

INFORMATION REPORT

August 2, 2004

SECY-04-0139

For: The Commissioners
From: William M. Dean, Assistant for Operations, Office of the EDO
Subject: SECY-04-0139 WEEKLY INFORMATION REPORT - WEEK
ENDING JULY 23, 2004

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*No input this week.

/RA/

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Office of Nuclear Reactor Regulation
Items of Interest
Week Ending July 23, 2004

Catawba - Atomic Safety and Licensing Board (ASLB) Hearing on Mixed Oxide (MOX) Fuel

On July 14-15, 2004, the ASLB held a hearing in Rockville, Maryland, regarding the Blue Ridge Environmental Defense League's (BREDL's) contention involving the proposed use of four MOX lead test fuel assemblies at Duke Power's Catawba Station.

Duke Power's panel of witnesses included S. Nesbit, R. Harvey, J. McCoy and B. Dunn. BREDL's witness was Dr. E. Lyman, Union of Concerned Scientists. NRC staff witnesses included Dr. R. Meyer, Office of Research; Dr. R. Landry and U. Shoop, Office of Nuclear Reactor Regulation. Topics of discussion included loss-of-coolant accident (LOCA) phenomenology related to what contributes to peak cladding temperature for MOX and low enriched uranium fuel, formation of cladding ballooning during a LOCA, the potential for fuel relocation, and other issues. Findings of Fact and Conclusions of Law are due from the three parties by August 6, 2004, and responses are due by August 31, 2004.

The hearing on security related matters is scheduled for September 8 and 9, 2004.

Pilgrim Nuclear Power Stations - Petition for Enforcement Action (10 CFR 2.206 Petition)

On July 16, 2004, the Utility Workers Union of America (UWUA), Local 369, withdrew its petition requesting that the NRC shut down the Pilgrim Nuclear Power Station in the event of a strike. The UWUA had submitted its petition on July 9, 2004, following a similar request by Mary Lampert on June 12, 2004. A new contract was signed between the plant owner and Local 369 on July 15, 2004, averting a strike. No further action will be taken on the UWUA petition. The NRC staff is preparing a response to Ms. Lampert's petition in accordance with Agency policy.

Impact of Recent Stand Down at Los Alamos National Laboratory (LANL)

On July 20, 2004, LANL stopped work due to security and safety concerns. Employees have been told to do no work until they have been individually cleared by management. The Threat Reduction Directorate of LANL, which has responsibility for work being done under a contract to the NRC on Generic Safety Issue (GSI) - 191, "Assessment of Debris Accumulation on Pressurized Water Reactor Sump Performance, has indicated that work could be authorized to restart as early as July 27, 2004, after a readiness assessment is completed. The staff is currently evaluating the implications to the overall schedule for completing the safety evaluation that is due to the Advisory Committee on Safeguards (ACRS) by August 9, 2004. The staff believes that the ACRS subcommittee meeting could take place as scheduled on August 17, 2004; however, there remains a question as to whether the final product will be ready for review by both the ACRS full committee and the Committee to Review Generic Requirements as originally scheduled, due to the delay in receiving necessary input from LANL.

An Alternate Approach for Resolving Generic Safety Issue (GSI) -191

On July 20, 2004, NRC staff conducted a teleconference with Nuclear Energy Institute (NEI) representatives to clarify NEI's alternative approach to resolving GSI-191, which NEI submitted to the NRC on July 13, 2004. During previous public meetings on this topic (May 25, June 17, and June 29, 2004), both staff and NEI presented proposals and positions regarding technical and regulatory elements of alternative approaches. These interactions between the staff and NEI yielded the alternative resolution approach for GSI-191, which considers both realistic and risk-informed elements.

The staff plans to review and document its review in a safety evaluation report (SER). The SER is scheduled to be issued in September 2004. The staff is currently preparing a Commission information paper describing the alternative approach.

