INFORMATION REPORT

February 13, 2004 SECY-04-0022

For: The Commissioners

From: William M. Dean, Assistant for Operations, Office of the EDO

Subject: SECY-04-0022 WEEKLY INFORMATION REPORT - WEEK ENDING FEBRUARY 6, 2004

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*No input this week.

/RA/

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Assistant for Operations, OEDO

Contact:
M. Markley, OEDO

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02/17/04	02/18/04

WEEKLY INFORMATION REPORT - WEEK ENDING FEBRUARY 6, 2004

The Weekly Information Report is compiled by the Office of the EDO and includes highlights of Headquarters and Regional Office activities.
Contact: M. Markley, OEDO by E-mail: mtm@nrc.gov.

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*No input this week

Office of Nuclear Reactor Regulation
Items of Interest
Week Ending February 6, 2004

Catawba Nuclear Station (Catawba) - Mixed Oxide (MOX) Adjudicatory Activities

On January 29, 2004, the Atomic Safety and Licensing Board (Board) for the Catawba MOX application issued a memorandum, Providing Notice of Granting the Blue Ridge Environmental Defense League (BREDL) Motion for Need to Know the contents of certain security and safeguards documents. The NRC Office of General Counsel staff filed a motion on January 30, 2004, with the Commission for interlocutory review of the Board's January 29, 2004 Order. The Commission issued an Order on January 30, 2004, for a "housekeeping stay" of the Board's Order until February 13, 2004.

Davis-Besse Nuclear Power Station - Inspection Exits and Restart Meeting

On February 2, 2004, the NRC Restart Readiness Assessment Team Inspection (RRATI) began additional onsite inspections. A public exit meeting to present the RRATI results is scheduled to be held on February 12, 2004, near the site. During that meeting, the results of the Management and Human Performance follow-up inspection will also be presented.

A monthly 0350 Oversight Panel meeting is scheduled to be held on February 12, 2004, near the site. At this meeting, which is required by the Confirmatory Action Letter, the licensee's basis for requesting restart authorization will be discussed. The Region III Administrator, the Director of the Office of Nuclear Reactor Regulation, and the Deputy Executive Director for Operations for Reactor Programs are expected to attend.

Dresden Unit 3 - Reactor Trip Followed by Vessel Overfill

On January 30, 2004, Dresden Unit 3 experienced an automatic reactor trip due to a turbine trip. Following the reactor trip, the feedwater level control system overfilled the reactor vessel such that water entered the steam inlet piping to the turbine-driven high pressure coolant injection pump. This appears to have been the first reactor trip at either of the Dresden units, resulting from a turbine trip, since implementation of their extended power uprate (EPU) in October 2002. The licensee modified the feedwater level control setpoints and is continuing to evaluate this level control incident, including the effect of EPU on increased steam and feed flow.

Nuclear Energy Institute (NEI) - Use of Alternative Source Term Methodologies

On January 30, 2004, representatives of the Division of Licensing Project Management issued a response to an NEI white paper on the use of alternative source term (AST) methodologies in evaluating the results of control room envelope in-leakage testing. The NRC staff concluded that, if control room envelope in-leakage is greater than the amount assumed in the licensing basis radiological consequence analyses, the licensee may use AST analytical methods in performing its operability determination to verify that the control room ventilation system can accomplish its intended safety function. The use of AST in the operability determination does not modify the design/licensing basis of the facility.

Meeting on Alternatives to Rulemaking for Generic Safety Issue 189 (GSI-189), "Susceptibility of Ice Condenser and Mark III Containments to Early Failure from Hydrogen Combustion During a Severe Accident"

On February 3, 2004, representatives of the Plant Systems Branch and Policy and Rulemaking Branch met with representatives of the Boiling Water Reactor Owners Group (BWROG), Nuclear Energy Institute, licensee representatives of pressurized water reactor Ice Condenser plants, and members of the public (including the Union of Concerned Scientists) to discuss alternatives to rulemaking to resolve GSI-189. The BWROG presented a proposed option to use dedicated High Pressure Core Spray diesel generator to power the igniters in the event of a station blackout (SBO) coincident with loss-of-coolant accident (LOCA). Although no commitments were made to accept this option, the staff agreed to meet again in March 2004, to further explore options, to address the need for design criteria for the alternative igniter power source, and to provide a draft schedule for possible rulemaking.

