

INFORMATION REPORT

August 20, 2003

SECY-03-0142

For: The Commissioners
From: William M. Dean, Assistant for Operations, Office of the EDO
Subject: SECY-03-0142 WEEKLY INFORMATION REPORT - WEEK
ENDING AUGUST 15, 2003

Contents

Enclosure

Nuclear Reactor Regulation	A
Nuclear Material Safety and Safeguards	B
Nuclear Regulatory Research	C
Nuclear Security and Incident Response	D
General Counsel	E*
Administration	F*
Chief Information Officer	G
Chief Financial Officer	H*
Human Resources	I
Small Business & Civil Rights	J*
Enforcement	K*
State and Tribal Programs	L*
Public Affairs	M
International Programs	N*
Office of the Secretary	O
Region I	P
Region II	P
Region III	P
Region IV	P
Executive Director for Operations	Q*
Congressional Affairs	R

*No input this week.

/RA/

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Office of Nuclear Reactor Regulation
Items of Interest
Week Ending August 15, 2003

D.C. Cook - Resignation of Senior Vice President and Chief Nuclear Officer

On August 12, 2003, Mr. A. Christopher Bakken III, Senior Vice President and Chief Nuclear Officer, Indiana Michigan Power Company, Nuclear Generation Group, announced his resignation effective August 22, 2003, and his plans to return to PSEG. Mr. Bakken has been responsible for oversight of American Electric Power's (AEP's) D.C. Cook Nuclear Plant in Bridgman, Michigan and AEP's 25 percent ownership of the South Texas Project Electrical Generation Station in Bay City, Texas, since October 2001. Mr. Robert P. Powers, Executive Vice President - Generation at AEP will assume Mr. Bakken's responsibilities until the position is permanently filled. Mr. Powers has held his current position of Executive Vice President - Generation since March 2003.

PSEG Nuclear Management Changes

Roy Anderson, PSEG Nuclear President and Chief Nuclear Officer (CNO) announced the appointment of A. Christopher Bakken, III as Senior Vice President - Site Operations for Salem Units 1 and 2 and Hope Creek. Bakken returns to PSEG following a four-year stint at American Electric Power (AEP). At AEP, Bakken served two years as Site Vice President and two years as senior vice president and CNO. Bakken, who will re-join PSEG on September 23, 2003, will replace Timothy O'Connor who will be accepting a rotational assignment at the Institute of Nuclear Power Operations.

Staff Holds Public Meetings on the Draft Environmental Impact Statement on License Renewal for R. E. Ginna Nuclear Power Plant

On August 7, 2003, the staff conducted two meetings to solicit comments from the public on the draft supplemental environmental impact statement (SEIS) issued on June 25, 2003. The draft SEIS is a plant-specific supplement to the "Generic Environmental Impact Statement for License Renewal of Nuclear Power Plants" (NUREG-1437). Approximately 65 people attended the meetings, including representatives of the Nuclear Regulatory Commission staff, state and local governments, Rochester Gas and Electric Company, the nuclear industry, news media, and members of the public. About half of the comments were supportive of extending the operating license for Ginna, with the remaining individuals expressing concerns for various reasons. The public comment period ends on September 16, 2003.

Staff Issues Final Supplement 12 to the Generic Environmental Impact Statement on License Renewal for Fort Calhoun Station, Unit 1.

The NRC staff has issued the final Supplement 12 to NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants," regarding Fort Calhoun Station, Unit 1. The supplemental environmental impact statement (SEIS) represents the completion of the staff's environmental review for the license renewal application submitted by the Omaha Public Power District (OPPD). The NRC is still in consultation with the U.S. Fish and Wildlife Service (FWS), under Section 7 of the Endangered Species Act, regarding the impact of the

operation of the Fort Calhoun Station on the pallid sturgeon. The NRC can continue with the license renewal process while in consultation with FWS, because there is no irreversible or irretrievable commitment of resources.

The U.S. Environmental Protection Agency is expected to issue the Notice of Filing of the final SEIS in the August 22, 2003, *Federal Register*. The decision on issuing the license is scheduled for November 21, 2003.