Mitigating System Performance Index (MSPI) Public Meeting

On July 21, 2004, the staff conducted another of a series of public meetings on the MSPI. The meeting was attended by participants from NEI, industry, members of the public, and the Union of Concerned Scientists. The staff stated that it is ready to move forward with MSPI implementation pending resolution of the issues outlined in SECY 04-0053, "Reactor Oversight Process Self-Assessment for Calendar Year 2003," dated April 6, 2004. Group discussion on these issues resulted in consensus agreement on all but two of the issues. The two issues which require further re-assessment and discussion are the need for a "short-term backstop," (i.e., to what extent should the performance indicator become a "White" finding given numerous component failures in a short time period such as 3 or 6 months) and the use of a frontstop in the event of the second failure over 3 years for the same or identical component in a system. Staff and industry representatives will continue discussions on these issues.

Additionally, industry and the staff agreed to: (1) the formation of an industry-NRC sub-group to define the minimal acceptable level of probabilistic risk assessment (PRA) quality that meets the needs of MSPI, (2) the development of a MSPI basis document, (3) the development of a dispute resolution process (other than the frequently asked question process), and (4) the development of a Communication Plan to address how MSPI will be communicated to the public, internal stakeholders, and industry. The next MSPI public meeting is scheduled for August 19, 2004.

Meeting with the North American Electric Reliability Council (NERC)

The NRC staff met with NERC on July 14, 2004, at their offices in Princeton, New Jersey, as part of ongoing NRC efforts to understand industry's actions to maintain reliable offsite electrical power to nuclear power stations. NERC discussed the results of the NERC readiness audits to date. A part of the audit is a set of NRC staff-developed questions related to the interaction between the grid transmission operators and nuclear power station operators. NERC requested a clarification of the questions in order to obtain better results. The staff discussed the results-to-date of the implementation of TI 2515/156, which is related to the interaction between nuclear power station licensees and the grid operators. Meeting attendees also discussed a proposed Memorandum of Agreement/Understanding between NRC and

NERC to continue the interactions between the agencies on matters of mutual interest pertaining to electric grid reliability, security, and integrity.

Proposed Rule Signed by the Executive Director for Operations

On July 21, 2004, the Executive Director for Operations (EDO) approved a proposed rule that would amend 10 CFR 50.55a to incorporate by reference the most recent revisions of two Nuclear Regulatory Commission regulatory guides addressing NRC approval of *American Society of Mechanical Engineers Boiler and Pressure Vessel Code Cases*.

July 23, 2004

ENCLOSURE A

Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending July 23, 2004

Annual Meeting of the National Conference of State Legislators

On July 19, 2004, NRC staff participated in a half-day seminar, entitled "Nuclear Waste and Your State," at the 2004 annual meeting of the National Conference of State Legislators (NCSL) in Salt Lake City, Utah. The seminar was sponsored by the NCSL's High-Level Radioactive Waste Working Group, in an effort to inform fellow state legislators of potential transportation issues. NRC presentations included the NRC's role in approving shipping packages and the NRC's process for reviewing a license application for Yucca Mountain. Other presenters included the Department of Energy; the Western Governors Association; the Council of State Government's Mid-Western Task Force on High-Level Radioactive Waste Transportation; the Nuclear Energy Institute; and the National Congress of American Indians.

Meeting with USEC Inc. on Criticality Computer Code Validation

On July 14, 2004, staff from the Division of Fuel Cycle Safety and Safeguards, and Office of the General Counsel, met with USEC Inc. (USEC) staff in an open meeting at NRC Headquarters. The purpose of the meeting was to discuss USEC's validation of its computer code (SCALE 4.4a) as it applies to the proposed commercial gas centrifuge uranium enrichment facility (American Centrifuge Plant, or ACP) activities. USEC anticipates submitting its license application for the ACP in August 2004. The NRC asked to review USEC's validation report in mid-August 2004 at USEC's Headquarters in Bethesda, Maryland. USEC agreed to facilitate NRC's request.

