



February 5, 2001
RMG-01-008

U.S. Nuclear Regulatory Commission
Washington, DC 20555

ATTN: Document Control Desk

Subject: Reply to a Notice of Violation
NRC Inspection Report No. 72-1004/00-201

Dear Sir,

This letter addresses the Level IV violation concerning quarterly trending reports identified by the Nuclear Regulatory Commission (NRC) during the subject inspection. The response to this violation is attached and includes: (1) reason for the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved.

The attached response indicates that all corrective actions have been completed and that full compliance has been achieved.

Please contact either me at (510) 744-6020 or Tony Chen at (510) 744-6048 with any questions.

Sincerely,

Robert Grenier
President and Chief Operating Officer

Attachment

cc: Dr. Susan Shankman, Deputy Director
Licensing and Inspection Directorate,
Spent Fuel Project Office,
Nuclear Material Safety and Safeguards

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REPLY TO A NOTICE OF VIOLATION
Inspection Report No. 72-1004/00-201

Stated Requirements:

10 CFR 72.150, "Instructions, procedures, and drawings," requires, in part, that the certificate holder prescribe activities affecting quality in documented instructions and procedures, and that these instructions be followed.

TNW procedure QP 16-1, "Condition Reporting and Corrective Action Process," Revision 5, requires a quarterly trending report consisting of an evaluation to identify abnormal patterns, trending information, and corrective action program implementation effectiveness.

Stated Violation:

Contrary to the above, in the year 1999, TNW, the certificate holder, did not prepare quarterly trending reports consisting of an evaluation to identify abnormal patterns, trending information, and corrective action program implementation effectiveness.

1. Reason for the violation

TNW prepared monthly trending reports throughout the Year 1999 including first two months of Year 2000 in accordance with the requirements of TNW procedure QP 16-1, "Condition Reporting and Corrective Action Process," Revision 3, which was in effect at that time. TNW procedure QP 16-1, Revision 4, which required quarterly trending reports, was effective March 08, 2000.

QP 16-1, Revisions 4 and 5 require that the Corrective Action Program Manager prepare a quarterly trending report. No quarterly trending reports were issued in the Year 2000. The cause of this violation is primarily attributed to inadequate interface. The lapsed time between the departure of the previous Corrective Action Program Manager in April 2000 and the assignment of the current Corrective Action Program Manager in May 2000 contributed to this procedural violation.

This condition is also identified in TNW internal audit and documented in TNW Corrective Action Report #CAR 00-076.

2. Corrective steps that have been taken and the results achieved

TNW has developed a spreadsheet to administer the trending process. Applicable Corrective Action Report data for the Year 2000 has been entered. An evaluation of the data has been performed by each quarter and summarized in the required annual trending report for the year 2000. This annual trending report consists of four separate quarterly evaluations and an annual summary of the required trending attributes. There are no abnormal patterns identified. The trending information has

been distributed to responsible managers for review and, as appropriate, additional action. In general, the corrective action program implementation is deemed effective.

TNW has also reviewed the results of all internal audits completed in the Year 2000 to identify similar procedural violations. Our review indicates that no similar procedural violations were identified.

3. Corrective steps that will be taken to avoid further violations

The Corrective Action Program Manager has reviewed this Notice of Violation, and participated in the development of the quarterly trending report. In addition, TNW has added the quarterly trending report in the QA activity schedule as a reminder.

TNW intends to use the same spreadsheet format to capture the corrective action data for the Year 2001.

4. The date when full compliance will be achieved

Full compliance has been achieved at the time of this written response.