Differing Professional Views Related to Proposed 10 CFR 50.69 Rulemaking

On July 21, 2003, the Director of the Office of Nuclear Reactor Regulation (NRR) issued a memorandum closing three Differing Professional Views (DPVs) associated with the staff's proposed rulemaking for 10 CFR 50.69, Risk Informed Categorization and Treatment of Structures, Systems, and Components. The DPVs, which had been submitted by three employees in September 2002, raised specific issues about the staff's proposed draft rule that had been sent to the Commission for review earlier that month. The Office Director closed the DPVs after meeting with the three staffers and discussing the steps that had been taken to allow the individuals direct access to the Commission. The three individuals (along with other staff members) also gave a formal briefing to the Commission on November 21, 2002, where their concerns about specific attributes of the rule were heard by the Commission and members of the public.

The DPVs were closed after the Commission had given full consideration to the employees' concerns and issued a final Staff Requirements Memorandum directing the staff to issue the proposed rulemaking for public comment. The comment period for the proposed rule expires on August 30, 2003.

Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending August 15, 2003

Meeting with the U.S. Enrichment Corporation

On August 12, 2003, staff from the Division of Fuel Cycle Safety and Safeguards (FCSS) met with staff from the U.S. Enrichment Corporation (USEC) in a closed meeting to discuss financial qualification information included in the proprietary portion of USEC's license application for the gas centrifuge uranium enrichment test and demonstration facility (Lead Cascade). USEC had submitted its Lead Cascade license application to NRC on February 12, 2003. At the meeting, FCSS staff requested USEC to provide additional information concerning its financial qualifications to safely operate the Lead Cascade facility. USEC agreed to address the additional information in its response to NRC's Lead Cascade request for additional information (RAI) letter dated July 17, 2003. NRC anticipates USEC will respond to the July 17 RAI by the end of this month or early next month.

August 15, 2003

ENCLOSURE B

Office of Nuclear Regulatory Research
Items of Interest
Week Ending August 15, 2003

Implementing Agreement on Thermal-Hydraulic Code Applications and Maintenance between the USNRC and the KFKI Atomic Energy Research Institute of Hungary (KFKI AEKI)

On August 8, 2003, the EDO signed the international Implementing Agreement between the USNRC and the KFKI Atomic Energy Research Institute of Hungary (KFKI AEKI). The Office of Nuclear Regulatory Research (RES) forwarded this Implementing Agreement to Hungary on August 12, 2003, for counter-signature.

This Implementing Agreement defines the terms and conditions by which the KFKI AEKI will enter into a cooperative research program with the USNRC in the Thermal-Hydraulic Code Applications and Maintenance Program (CAMP). The Hungarian Atomic Energy Authority (HAEA) has officially designated the KFKI AEKI as its representative for this program and has authorized KFKI AEKI to enter into this Implementing Agreement with the USNRC. The work performed under this Implementing Agreement will expand our data and knowledge base for thermal hydraulic analysis and leverage NRC funds through a KFKI AEKI monetary contribution to the NRC program. It will also enhance the quality of the reactor safety codes through the expansion of the international user community, and through their subsequent applications and feedback. These codes are used by the NRC for independently assessing calculations as part of the licensing review process for applications such as power uprates, emerging safety issues, and for advanced reactor design reviews. This Implementing Agreement will remain in effect for a period of five years.

Implementing Agreement between the USNRC and the Japan Atomic Energy Research Institute (IAEII) in the Field of Nuclear Reactor Safety Research

On August 12, 2003, the EDO signed the international Implementing Agreement between the USNRC and the Japan Atomic Energy Research Institute (JAERI) in the field of nuclear reactor safety research. The Office of Nuclear Regulatory Research forwarded this Implementing Agreement to Japan on August 13, 2003, for counter-signature.

