

# INFORMATION REPORT

July 13, 2004

SECY-04-0116

For: The Commissioners  
From: William M. Dean, Assistant for Operations, Office of the EDO  
Subject: SECY-04-0116 WEEKLY INFORMATION REPORT - WEEK  
ENDING JULY 2, 2004

## 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 and 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/*

William M. Dean  
Assistant for Operations, OEDO

Contact:  
T. Kim, OEDO

July 13, 2004

SECY-04-0116

For: The Commissioners  
From: William M. Dean, Assistant for Operations, Office of the EDO  
Subject: SECY-04-0116 WEEKLY INFORMATION REPORT - WEEK  
ENDING JULY 2, 2004

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 and 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/*

William M. Dean  
Assistant for Operations, OEDO

Contact:  
T. Kim, OEDO

DISTRIBUTION:  
Central File  
Public

Document Name: C:\WIR\Week702.WPD

OEDO                      AO/OEDO  
TJKim                     WMDean  
07/13/04                 07/14/04

**WEEKLY INFORMATION REPORT - WEEK ENDING JULY 2, 2004**

The Weekly Information Report is compiled by the Office of the EDO and includes highlights of Headquarters and Regional Office activities.

Contact: T. Kim, OEDO by E-mail: [TJK3@nrc.gov](mailto:TJK3@nrc.gov).

Use **GO TO** (Ctrl+Home) to advance to the page number for a specific Office.  
**PgDn** and **PgUp** can also be used to advance through the text.

<b>OFFICE</b>	<b>Page</b>	<b>OFFICE</b>	<b>Page</b>
NRR	2	STP	*
NMSS	4	OPA	12
RES	6	OIP	*
NSIR	8	SECY	13
OGC	*	Region I	14
ADM	9	Region II	16
CIO	10	Region III	*
CFO	*	Region IV	17
HR	11	OEDO	*
SBCR	*	OCA	18
OE	*		

\*No input this week

Office of Nuclear Reactor Regulation  
Items of Interest  
Week Ending July 2, 2004

NRC Meeting with the Vermont Public Service Board

On June 28, 2004, NRR and Region I staff met with the Vermont Public Service Board (PSB) regarding Vermont Yankee's request for a 20 percent extended power uprate. The NRC staff described NRC's uprate review process and the pilot engineering inspection slated for Vermont Yankee in August. Overall, the meeting provided a good forum for describing the scope and depth of the NRC's power uprate review and engineering inspection processes. The NRC discussed the criteria to be used for the independence of the inspection team performing the engineering inspection. The staff also described NRC's process for selecting contractors for the inspection. The staff noted the public nature of the inspection process, that the engineering inspection would have a state observer, and plans for a public exit meeting. The PSB expressed interest in the ability of NRC's inspections and reviews to assess the impact of the uprate on reliability of the plant and on precluding operational issues, such as those experienced at Quad Cities after its uprate. NRC staff also explained that the steam dryer integrity and flow-induced vibration issues were receiving significant attention by the NRC and are important issues in this power uprate request.

NRC Public Meeting Regarding Ultrasonic Flow Meters

On July 1, 2004, NRR staff held a public meeting to present the staff's planned generic correspondence on the use of ultrasonic flow meter (UFM) devices for measuring feedwater flow used in determining the reactor thermal power. Representatives of Westinghouse, Caldon, Advance Measurement and Analysis Group, Westinghouse Owners Group, and the public participated in this meeting. The NRC staff presented background information about UFM technology, staff review of vendor topical reports, public concerns, NRC Independent Task Group recommendations, and a summary of the proposed generic communication being developed. Discussions about proposed actions for licensees highlighted some technical difficulties in implementing such actions and being able to achieve the desired results. The staff agreed to carefully consider proposed actions to ensure they are practical, defensible, and understandable, and to make other clarifying changes. The feedback from the attendees was constructive and helpful.

Public Meeting on an Alternate, Risk-Informed Approach for Resolving GSI-191

The staff met with Nuclear Energy Institute (NEI) and industry representatives on June 29, 2004, to continue discussions regarding an alternate, risk-informed approach for resolving Generic Safety Issue (GSI)-191, "Assessment of Debris Accumulation on Pressurized Water Reactor Sump Performance." This was the third public meeting on the topic within the last month. Progress is being made toward reaching consensus on an acceptable risk-informed approach.