Final Rule: Financial Qualifications Information for Non-Electric Utilities Applying for License Renewal [10CFR 50.33(f)]

On January 30, 2004, the staff published the final rule in the Federal Register (69 FR 4439) that allows power reactor licensees, which are not-electric utilities, to forego providing financial information in their license renewal applications. Non-electric utilities are companies that sell electricity at spot market prices and, therefore, do not recover their costs through the rate making process. Because the NRC has a framework to assess licensee financial qualifications on a continuing basis, the staff determined that a separate financial review as part of the license renewal process is unnecessary. In addition, the final rule added requirements that a licensee notify the NRC when it changes from an electric utility to a non-electric utility status without a license transfer and submit the financial information that would be required when obtaining an initial operating license. The final rule will become effective on March 1, 2004.

Nuclear Procurement Issues Committee (NUPIC) Quality Assurance Audit at Babcock and Wilcox (B&W)

On January 25-30,2004, staff members from the Division of Inspection Program Management observed a NUPIC joint utility audit at the B&W Canada manufacturing facility. B&W Canada is supplying steam generators and reactor vessel heads to the US Nuclear industry. This is part of the staff's ongoing initiative to examine the current NUPIC audit process at various vendor facilities.

Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending February 6, 2004

Teleconference with States Regarding Deferral of Active Ground-Water Regulation at *In Situ* Leach Uranium Extraction Facilities

On January 29, 2004, representatives of the Office of Nuclear Material Safety and Safeguards and the Office of the General Counsel held a teleconference with the States of Nebraska and Wyoming and the U.S. Environmental Protection Agency (EPA). The purpose of the call was to discuss the staff's initiative to defer active regulation of ground water at *in situ* leach uranium extraction facilities to EPA-authorized non-Agreement States. An introductory letter had been sent to each State on December 29, 2003. During the call, staff briefly described the process and schedule and answered questions from the States and EPA. No issues were identified. The agencies appreciated the information and points of contact were identified for ongoing coordination.

Meeting with Novoste Corporation

On January 30, 2004, representatives of the Division of Industrial and Medical Nuclear Safety (IMNS), along with a representatives from the State of Georgia representative, met with Novoste Corporation, a medical device manufacturer, to discuss recent medical events involving its intravascular brachytherapy devices. During the meeting, Novoste addressed issues associated with the device as well as its recent engineering improvements. The IMNS staff plans to develop an Information Notice to heighten awareness of the issues associated with the Novoste system.

NMSS/Regional Division Directors' Counterpart Meeting

On February 3-4, 2004, the Office of Nuclear Material Safety and Safeguards (NMSS) and Regional Office Division Directors met in Rockville, MD, to discuss security issues for NMSS and Agreement State licensees; planning and budgeting issues; training initiatives; and various program status updates for a number of activities across the materials and waste arenas. Managers, supervisors, and senior staff attended the meeting. Representatives from the Office of Nuclear Security and Incident Response, Office of Human Resources, and the Office of State and Tribal Programs also participated. This was the first of two Division Director counterpart meetings to be held in 2004. The next meeting is tentatively scheduled to be held in August 2004.

