting was held in the Regional Office. On December 9, 2003, the Chief Information Officer gave a presentation on Information Management and Information Technology; and two representatives from the Institute of Nuclear Power Operations (INPO) gave presentations on INPO activities. On December 10, 2003, the Deputy Executive Director for Operations gave a presentation on Agency Issues; the Director of the Office of Nuclear Reactor Regulation (NRR) gave a presentation on NRR/Reactor Program Issues, and guest speakers from various NRC offices participated.

# Framatome-ANP, Inc. - Emergency Preparedness Training/Orientation Program

On December 11-12, 2003, the State Liaison Officer and Emergency Preparedness Coordinator participated in an Emergency Preparedness Training/Orientation program for State and local government officials, sponsored by Framatome ANP, Inc., in Richland, WA.

#### Region IV Items of Interest Week Ending December 12, 2003

#### Public Meeting with Omaha Public Power District

On December 10, 2003, Region IV conducted a public meeting at the Regional Office in Arlington, Texas, with representatives of the Omaha Public Power District. The purpose of the meeting was to discuss the recent refueling outage at Fort Calhoun Station, communications between the licensee and the NRC, and upcoming major projects at the plant.

#### Order Issued to Former Waterford-3 Reactor Operator

On December 10, 2003, an order was issued to a former Waterford-3 senior reactor operator who twice tested positive for an illegal substance in response to random fitness-for-duty tests. The order bars the former operator from applying for or holding an NRC operator's license for three years.

#### Workshop with Manufacturing and Distribution Licensees

On December 11, 2003, the Division of Nuclear Materials Safety hosted a workshop for Manufacturing and Distribution Licensees. The workshop, sponsored by the Offices of Nuclear Security and Incident Response (NSIR) and Nuclear Material Safety and Safeguards (NMSS), was held to discuss additional security measures and the protection of safeguards information in anticipation of upcoming Orders which will be issued to these types of licensees. Representatives from States of Texas and New Mexico, NRC Region IV staff, the Director of Industrial and Medical Nuclear Safety from NMSS also participated in the meeting.