During the meeting, NEI presented a detailed outline of their proposed risk-informed alternative, which will be documented in Chapter 6 of the NEI Evaluation Guidelines document. The NEI proposal considers and includes many of the technical and regulatory elements discussed at previous public meetings. While progress is being made, certain elements require further

discussion. These include the debris generation break size selection and use of realistic parameter values in the net positive suction head (NPSH) calculations, which demonstrate that the acceptance criteria of 10 CFR 50.46 are satisfied.

NEI is currently drafting the risk-informed Chapter of the Evaluation Guidelines, and plans to submit a revised Chapter 6 to the staff by mid-July. The staff is considering meeting with NEI and industry on July 20, 2004, to discuss the revised Chapter 6 and other Sections of the NEI Evaluation Guidelines document and provide feedback.

#### NRC Information Notice (IN) 2004-12: Spent Fuel Rod Accountability Dated June 25, 2004

NRC issued the subject IN to inform addressees of issues at two reactor facilities regarding ineffectiveness of the licensee material control and accounting programs. In 2000, the Millstone Unit 1 licensee reported that two full-length irradiated fuel rods were not in the locations specified in special nuclear material accounting records. In 2004, in response to the NRC concerns with the effectiveness of spent fuel pool inventory methods, the Vermont Yankee licensee found that two spent fuel rod pieces were not in their documented locations in the spent fuel pool.

#### Regional Division Director Counterpart Meeting

On June 29-30, 2004, the Division of Inspection Program Management (DIPM) staff hosted the Regional Division Director Counterpart Meeting via a video teleconference. Division Directors from all four regions and headquarters discussed issues related to the Reactor Oversight Process (ROP), ROP dynamics, the significance determination process (SDP), mitigating system performance index (MSPI), enforcement interface issues, the status of fire protection issues, and safety conscience work environment (SCWE).

Office of Nuclear Material Safety and Safeguards  
Items of Interest  
Week Ending July 2, 2004

Public Meeting on Yankee Rowe License Termination Plan

On June 24, 2004, staff held a public meeting in Shelborne Falls, Massachusetts, to discuss the License Termination Plan (LTP) that was submitted in support of the decommissioning of the Yankee Rowe nuclear plant. The meeting was held to collect public comments on the LTP, which the staff is currently reviewing. Approximately 50-60 people attended the meeting and provided comments. The public's primary concern about the LTP was with the tritium in the groundwater at the plant. The public also expressed concerns about nuclear power in general and the safe storage of fuel in the Independent Spent Fuel Storage Installation. Under the current schedule, the review of the LTP should be complete by March 2005.

NRC/SMC Meeting on License Guidance

On June 29, 2004, NRC staff met with representatives of Shieldalloy Metallurgical Corporation (SMC) to discuss the guidance that NRC staff had transmitted to SMC on May 15, 2004, regarding a long-term control, possession-only license. Staff from the New Jersey Department of Environmental Protection (NJDEP) and two other interested parties also participated by telephone. The day before this meeting, NJDEP provided NRC staff with a copy of a letter that was being sent from NJDEP to the NRC Chairman, stating its concerns with the guidance and decommissioning of the site. This letter was also discussed during the meeting. Based on this meeting, NRC and SMC staff agreed to meet again to discuss environmental issues and radiation dose modeling. SMC anticipates providing a schedule to NRC, by October 2004, for submittal of its decommissioning plan.

Interagency Coordinating Committee

On June 22, 2004, the Interagency Coordinating Committee on National Source Tracking met to discuss high level agency requirements for source tracking. Agencies represented at the meeting were NRC, the Department of Commerce, the Department of Transportation, the Department of Homeland Security (DHS) - Infrastructure Protection, DHS-Customs, the Department of State, and the Department of Commerce. The group agreed to the high level functions for the national source tracking system. Remaining open issues - Ra-226, import/export details, transshipments, and licensee information - will be addressed by sub-groups of the Committee. The next full Committee meeting is scheduled for October 21, 2004.