Integrated Safety Analysis Workshop

On July 15-16, 2004, staff from the Division of Fuel Cycle Safety and Safeguards met with members of industry, the public, and the Nuclear Energy Institute (NEI) at the Integrated Safety Analysis (ISA) Workshop held at the Doubletree Hotel in Rockville, Maryland. The purpose of this Workshop was to discuss ISA-related issues for nuclear fuel cycle facilities under 10 CFR Part 70, Subpart H. NEI and industry representatives commented that: (1) ISA issues were being resolved during licensing on a case-by-case basis; (2) Interim Staff Guidance documents should help resolve ISA issues; (3) there is overall satisfaction with interactions with NRC staff on ISA issues; and (4) industry would like to review draft Interim Staff Guidance documents and provide comments. NRC staff plans to provide the draft Interim Staff Guidance documents to industry by early August 2004.

Staff Participation in Developing IAEA Safety Guide

On July 12-16, 2004, staff of the Division of Waste Management and Environmental Protection (DWMEP) participated in a consultants' meeting at the International Atomic Energy Agency (IAEA) Headquarters in Vienna, Austria. The draft safety guide development team consisted of staff from DWMEP, the French Direction Générale de la Sûreté Nucléaire et de la Radioprotection, and the Brazilian regulatory agency. The purpose of this consultancy was to conduct final reviews and revisions for an IAEA Safety Guide that, when finalized, will specify

safety guidance to regulators and implementing organizations for release of buildings and sites from regulatory control at the termination of practices. The Guide will provide dose criteria to be used by IAEA Member States as a basis for developing site- or country-specific values for releasing buildings and sites. It also will provide guidance on the responsibilities of the concerned parties, on the management of the release of material from control, and on post-remediation management if the site or area is not released for unrestricted use. The Safety Guide is entitled "Release of Sites from Regulatory Control upon the Termination of Practices," and is follow-on work from a similar consultancy conducted in October 2002. The current schedule for publishing the Safety Guide is early to mid 2007.

July 23, 2004

ENCLOSURE B

Office of Nuclear Regulatory Research
Items of Interest
Week Ending July 23, 2004

Office of Nuclear Regulatory Research (RES) and the Office of Nuclear Reactor Regulation (NRR) Staff Visit Stern Laboratory and AECL Office to Discuss ACR-700

On July 13-14, 2004, RES and NRR staff traveled to Ontario, Canada to visit Stern Laboratory and the offices of Atomic Energy of Canada, Limited (AECL). The purpose of the visit was to gain an understanding of existing test facilities and their potential application to accident phenomena in the Advanced CANDU (Canadian Deuterium Uranium) Reactor 700 (ACR-700) design. At Stern Laboratory the staff was shown the Cold Water Injection Test (CWIT) facility and the Large Scale Header (LASH) facility. CWIT and LASH are used to study single channel phenomena and header refill phenomena. At the AECL offices the staff was given a presentation regarding the type, scope, and purpose of the various tests run in the CWIT and LASH facilities.

ANS Fire Risk Standard Writing Session

On July 15, 2004, representatives from RES, NRR, and industry participated in a writing session for the American Nuclear Society (ANS) Fire Risk Standard. When completed, this standard will support analyses and reviews relevant to the risk-informed, performance-based fire protection rulemaking endorsing NFPA 805, "Performance-Based Standard for Fire Protection For Light Water Reactor Electric Generating Plants." The staff expects to release the draft standard for public comment in September 2005 and to issue the final standard in June 2006.

Agreement between the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States Relating to Participation in the NRC Program of Thermal-Hydraulic Code Applications and Maintenance Research

On July 20, 2004, the EDO concurred in the cooperative agreement between the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office (TECRO) in the United States. It should be noted that the U.S. Government maintains no diplomatic relations with Taiwan, and AIT was created as an entity to facilitate continuing U.S. cooperative activities with Taiwan.

The research will independently verify the accuracy of the NRC's thermal-hydraulic codes through the expansion of the international user community and through their subsequent applications and feedback. This international participation and feedback contributes significantly to the quality assurance of the TRACE code. This code is used by the NRC to evaluate transient and accident scenarios, assess generic safety issues, and address regulatory and licensing issues for operating plants and new designs. The Agreement will become effective upon signature and will remain in effect for five years.

