

IN RESPONSE, PLEASE
REFER TO: M920317A

March 27, 1992

MEMORANDUM FOR: James M. Taylor
Executive Director for Operations

FROM: Samuel J. Chilk, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON STATUS OF
RESTART OF GENERAL ATOMICS' SEQUOYAH FUELS
FACILITY, 8:30 A.M., TUESDAY, MARCH 17, 1992,
COMMISSIONERS' CONFERENCE ROOM, ONE WHITE
FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO
PUBLIC ATTENDANCE)

The Commission was briefed by the NRC staff, the licensee, and petitioners (Native Americans for a Clean Environment and the Cherokee Nation of Oklahoma) on the status of restart of the licensee's facility in Gore, Oklahoma. The issues which were discussed fall into two categories: a.) solutions to problems identified in the October 3, 1991 order, which therefore are preconditions to restart and b.) gaps in the current license which should be remedied, but not as a precondition to restart. Based on the discussions at that meeting the Commission directs the staff to undertake the following:

1. When and if the staff is prepared to permit restart, taking into account the results of the OI investigation, a memo should be sent to the Commission before restart is permitted. This memorandum should announce the staff's intentions and the rationale behind them. The staff should consult with the solicitor about incorporating into any restart decision a "housekeeping" stay of up to eight business days.
2. To deal with some of the concerns expressed about the depth of understanding and commitment to changes emplaced at SFC, the staff should consider approving a phased start-up of the facility, rather than moving directly to full process operation. This start-up could be based on appropriate hold points, at which the staff would observe and evaluate performance of the management and work force in terms of compliance with procedures, adequacy of training, and management awareness of overall operations. Once the staff

finds performance at a given level of operation to be acceptable, approval could be granted to move to operation at the next level. SFC has identified the DUF4 facility as such a hold point in its March 20, 1992 letter. The staff should explore the feasibility and advisability of this and other possible hold points with the licensee.

3. To ensure that past commitments and lessons learned have not been overlooked, the staff should:
 - i. Beginning with the 1986 incident at Gore, examine its own reports and studies as well as those conducted by the licensee, for recommendations and lessons learned that were identified in those reports and studies;
 - ii. Identify those recommendations or lessons which are important but have not been implemented, including any additional commitments made by the licensee at the March 17 briefing (such as those relating to quality assurance, training, etc.); and
 - iii. Obtain from the licensee written assurances and schedules for implementation of those recommendations or lessons which are important but have not been implemented. The staff should also establish a mechanism for tracking such commitments.

These steps, insofar as feasible, should be completed prior to restart. If, in evaluating the agency's follow through on the lessons-learned from the 1986 event, the staff identifies issues of concern that were overlooked at the time, the staff should bring such issues to the Commission's attention.

4. The staff should pay particular attention to: (1) the development and full implementation of a formal internal quality assurance program; and (2) the position of a dedicated full-time QA manager within the SFC organizational structure. The reliance on augmented oversight for quality assurance by General Atomics is acknowledged to be an interim measure while the internal program matures. Staff should ensure that effective external and internal programs emerge. This is not a precondition to restart.
5. The staff should communicate with EPA prior to any decision on restart and should also inform the Commission of its past and present interactions with EPA and OSHA regarding SFC, including consideration of a joint inspection. If appropriate and feasible, such consideration should include a joint inspection prior to restart.

6. The role of the Plant Operations Review Committee (PORC) needs elaboration. What will its role be in the future? If it has a role, what is needed to assure it is effective?
- 7.a. The staff should ensure that the licensee's commitments for monitoring and remediating environmental conditions made at the March 17, 1992 meeting as well as appropriate requirements for reporting the results of such monitoring are included in the license.
- b. The staff, in connection with its review of the license renewal application, should expedite completion of the environmental assessment.

These requirements are not preconditions for restart.

8. In the paragraphs marked "(1)" and "(2)" in its March 19, 1992 letter to the Commission, General Atomics has made certain financial commitments regarding cleanup of the Gore site. The staff should make these commitments legally binding on General Atomics if it is practicable and advisable to do so.

This is not a precondition to restart.

9. Finally, with respect to restart issues, the staff should instruct the licensee to continue to make available to the petitioners documents sent to the NRC on the same schedule that we receive them.
10. The actions in Items 3-9 above are without prejudice to any matter in the pending license renewal proceeding. They are included here to address any possible concerns about potential effects of operations, in the event restart is authorized.

cc: The Chairman
Commissioner Rogers
Commissioner Curtiss
Commissioner Remick
Commissioner de Planque
OGC
OCAA
OIG
ACRS
PDR - Advance
DCS - P1-24