Meeting Between Japanese Nuclear Safety Commission and NRC

On June 21-22, 2004, two representatives from the Japan Nuclear Safety Commission (NSC) met with staff from the Division of Fuel Cycle Safety and Safeguards (FCSS) at NRC Headquarters. The meeting was held to discuss issues and to answer questions regarding activities associated with the nuclear fuel cycle facilities in both the United States and Japan. Specific topics included NRC presentations on: (1) 10 CFR Part 70, Integrated Safety Analysis; and (2) Mixed Oxide Fuel Fabrication Facility licensing. The Japan NSC presentation focused on: (1) the status of Japanese risk-informed safety regulation initiatives; (2) the current status of

July 2, 2004

ENCLOSURE B

Japanese Safety Regulation on Nuclear Fuel Cycle Facilities; and (3) the role of the Nuclear Safety Commission. The meeting was very successful with good interaction and questions between FCSS and NSC.

The Japan NSC also regulates a Global Nuclear Fuel (GNF) facility in Japan, and the visitors requested a site visit to the GNF facility in Wilmington, North Carolina. On June 24, 2004, an FCSS Project Manager accompanied the Japanese regulators on a site visit to the GNF facility.

#### Public Meeting in Piketon, Ohio, on United States Enrichment Corporation Inc.'s American Centrifuge Plant

On June 23, 2004, NRC staff conducted a public meeting in Piketon, Ohio, to discuss United States Enrichment Corporation Inc.'s (USEC) proposed commercial gas centrifuge uranium enrichment facility (American Centrifuge Plant or ACP) to be located at the Portsmouth Gaseous Diffusion Plant site in Piketon, Ohio. USEC anticipates submitting its license application for the ACP in August 2004. The NRC staff began the meeting by briefly describing the proposed project, the licensing process that will be utilized in reviewing USEC's application, and opportunities the public will have to provide input. The NRC staff also described the processes that will be utilized to develop its Environmental Impact Statement and to inspect the ACP. About 125 individuals attended the meeting. In addition to local and regional residents, state and local elected officials or their designees, members of the unions associated with the Portsmouth Gaseous Diffusion Plant and USEC staff were also in attendance. USEC staff brought with them to the meeting over 8,000 form "letters of support" for the proposed ACP.

#### Louisiana Energy Services Quarterly Management Meeting

On June 24, 2004, staff from NRC and Louisiana Energy Services (LES) held the second quarterly management meeting to discuss management issues related to the uranium enrichment plant proposed to be located in Eunice, New Mexico. Both parties stated that good progress has been made to date, and all goals have been met ahead of schedule. NRC staff is reviewing LES responses to Requests for Additional Information and will communicate whether or not additional clarification or information is needed. LES stated that it intends to select an architect-engineer for the facility in August.

#### Meeting Between NRC and Rio Algom Mining LLC

On June 30, 2004, representatives from Rio Algom Mining LLC (Rio Algom) met with NRC staff. The purpose of the meeting was to discuss the ongoing NRC staff review of the Rio Algom Alternate Concentration Limits application for the Ambrosia Lake, New Mexico, uranium mill site. Two separate meetings were held. A morning meeting for technical staff was convened to discuss the application. In the afternoon, NRC management attended a meeting with both management and technical staff from Rio Algom. These meetings resulted in agreement on a plan to move toward completion of the licensing action.

Office of Nuclear Regulatory Research  
Items of Interest  
Week Ending July 2, 2004

International Cooperative Probabilistic Risk Assessment Research Program (COOPRA)/Risk-Informed Decision Making (RiDeM) Working Group Meeting

The 7<sup>th</sup> annual meeting of the COOPRA/RiDeM Working Group (WG) was held on June 23-24, 2004, in London, UK, at the headquarters of the Health and Safety Executive (HSE). The overall objective of the COOPRA/RiDeM WG is to review the use of risk information in decision making in the member countries, identify any shortfalls in the processes, and coordinate collaborative research where appropriate. To this end, the RiDeM WG has identified several issues of common interest with respect to risk-informed decision making. The 7<sup>th</sup> RiDeM WG meeting was well attended with members from the UK, Canada, France, Hungary, Spain, Taiwan, Japan, and USA. In addition, members from the Nuclear Energy Agency (NEA)/Committee on the Safety of Nuclear Installations (CSNI)/Working Group Risk (WGRisk) (e.g., representatives from the UK, France, Japan, and the Netherlands) were in attendance to facilitate cooperation between WGRisk and COOPRA/RiDeM. One focus of the meeting was an exchange of general information about both COOPRA/RiDeM WG and WGRisk activities to-date. It was decided that work on the COOPRA/RiDeM data base of risk-informed decisions would be suspended while WGRisk initiates its work in developing specifications for a more detailed data base of risk-informed decisions.