NRC/DOE Technical Exchange Meeting on Prelicensing Activities and the Level of Design Detail for Proposed High-Level Waste Repository at Yucca Mountain

On February 3-4, 2004, the Department of Energy (DOE) and NRC staff conducted a Technical Exchange meeting in Las Vegas, Nevada. DOE presented an overview of its proposed license application for a geologic repository at Yucca Mountain, Nevada. DOE, NRC, the State of Nevada, other stakeholders, and interested members of the public attended this Technical Exchange. DOE's presentations included: (1) the proposed content of a license application; (2) the content and format of a proposed safety analysis report; (3) the level of detail to be

contained in an application; (4) future interactions between DOE and NRC before submitting a license application; (5) planned future design activities; and (6) potential conditions should repository construction be authorized. NRC made a presentation on the process of risk-informing its review should DOE submit a license application.

National Academy of Sciences Meeting on Spent Fuel and High-Level Waste Transportation

On February 2, 2004, NRC staff attended a National Academy of Sciences (NAS) meeting in Chicago, Illinois, on emergency response issues relating to the transportation of spent fuel and high-level waste. This was the fourth public meeting, in a series of eight planned meetings, convened by NAS to gather information and public input on various topics dealing with the shipment of high- level waste and spent fuel. Attendees and presenters included local and State governments (Illinois, Iowa, Michigan, and Nevada); first responders (Chicago police and hazardous materials units); Federal Agencies (Department of Energy, Federal Emergency Management Agency); and industry (Burlington Northern Santa Fe Railroad). The main issues discussed were roles and responsibilities; preparedness and training; funding under the Nuclear Waste Policy Act Section 180 (c); shipment security and protection of information; and the needs and requirements for advanced planning. The public meeting was followed by a closed working session for NAS Board members on February 3 and a site visit to the Dresden Nuclear Power Plant on February 4, 2004, respectively. NRC Region III staff accompanied the Board on the site visit.

Nuclear Security and Incident Response
Items of Interest
Week Ending February 6, 2004

Preliminary Notifications

1. PNO-I-04-005, Mercy Fitzgerald Hospital - MEDICAL EVENT REPORTED FOLLOWING IDENTIFICATION OF LEAKING IODINE-125 SOURCE

2. PNO-IV-04-005, Arizona Public Service Co. - TECHNICAL SPECIFICATION REQUIRED SHUTDOWN TO EXCEED 72 HOURS

3. PNO-IV-04-006, Union Electric Company - CALLAWAY PLANT SHUTDOWN

Office of Administration
Items of Interest
Week Ending February 6, 2004

Revision of Fee Schedules; Fee Recovery for FY 2004 (AH37 - Parts 170 and 171)

A proposed rule that would amend the licensing, inspection, and annual fees charged to the Commission's applicants and licensees was published in the Federal Register on February 2, 2004 (69 FR 4865). The proposed rule is intended to ensure NRC compliance with the Omnibus Budget and Reconciliation Act of 1990. The Act mandates that the NRC recover approximately 92 percent of its budget authority in Fiscal Year 2004, less amounts appropriated from the Nuclear Waste Fund. The amount to be recovered for FY 2004 is approximately $545.6 million. The comment period on this action closes March 3, 2004.

Chief Information Officer
Items of Interest
Week Ending February 6, 2004

Information Technology (IT) Focus Group meeting held January 28 - 29, 2004

On January 28-29, 2004, members of the Business Process Improvement and Application Division (BPIAD) in the Office of the Chief Information Officer (OCIO) held their quarterly IT Focus Group meeting in Rockville, MD. Because of adverse weather conditions, only one regional office representative (Region II) was able to attend. Nearly 30 participants attended including representatives from the Offices of Nuclear Reactor Regulation (NRR), Nuclear Reactor Research (RES), Nuclear Material Safety and Safeguards (NMSS), Administration (ADM), Inspector General (OIG), Chief Financial Officer (CFO), and OCIO.