This Implementing Agreement defines the terms and conditions by which the USNRC and the Japan Atomic Energy Research Institute (JAERI) will cooperate in the field of nuclear reactor safety research. Under this Implementing Agreement, the USNRC and the JAERI will exchange technical information in the areas of (1) thermal-hydraulic code development, (2) severe accidents, (3) plant aging, and (4) safety of high-burnup fuel for light water reactors. Analyses and test data that will be made available to RES will include 1) experiments for advanced light water reactors with passive systems, 2) high temperature gas reactor (HTGR) neutronics, 3) seismic and structural information conducted using their high temperature engineering test reactor (HTTR) design, and 4) high-temperature metallic components and nuclear graphite. It is understood that the ability of the Parties to carry out these activities is subject to the availability of funds. The information exchange under this Implementing Agreement will contribute significantly in expanding our knowledge base and technical support for NRC's safety reviews for current and new designs. This Implementing Agreement will enter into force upon signature of both parties and will remain in effect for a period of five years.

August 15, 2003

ENCLOSURE C

Pebble Bed Modular Reactor Workshop

On August 7, technical staff from the Offices of Nuclear Regulatory Research and Nuclear Reactor Regulation, the U.S. Department of Energy (DOE) and other interested U.S. government personnel participated in a one-day workshop on the Pebble Bed Modular Reactor (PBMR). The DOE-sponsored workshop was held at DOE headquarters in Germantown, Md., and involved presentations by PBMR representatives from the Republic of South Africa. The purpose of the seminar was to provide a technical and programmatic update of the PBMR project. The topics included: the status of PBMR program; the design of the PBMR demonstration plant to be built at the Koeberg nuclear plant site in South Africa; the fuel, core design and thermal hydraulic design; and the component testing program, including the fuel qualification testing program. The fundamental "safety case" licensing framework for the plant design has been accepted by the licensing authority in South Africa and the four stage licensing review for the demonstration plant is currently being implemented. The schedule anticipates licenses to be issued for construction, equipment installation, fuel loading and operation in July 2005, December 2005, May 2008 and July 2009, respectively. The PBMR project schedule also involves the resumption of PBMR pre-application activities with the NRC in mid-2004 and a PBMR design certification application by the end of 2006.

NRC PRA Steering Committee Meeting with Nuclear Energy Institute (NEI)

On August 13, 2003, a joint meeting of the NRC PRA Steering Committee with the NEI risk-informed regulation working group was held. There was a brief summary of a CSNI/CNRA workshop on the redefinition of the large-break loss of coolant accident (LOCA) which was held in Zurich June 23-24, 2003. The general consensus of the Zurich meeting participants was that there were good reasons for such a redefinition, and that such a redefinition had the potential to both enhance safety and reduce the costs of nuclear power generation. Moreover, the participants believed that an adequate technical basis for the redefinition could be developed. There was a presentation of the status and plan for risk-informing the materials and waste areas. NRC indicated that the risk guidelines under development in these areas are very preliminary. There was considerable discussion of the rulemaking on the redefinition of the design basis LOCA, and the Commission direction to require a high quality, full scope PRA including low power and shutdown, external events, and level 2 analysis; NEI indicated the difficulty in meeting this requirement. Some of the potential uses of the redefined design basis large break LOCA were identified by the industry. In addition, there was a brief discussion of the mitigating system performance index (MSPI) program. NEI provided positive feedback regarding the MSPI technical support that was provided by the Office of Research.

Nuclear Security and Incident Response
Items of Interest
Week Ending August 15, 2003

Response to Grid Disturbance in the United States and Canada

In response to the widespread power outages that occurred on August 14, 2003, NRC staffed its Headquarters and Regional Operations Centers (HOCs). Acting Chairman Merrifield led the NRC response, as the NRC monitored the actions and conditions of the nine nuclear power units that shutdown because of the grid instabilities. Monitoring of these plants continued throughout the evening and into the next day. Staff involved included onsite inspectors assigned to the affected nuclear plants. The response efforts were coordinated with other Federal agencies, most notably the Department of Energy and the Department of Homeland Security.