The meeting included presentations by members on the use of cost-benefit analysis, updates on RiDeM issues, and presentations on PRA activities. The presentations on the use of cost-benefit analysis revealed some similarities (e.g., use of NUREG/BR-0184 by Taiwan and U.S.) and some differences in approaches. Action items for future COOPRA/RiDeM work were identified in areas related to cost-benefit analysis, uncertainty, and the process for risk-informed decision making. The next COOPRA/RiDeM meeting was tentatively agreed to take place in June 2005.

Containment Structural Integrity Research Program

On June 29, 2004, managers and staff members from RES, NRR, and NMSS engaged in extensive discussions regarding current needs and future research directions related to containment integrity. RES staff and contractors gave briefings on the background and current status of the containment structural integrity research program. The next actions will include reviewing the advanced and new reactors license application submittals for containment analysis and design and determine whether or not recommendations on improvements and revisions to the Standard Review Plan are appropriate. The staff will also evaluate the improvements that may be needed for the codes and standards on containment analysis and design. Further, the staff will assess the feasibility of utilizing data from this research to enhance MELCOR severe accident analysis models and make them more realistic.

The containment structural integrity research program was co-sponsored and jointly funded by the Nuclear Power Engineering Corporation (NUPEC) of Japan (currently Japan Nuclear Energy Safety Organization (JNES)) and the Office of Nuclear Regulatory Research. The purpose of the program was to investigate the response of representative models of nuclear containment structures to pressure loading beyond the design basis accident and to compare analytical

July 2, 2004

ENCLOSURE C



predictions to measured behavior. This was accomplished by conducting static, pneumatic overpressurization tests of scale models at ambient temperature. These results are used to evaluate the safety of existing nuclear power plants in the US and overseas. SNL also discussed the containment testing and capacity background and containment issues for advanced and next generation plants.

July 2, 2004

ENCLOSURE C

Nuclear Security and Incident Response  
Items of Interest  
Week Ending July 2, 2004

Public Meeting with Nuclear Energy Institute

On June 30, 2004, Office of Nuclear Security and Incident Response (NSIR) staff held a public meeting to discuss a Nuclear Regulatory Commission (NRC)-led Sandia National Laboratory (SNL) study and a Nuclear Energy Institute (NEI)-led Electric Power Research Institute study relating to (NRC) protective action recommendation guidance concerning evacuation and sheltering. The meeting was attended by Nuclear Information & Resource Service, Riverkeeper, State of New Jersey Bureau of Radiation Protection, NEI, SNL, McGraw-Hill and representatives from the Department of Homeland Security and Federal Emergency Management Agency, as well as various utilities.

Preliminary Notifications

1. PNO-II-04-005, Nuclear Fuel Services Inc. - PRESS INTEREST IN TRANSPORTATION EVENT.
2. PNO-IV-04-015, Baker Hughes Oil Field Operations (DBA Baker Atlas) - TRUCK FIRE INVOLVING BYPRODUCT MATERIAL.

Office of Administration  
Items of Interest  
Week Ending July 2, 2004

Contract Award

On June 30, 2004, a competitive fixed price contract No. DR-10-04-418, was awarded to McManis Associates, Inc. The vendor shall provide a space utilization assessment to the Office of Administration to evaluate the effectiveness of the Space Planning System in meeting its desired purpose of supporting micro and macro space planning for the NRC. The assessment will include sampling and evaluation of actual space use in the headquarters complex for all categories of occupants. The period of performance is four months and the contract fixed price is \$60,906.00.

July 2, 2004

ENCLOSURE F

Chief Information Officer  
Items of Interest  
Week Ending July 2, 2004

FileNET Professional Services Contract Issued

A three-year Task Ordering contract with two additional option years was issued to FileNET Corporation on June 28, 2004. Under this contract FileNET's Professional Services Division will provide an assortment of expert technical support services, many of which are critical to the success of the High-Level Waste project. These services include: ADAMS Document Management Architecture Analysis; upgrade ADAMS and all other FileNET document repositories to current software releases; replace Panagon Web Publishing software (support discontinued effective December 2004) with FileNET's P8 Distributor software; and analysis of migrating ADAMS to web-based software.