During this meeting, participants discussed (1) challenges NRC will face with Project Safesource that is intended to provide improved tracking of nuclear materials; (2) National Institute of Standards and Technology (NIST) activities in IT security, including encryption, emerging standards, and the specific problems presented by wireless activities; (3) new OCIO security Web site; (4) need to manage laptop security; (5) issues involved in the use of classified personal computers used to generate “official use only” data; (6) new procedures that have been established to support offices in the evaluation and acquisition of software, and initiatives to support program offices using Business Process Improvement; (7) how NRC will use a Web-based Enterprise Architecture tool to communicate complex Information Technology and Information Management information to NRC staff; and (8) methods being used by NRC to identify and control spam. The next IT focus group meeting is scheduled for May 12-13, 2004.

Freedom of Information Act and Privacy Act Requests received during the period of January 30 through February 5, 2004:

I.M.P.A.C. Listing	FOIA/PA-2004-0110
Staff Requirements Memorandum (SRM) on decommissioning funding, January 2003	FOIA/PA-2004-0111
Nuclear Materials Events Database (NMED), all available years	FOIA/PA-2004-0112
Licensing records for uranium recovery facilities from AEC to the State of Colorado after it became an agreement state in 1968, transfer forms, lists of records, etc.	FOIA/PA-2004-0113
Presidents’ 2003 State of the Union Address asserting that “we have found diagrams of American nuclear power plants..” in caves in Afghanistan	FOIA/PA-2004-0114
RFP #RSADM0361, Broadcasting NRC Commission Meetings on the Internet, name of contractor, bid number, award date, expiration date, estimated value, resulting contract and bidders’ list	FOIA/PA-2004-0115
Big Rock Point nuclear power plant, licensee event reports, condition reports, worker allegations re: decommissioning, past 12 months	FOIA/PA-2004-0116

Office of Human Resources
Items of Interest
Week Ending February 6, 2004

Arrivals		
Evan Jones	IT Specialist	OCIO
Geoffrey Ottenberg	Nuclear Safety Intern	R-I
Michael E. Pribish	Project Engineer	R-II
Paul Richert	Investigator	R-I
Retirements		
Cynde Albee	IT Specialist (Systems)	R-II
Margaret S. Chatterton	Team Leader	NMSS
Erastace N. Fields	Reactor Engineer	NRR
Claudia Pietras	Criminal Investigator	OI
Departures		
Darrin King	Sr. Information Management Analyst	OCIO
David Lew	Branch Chief	R-I
Carolyn Sangster	Office Assistant	R-III
Sheena Whaley	Nuclear Safety Engineer	NMSS

Office of Public Affairs
Items of Interest
Week Ending February 6, 2004

Media Interest

NRC's Chief Financial Officer held a press briefing February 2, 2004, regarding the agency's proposed budget for Fiscal Year 2005 (FY'05).

The Bush Administration's FY '05 budget request contained significant increases in funding for the Department of Energy to complete its Yucca Mountain application and plan routes for transporting high-level nuclear waste to the repository.

Construction of a facility to manufacture mixed-oxide fuel (MOX) at the Department of Energy's Savannah River Site in South Carolina has been delayed until 2005 because of disputes with Russia over a sister plant to be built in that country.

Southern California Edison abandoned plans to ship a decommissioned reactor vessel from the San Onofre nuclear plant by barge around the tip of South America to a disposal site in South Carolina after Argentina banned the barge from its national waters.

NRC's letter to PSEG requesting a plan to improve the work environment for raising safety concerns at the Salem/Hope Creek plants.

Results of NRC's inspections at Diablo Canyon following the December 22, 2003 earthquake, and operability of sirens were discussed at a public meeting in San Luis Obispo, California.