Preliminary Notifications

1. PNO-IV-03-022A, STP Nuclear Operating Company - REACTOR VESSEL BOTTOM HEAD PENETRATION LEAKAGE - UPDATE.
2. PNO-II-03-015, Department of the Navy - LOST STRONTIUM-90 SEALED SOURCE.

Chief Information Officer
Items of Interest
Week Ending August 15, 2003

Safeguards and Sensitive Information Processing Solutions Task

A computer security team from OCIO has completed a task focused on identifying procedures and technologies that could be used to securely exchange Safeguards data and sensitive, but unclassified data. The task included completing a requirements analysis; completing a market survey that identified a product that potentially satisfies identified requirements; and preparing a proposed plan for a pilot test of the identified product. On August 28, 2003, a briefing for the CIO on the product functionality, including the capability for standalone encryption and managing certificates, is scheduled.

Internal NRC Web Site Redesign Steering Committee Established

The Intranet Steering Committee held its first meeting on August 12, 2003. OCIO briefed the Steering Committee on the current status of the Intranet Redesign project, comments received from meetings with offices, and results of usability tests with customers, and provided a demo of the pre-production Intranet prototype.

Demonstration of ADAMS to U.S. Mint

On August 6, 2003, OCIO conducted a demonstration of the Agencywide Documents Access and Management System (ADAMS) to staff at the Department of Treasury, U.S. Mint. The U.S. Mint is developing an electronic recordkeeping system which uses some of the software NRC is using for ADAMS. The U.S. Mint staff have attended previous NRC presentations made at the Department of Treasury and are interested in learning more about NRC's experience with implementing ADAMS. During the demonstration, the staff also shared pertinent NRC documents, such as the ADAMS Desk Reference Guide and samples of Requests for Records Disposition Authority.

Freedom of Information and Privacy Act Requests received during the period of August 8 through August 14, 2003:

Allegation, RIV-96-A-0278, including all correspondence between named individual and NRC	FOIA/PA-2003-0384
McGean-Rohco Site, 2910 Harvard Ave., Newburgh Heights, OH & Bert Ave. at E. 27th & E29th Streets, all records	FOIA/PA-2003-0385
Spencer Chemical Co., unirradiated enriched uranium recovery process performed by DOE 1950's - 1960's; license SNM-329 and SNM-154; inspection reports on Jayhawk Works site	FOIA/PA-2003-0386
Turkey Point Unit 4, 01/15/03 letter regarding Risk-Informed Inservice Inspection	FOIA/PA-2003-0387

August 15, 2003

ENCLOSURE G

Indian Point, emergency preparedness plans (EPP), all records related to NRC's determination that the EPP meets reasonable assurance criteria

FOIA/PA-2003-0388

August 15, 2003

ENCLOSURE G

Office of Human Resources
Items of Interest
Week Ending August 15, 2003

Arrivals		
GALLUCCI, Raymond	SR. FIRE PROTECTION ENGINEER (PRA)	NRR
GARTMAN, Michael	SR. LABOR & EMPLOYEE RELATIONS SPECIALIST	OHR
PEABODY, Charles	STUDENT ENGINEER CO-OP	RII
Departures		
BONAR, Alicia	STUDENT CLERK	RI
CRANE, Samantha	STUDENT ENGINEER	RES
FONG, Christopher	STUDENT ENGINEER CO-OP	RII
GARMOE, Alexander	STUDENT ENGINEER	RIII
GERARDI, Craig	STUDENT ENGINEER CO-OP	RES
HEIMERICKS, Craig	STUDENT ENGINEER	RIV
HOGAN, Kevin	STUDENT ENGINEER	RES
KANA, Angela	STUDENT ENGINEER	RIV
LANDER, Christine	STUDENT CLERK	RI
MARTIN, David	STUDENT CLERK	RIII
MONROE, Gilean	STUDENT ENGINEER	ACRS
MORENO, JEFFREY	STUDENT ENGINEER	RIV
MYERS, Stephen	STUDENT ENGINEER	RIV
NERRET, Amanda	STUDENT CLERK	NSIR
PAIGE, Jason	STUDENT ENGINEER	NSIR
REINERT, Dustin	STUDENT ENGINEER	RIV
SMITH, Katherine	STUDENT ENGINEER	RI
SPIVACK, Ian	STUDENT ENGINEER CO-OP	NMSS
STRINGER, Daniel	STUDENT ENGINEER	RIV
SULLIVAN, Margaret	STUDENT CLERK	RIII
WICHMAN, Adam	STUDENT ENGINEER	RII