Nuclear Security and Incident Response
Items of Interest
Week Ending July 23, 2004

Preliminary Notifications

1. PNO-III-04-007, First Energy Nuclear Operating Company - ALERT DECLARED BECAUSE OF MALFUNCTIONING RADIATION MONITOR.
2. PNO-IV-04-017, Pacific Gas and Electric Company - NOTIFICATION OF FUEL INVENTORY DISCREPANCY AT HUMBOLDT BAY NUCLEAR POWER PLANT.
3. PNO-IV-04-016, Schlumberger Technology Corporation - POTENTIAL OVEREXPOSURE TO MEMBERS OF THE FIELD.

July 23, 2004

ENCLOSURE D

Chief Information Officer
Items of Interest
Week Ending July 23, 2004

Office of the Chief Information Officer (OCIO) Begins Windows XP Roll-Out

On July 19, 2004, the official agency-wide rollout of Windows XP started. The first offices to receive the upgrade were the Office of Investigation, Office of Public Affairs, Office of State and Tribal Programs, and the Office of International Programs. In the first week of the rollout OCIO will upgrade approximately 72 systems. The rollout is expected to continue throughout the remainder of the calendar year.

Freedom of Information Act and Privacy Act Requests Received During the Period of July 16 through July 22, 2004:

Security background check, all records & information concerning withdrawal of employment offer	FOIA/PA-2004-0301
All information on deceased individual, 1940-1970, and/or H. E. Dickerman Manufacturing Co.	FOIA/PA-2004-0302
AEC proposed Radiation Protection Standards, 1955 & Federal Register Notice Vol. 22, No. 19, 1-29-1957	FOIA/PA-2004-0303
Decommissioning Plans for Ford Nuclear Reactor facility, Univ. of MI; for Alan J. Blotcky Reactor at Veterans Administration, Omaha, NB	FOIA/PA-2004-0304
Civil and administrative violations for which a monetary penalty was assessed, CY 2003 and 2004	FOIA/PA-2004-0305
Contract NRC-38-00-290/HR72399, Hummer Whole Health Management, all records	FOIA/PA-2004-0306
Palo Verde Nuclear Generating Station, June 14 shutdown of 3 units re: the Westwing substation & electricity grid in Phoenix area	FOIA/PA-2004-0307
South Texas Project Comprehensive Cultural Assessment, formal action plans, all records re: Wackenhut Corp.	FOIA/PA-2004-0308

Office of Human Resources
Items of Interest
Week Ending July 23, 2004

Arrivals		
Richard S. Bright	IT Specialist	ACRS
Beatrice Brittenham	Secretary (OA)	HR
Tara M. Cloyd	Secretary (OA)	RES
Harold Eichenholz	Program Manager	NSIR
Lydia Garcia	Student Clerk	OI/R-IV
Gregory Gibbs	Reactor Engineer	R-III
John Jandovitz	Reactor Inspector	R-III
Jared H. Nadel	Reactor Engineer	R-IV
Mark Wilk	Reactor Engineer	R-III
Adam Ziedonis	Reactor Engineer (NSPDP)	R-I
Departures		
Matthew A. Berg	Nuclear Safety Intern	RES
Carolyn Crawford	Secretary (OA)	R-III
Nancy J. Curley	Secretary (OA)	R-IV
Kevin O'Kelly	Student Clerk	R-III
Angela May	Office Automation Assistant	NMSS
April Smith	Program Manager	NSIR
Garrett Smith	Sr. Project Manager	NMSS
William Trefzger	IT Specialist	OCIO
Jeannette Whitaker	Secretary (OA)	OIP

Office of Public Affairs
Items of Interest
Week Ending July 23, 2004

Media Interest

The Office of Public Affairs (OPA) received significant media inquiries on the following:

Comments by the Commissioners on the future of the Yucca Mountain Project following the Appeals Court decision.

Security of nuclear power plants, including the status of airspace over Indian Point during the Republican National Convention.

The filing of criminal charges against a radiation safety officer who fraudulently obtained an NRC license, which was suspended in 2002.

The loss of emergency tone radio service at Vermont Yankee.