Press Releases	
Headquarters:	
04-016	NRC Proposes to Amend Licensing, Inspection and Annual Fees Rule (2/2, rev. 2/3)
04-017	NRC Advisory Committee on Nuclear Waste to Meet February 24-27, 2004 in Rockville, Maryland (2/2)
04-018	NRC Sets Schedule for Review of LES Application; Offers Opportunity to Request Participation in Hearing (2/2)
Regions:	
I-04-002	NRC to Hold Public Meeting in Connecticut on License Renewal Application for Millstone, Units 2 & 3 (2/6)
III-04-007	Teleconferences Available for February 12, 2004 Davis-Besse Meetings (2/6)

Office of International Programs
Items of Interest
Week Ending February 6, 2004

New Foreign Assignee (Japan)

Naoto Ichii, an employee of the Nuclear and Industrial Safety Agency (NISA), Ministry of Economy, Trade and Industry (METI), will be on assignment to NRR for twelve months, from February 2, 2004 until February 1, 2005. His mentors will be Mark Reinhart, Probabilistic Safety Assessment Branch; Doug Coe, Inspection Program Branch; and P.T. Kuo, License Renewal and Environmental Impacts Program.

Office of the Secretary
Items of Interest
Week Ending February 6, 2004

Document Released to Public	Date	Subject
Information Papers		
1. SECY-04-0009	1/28/04	SECY-04-0009 Weekly Information Report - Week Ending January 23, 2004
Memoranda		
1. M040205	2/5/04	Staff Requirements-Affirmation Session: I. SECY-04-0015-Private Fuel Storage (Independent Spent Fuel Storage Installation) Docket No. 72-22-ISFSI

Commission Correspondence

1. Letter to Rod Paige, Secretary, Department of Education, dated January 22, 2004, provides NRC's FY 2003 Annual Federal Performance Report on Executive Agency Actions to Assist Historically Black Colleges and Universities.

2. Letter to Senator Hillary Rodham Clinton, dated January 21, 2004, concerns security at the Indian Point Nuclear Power Plant as a result of the elevated threat level.

Federal Register Notices Issued

1. U.S. NRC Seeks Qualified Candidates for the Advisory Committee on Reactor Safeguards, request for resumes.

Region I
Items of Interest
Week Ending February 6, 2004

Investigation of Reported Medical Event

On February 4, 2004, a Region I senior materials inspector accompanied a representative of the Veterans Administration Master Materials Licensee (MML) on a reactive inspection to the Boston, Massachusetts, Veterans Administration hospital. A medical event on January 30, 2004, involved an apparent error in administration of iodine-131 (I-131) that was intended for an iodine uptake study. The licensee technician administered 500 microcuries of I-131 for the study, when only 5 microcuries should have been administered. The NRC accompaniment was part of an audit of the VA's implementation of the MML program, to assure the VA's event review is equivalent with NRC's policies and procedures for medical events.

Region II
Items of Interest
Week Ending February 6, 2004

Nuclear Fuel Services, Inc. - Management Meetings and Closed Predecisional Enforcement Conferences

On February 5, 2004, the Regional Administrator, the Director of the Office of Nuclear Materials Safety and Safeguards (NMSS), and staff and managers from the Office of Nuclear Security and Incident Response, NMSS and Region II held a meeting open to the public to discuss NFS safety improvement progress, and a closed meeting to discuss the status of security and safeguards issues. There were also two closed pre-decisional enforcement conferences to discuss an apparent violation associated with the deliberate transfer of low-enriched uranium (LEU) solution without conducting the required verification and reviews prior to and during the transfer.

Radiation Worker Group Meeting

On February 4-5, 2004, the Region II State Liaison Officer participated in a Radiation Worker Group meeting in Birmingham, AL, involving officials of the States of Alabama, Georgia, and South Carolina; various Federal agencies; and representatives of the Southern Nuclear Operating Company, Inc.

Reactor Oversight Process (ROP) End-of-Cycle Meetings

On February 3-4, 2004, the Region II staff completed the annual ROP End-of-Cycle Plant Performance Review Meetings.

Honeywell International, Inc.