August 15, 2003

ENCLOSURE I

Office of Public Affairs
Items of Interest
Week Ending August 15, 2003

Media Interest - BLACKOUT

The Office of Public Affairs (OPA) staff in Headquarters and the Regions, especially Regions I and III, fielded dozens of media inquiries, including several live interviews with broadcast media around the world, about the status of nuclear power plants in the Northeast during the major blackout of August 14. OPA staff manned Operations Centers in Headquarters and the in the regions. OPA also posted a "Frequently Asked Questions" about the shut-downs on the agency's web site.

Other Items of Media Interest

- Chairman Nils Diaz' letter to New York officials, in which he stated that the private security force at Indian Point "successfully protected" the plant from a series of mock terrorist attacks in a recent force-on-force drill.
- Contamination discovered on the surface of a transportation cask carrying spent nuclear fuel from the Robinson nuclear plant in South Carolina to the Shearon Harris plant in North Carolina for storage.
- OPA provided written answers to WCVB-TV (ABC) in Boston for a report on supposed vulnerability of power plants and spent fuel pools to attack by small aircraft using nearby general aviation airports. The report was to air Friday, August 15, at 11 p.m. ET.
- Continued interest in NRC's review of an irradiator license for Bucks County, Pa., as the agency announces plans to hold a public meeting August 21. OPA supported staff discussions of the meeting.
- OPA Director William Beecher hosted a delegation from the Japan Nuclear Cycle Development Institute to discuss how OPA deals with the press and public about events at nuclear power plants.

Press Releases	
Headquarters:	
03-101	NRC to Hold Public Meeting August 19 on Issues Associated with Lower Reactor Head Inspections (8/12)
03-102	NRC Monitoring Situation Involving Multiple Nuclear Plants Shut Down Due to Grid Instabilities (8/14)
03-103	NRC Continues to Monitor Nuclear Power Plants in Shut-Down in Preparation for Restart (8/15)

Regions:	
I-03-047	NRC Special Inspection Team Begins Work at Indian Point (8/12)
I-03-048	NRC to Update Public on Review of Irradiator Application (8/13)
II-03-040	NRC Staff to Meet with SCE&G to Discuss Second Summer Plant License Renewal Inspection (8/15)
III-03-056	NRC Oversight Panel to Meet with Davis-Besse Officials August 12 (8/11)
IV-03-035	NRC to Conduct Special Inspection at Diablo Canyon (8/8)

August 15, 2003

ENCLOSURE M

Office of the Secretary
Items of Interest
Week Ending August 15, 2003

Document Released to Public	Date	Subject
Decision Documents		
1. COMSECY-03-0038	7/25/03	Federal Register Notice - Utah Alternative Groundwater Protection Regulations
SRM on COMSECY-03-0038	8/11/03	(same)
Commissioner Votes on COMSECY-03-0038	8/11/03	(same)
Information Papers		
1. SECY-03-0136	8/8/03	Proposed Bulletin: "Leakage from Reactor Pressure Vessel Lower Head Penetrations and Reactor Coolant Pressure Boundary Integrity"

Commission Correspondence

1. Letter to Dr. Edwin S. Lyman, Union of Concerned Scientists, dated August 7, 2003, responds to expressed concerns regarding the Commission's lack of objection to a proposed legislation amendment to permit export of highly-enriched uranium targets.
2. Letter to Paul Stepanek Boardman, President, Indiana Manufacturing, Inc., dated August 7, 2003, responds to e-mail providing information on Indiana Manufacturing, Inc. and the High Threat Steel Swing Gate product.
3. Letter to Congressman Adam H. Putnam, dated August 7, 2003, concerns information regarding the actions being taken by Federal agencies to comply with the requirements of the Federal Information Security Management Act.