The declaration of an Alert at Perry when a radiation monitor malfunctioned.

Press Releases	
Headquarters:	
04-088	NRC Announces Opportunity for Hearing on Application to Renew Nine Mile Point Operating Licenses (7/21)

Office of the Secretary
Items of Interest
Week Ending July 23, 2004

Document Released to Public	Date	Subject
Information Papers		
1. SECY-04-0126	7/20/04	SECY-04-0126 - Weekly Information Report - Week Ending July 9, 2004

Commission Correspondence

1. Letter to Robert Loux, Office of the Governor, Agency for Nuclear Projects, State of Nevada, dated July 16, 2004, concerns the Yucca Mountain proceeding.
2. Letter to Representative Lois Capps, dated July 16, 2004, responds to request for NRC to move the July 2, 2004, public meeting to another date and location concerning Diablo Canyon.
3. Letter to Congresswoman Sue Kelly, dated July 16, 2004, concerns Indian Point 2 - issues raised by William Lemanski related to electrical cable and raceway separation.
4. Letter to Senator James M. Jeffords, dated July 15, 2004, responds to request for additional clarification of the NRC's jurisdiction over waste incidental to reprocessing (WIR).
5. Letter to Congress, dated July 13, 2004, provides the May 2004 monthly report on the status of NRC's licensing regulatory duties.

Federal Register Notices Issued

1. Advisory Committee on Reactor Safeguards, Subcommittee Meeting on Thermal-Hydraulic Phenomena, notice of meeting (08/17-18/04).
2. Advisory Committee on Reactor Safeguards, Subcommittee Meeting on Safeguards and Security, notice of meeting (08/24-26/04).

Region I
Items of Interest
Week Ending July 23, 2004

Predecisional Enforcement Conference with Safety Light Corporation

The Division on Nuclear Materials Safety, with support from other regional and Headquarters offices, held a closed predecisional enforcement conference with Safety Light Corporation (SLC) management on July 20, 2004. This conference was held to discuss the failure to deposit monies into the NRC Settlement Agreement Trust Fund as required by the license. SLC committed to provide Region I by July 30, 2004, with an analysis of their cash flow and a plan on how they will make up the payments that are in arrears before the end of the calendar year. Cognizant representatives from the U.S. Environmental Protection Agency and the Commonwealth of Pennsylvania Department of Environmental Protection observed the conference.

July 23, 2004

ENCLOSURE P

Region II
Items of Interest
Week Ending July 23, 2004

Duke Energy Corporation Management Meeting - McGuire

On July 20, 2004, Region II held a management meeting with representatives from Duke Energy Corporation. The purpose of the meeting was to discuss general plant performance and other items of interest for the McGuire Nuclear Power Plant.

July 23, 2004

ENCLOSURE P

Region IV
Items of Interest
Week Ending July 23, 2004

End of Cycle Meetings for Grand Gulf Nuclear Station, Columbia Generating Station, and Waterford 3 Steam Electric Station

On July 22, 2004, members of the Region IV staff met with licensee representatives in separate meetings to discuss the Reactor Oversight Process and to discuss the 2003 annual assessment results for the Grand Gulf Nuclear Station, Columbia Generating Station, and Waterford 3 Steam Electric Station. The meeting for Grand Gulf took place in Ft. Gibson, Mississippi. The Columbia Generating Station meeting was held in Richland, Washington. The meeting for Waterford-3 was held in Hahnville, Louisiana. These meetings were attended by press representatives, state and local officials, and members of the general public in addition to licensee employees.

July 23, 2004

ENCLOSURE P

Office of Congressional Affairs
Items of Interest
Week Ending July 23, 2004

CONGRESSIONAL HEARING SCHEDULE, NO. 68

Portner	TBA SD-124	TBA	Markup	FY2005 Energy and Water Development Appropriations	Senators Domenici/Reid Energy and Water Development Appropriations
Keeling	TBA 345 CHOB	TBA	Markup	Homeland Security Authorization	Reps. Cox/Turner Select Committee on Homeland Security

Note: The Senate and the House of Representatives are in recess until September 7.