On February 3, 2004, the Regional Administrator signed the Augmented Inspection Team (AIT) report documenting the review of the December 22, 2003, release of uranium hexafluoride and subsequent Site Area Emergency. Significant AIT findings were that communications with local emergency responders were not maintained and were incomplete, there was a lack of adherence to procedures, and some activities were not covered by procedures. The AIT also concluded that the release of uranium hexafluoride had minimal impact on worker health and safety. Exposures were below NRC regulatory limits. Honeywell will not restart its operations until NRC is satisfied with their corrective actions. Licensee restart activities will be closely monitored by NRC inspectors.

Region IV
Items of Interest
Week Ending February 6, 2004

NRC Staff Meet with External Stakeholders and Conduct Two Public Meetings at the Diablo Canyon Power Plant

On February 3, 2004, the Deputy Regional Administrator and other members of the Region IV staff met with members of the San Luis Obispo County Board of Supervisors. The purpose of the meeting was to discuss mutual matters of interest and to provide the supervisors a status of regional activities conducted following the December 22, 2003, earthquake at San Simeon, California.

On February 4, 2004, Region IV and Headquarters staff members conducted two public meetings at the Diablo Canyon Power Plant. The meetings were well attended (approximately 100 members of the community present) and lasted for about 5 hours total. The first meeting was a Category 1 technical meeting to discuss the results of the licensee's Special Report submitted following the December 22, 2003, earthquake near San Simeon, California. The second meeting was a Category 3 meeting with the local community where NRC provided a briefing of NRC inspections conducted following the December 22, earthquake. Issues raised during the meetings included: insufficient advance notice of the meeting; the ability of the building surrounding the spent fuel pool to prevent a release following an earthquake or a zirconium fire; the inoperability of 56 of 131 emergency sirens due to the earthquake; and calls for additional seismic mapping of the area.

Office of Congressional Affairs
Items of Interest
Week Ending February 6, 2004

CONGRESSIONAL HEARING SCHEDULE, NO. 44					
OCA Contact	DATE & PLACE	TIME	WITNESS	SUBJECT	COMMITTEE
Combs	02/04/04 *Postponed*	10:00	NRC, DOE, Bechtel, NEI, NARUC	Review of the Progress of DOE's Yucca Mountain Project	Reps. Barton/Boucher Energy and Air Quality Energy and Commerce
Portner	02/10/04 SD-366	10:00	Kyle McSlarrow, Deputy Secretary of DOE	FY05 Budget	Senators Domenici/Bingaman Energy and Natural Resources
Gerke	02/11/04 2203 RHOB	11:30	NTEU, AFGE, Performance Institute	Recruiting and Retaining Federal Workers	Reps. Davis/Davis Civil Service & Agency Organization Government Reform
Gerke	02/11/04 2247 RHOB	2:00	Clay Johnson, OMB	The President's Management Agenda	Reps. Platts/Towns Gov't Efficiency & Financial Management Government Reform
Gerke	03/03/04 2154 RHOB	2:00	GAO, OMB, Treasury	GAO Audit of Government Financial Statements	Reps. Platts/Towns Gov't Efficiency & Financial Mgmnt Government Reform
Keeling	03/04/04 TBA	TBA	Dr. Travers; TVA COO; NEI	Browns Ferry Restart	Senators Alexander/Graham Energy Energy and Natural Resources
Portner	03/11/04 2362B RHOB	10:00	DOE	FY05 Budget	Reps. Hobson/Visclosky Energy and Water Development Appropriations

Gerke	03/10/04 TBA	TBA	OMB	Agencies' Computer Security Efforts	Reps. Putnam/Clay Technology, Info Policy, Inter-governmental Relations and the Census Government Reform
Portner	03/17/04 2362B RHOB	10:00	DOE	FY05 Nuclear Energy Budget	Reps. Hobson/Visclosky Energy and Water Development Appropriations
Combs	03/24/04 2362B RHOB	10:00	DOE	FY05 Nuclear Waste Budget	Reps. Hobson/Visclosky Energy and Water Development Appropriations