Federal Register Notices Issued

1. ACRS Subcommittee Meeting on Fire Protection - Notice of Meeting.
2. ACRS Subcommittee Meeting on Planning and Procedures - Notice of Meeting.
3. Advisory Committee on Reactor Safeguards Meeting - Notice of Meeting.

Region I
Items of Interest
Week Ending August 15, 2003

Watertown GSA (MA) Public Meeting

Region I staff and management attended a public meeting on the evening of August 11, 2003, of the Watertown (MA) Restoration Advisory Board. The Restoration Advisory Board met to discuss the status of decommissioning of the Watertown GSA property, which is on the NRC's Site Decommissioning Management Plan (SDMP) List. The NRC made a presentation on its review of submittals by the U.S. Army Corps of Engineers (responsible party for the GSA site) that described how the site meets the NRC criteria for release for unrestricted use. Approximately 25 members of the public were present, including Board members and a local news reporter.

August 15, 2003

ENCLOSURE P

Region II
Items of Interest
Week Ending August 15, 2003

Probabilistic Risk Assessment (PRA) Steering Committee Meeting

On August 13, 2003, the Regional Administrator participated in the PRA Steering Committee meeting with representatives of the Nuclear Energy Institute (NEI) and industry in Headquarters. Discussion topics included the quality of risk assessments.

BWX Technologies

On August 11, 2003, Region II issued a Severity Level III violation to BWX Technologies for failure to maintain a criticality monitoring system capable of energizing a clearly audible signal if an accidental criticality occurred. This action is based upon licensee violations that occurred on May 10-11, 2002, as a result of an electrical storm.

Region III
Items of Interest
Week Ending August 15, 2003

NRC Davis-Besse Oversight Panel Public Meetings

On August 12, 2003, the NRC Davis-Besse Oversight Panel held two meetings at the Oak Harbor High School in Oak Harbor, Ohio. The first meeting was between the panel and FirstEnergy Nuclear Operating Co. officials to discuss the status of activities at the Davis-Besse plant in response to the reactor vessel head degradation. The second meeting was an evening public session to review NRC activities involving Davis-Besse and to respond to questions and concerns from the public.

August 15, 2003

ENCLOSURE P

Region IV
Items of Interest
Week Ending August 15, 2003

Meeting with Entergy Operations Inc.

An annual meeting with Entergy Corporation was held on August 12, 2003, at Entergy Corporate offices in Jackson, Mississippi. The meeting was a Category 1 open public meeting but no members of the public attended. Attending the meeting were the Acting Region IV Administrator, the Regional Administrator Designate, the Director Project Directorate IV, Nuclear Reactor Regulation (NRR) and members of the RIV and NRR staffs. Attending from Entergy were the Chief Executive Officer for Entergy Operations as well as several additional corporate officers, the four site Vice Presidents, and other ENS staff members. Discussions were conducted on items pertaining to the safe operation of RIV Entergy plants (Arkansas Nuclear One, Grand Gulf Nuclear Station, River Bend Station, and Waterford 3 Steam Electric Station).

August 15, 2003

ENCLOSURE P

Office of Congressional Affairs
 Items of Interest
 Week Ending August 15, 2003

CONGRESSIONAL HEARING SCHEDULE, <u>NO. 26</u>					
OCA Contact	DATE & PLACE	TIME	WITNESS	SUBJECT	COMMITTEE
Combs	TBA	TBA	Chairman Diaz, DOE Bechtel, NEI	Yucca Mountain	Reps. Barton/Boucher Energy and Air Quality Energy and Commerce
Keeling	09/10/03 LHOB	10:00	TBA	Findings of 9/11 Intelligence Report	Reps. Cox/Turner Select Committee on Homeland Security
Gerke	TBA 2123 RHOB	TBA	DOE, FERC, NY officials	Power Blackouts	Reps. Tauzin/Dingell Energy and Commerce

Note: Congress is in recess; the Senate returns on September 2nd, and the House returns on September 3.