Freedom of Information Act and Privacy Act Requests Received During the Period of June 25 through July 1, 2004:

DS 161, Application of the Concepts of Exclusion, Exemption & Clearance, comments to IAEA, Bob Meck & others	FOIA/PA-2004-0275
Power reactor status reports, 4-1-2003 to present	FOIA/PA-2004-0276
10 CFR 50 Appendix RIII.G.2 & non-compliant "operator manual actions," all communications 7-14-2003 to 6-25-2004, between NRC offices	FOIA/PA-2004-0277
Louisiana Energy Services, application for license(s) for enrichment facility in New Mexico, all correspondence before 1-30-04 between Commission & NRC staff or LES	FOIA/PA-2004-0278
Solicitation RS-ADM-05-396, bidders mailing list, incumbent contractor, abstract of bids from last competition & schedule B line item pricing from current contract	FOIA/PA-2004-0279
Custodial Management Services, White Flint complex, incumbent contractor & contract value for the past year	FOIA/PA-2004-0280

Office of Human Resources  
Items of Interest  
Week Ending July 2, 2004

<b>Arrivals</b>		
CHIU, Alvin	Student Engineer (Summer)	NRR
HAYES, Launette Michelle	Student Clerk	R-II
JACOBI, Eric Scott	Student Administrative (Summer)	NMSS
MOY, Brian	General Engineer (Summer)	NRR
MELHAFF, Zachary	Student IT	R-IV
<b>Retirements</b>		
BARHAM, Tommie	Chief, Payroll Services Team	OCFO
BEESON, Juanita	Technical Writer-Editor	OCIO
BROWN, Rebecca	Sr. Processing Assistant	R-I
DRYSDALE, Peter	Sr. Resident Inspector	R-I
FRANKLIN, Mary	Fiscal Accounting Assistant	OCFO
JOYNER, James	Director, Division of Resource Management	R-I
LOHMEIER, Alfred	Reactor Inspector	R-I
MAY, Judith	Sr. Management Analyst	NSIR
PARKER, Michael E .	Sr. Reactor Analyst	R-III
VISSING, Guy	Sr. Project Manager	NRR
<b>Departures</b>		
HACKETT, Gregory P.	Emergency Response Coordinator	NSIR
MCLAUGHLIN, Monica	Secretary (OA)	NSIR
SHEETZ, Ann	Secretary (OA)	NRR
TURNER, Larry	Reactor Operations Engineer	NRR

Office of Public Affairs  
Items of Interest  
Week Ending July 2, 2004

Media Interest

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

The Energy Department's certification of documentation for the Yucca Mountain application.

NRC's presentation to the Vermont Public Service Board on the Vermont Yankee power uprate review.

Warnings that nuclear medicine patients could incur travel delays by triggering radiation detectors at airports or border crossings.

Other OPA items:

OPA provided courtesy calls to Ohio media concerning a very minor radioactivity release that stemmed from filter maintenance at the Davis-Besse plant. No reporting thresholds were exceeded; information was provided to prevent potential misunderstandings.

<b>Press Releases</b>	
<b>Headquarters:</b>	
04-079	NRC Updates Vermont Public Service Board on Status of Vermont Yankee Uprate Review (6/28)
04-080	NRC Advisory Committee on Reactor Safeguards to Meet July 7-9 in Rockville, Maryland (6/30)
04-081	NRC Announces Opportunity for Hearing on Application to Increase Power Output of Vermont Yankee (7/1)
<b>Regions:</b>	
I-04-035	NRC to Meet with Public in New York on Nine Mile Point License Renewal (7/1)
IV-04-030	Diablo Canyon Meeting to Be Rescheduled
IV-04-031	NRC to Discuss Performance of San Onofre Nuclear Generating Station July 29 (6/29)
IV-04-032	NRC to Discuss Findings of Palo Verde Augmented Inspection (7/1)
IV-04-033	NRC to Meet with Pacific Gas & Electric to Discuss Diablo Canyon Issues (7/1)

Office of the Secretary  
Items of Interest  
Week Ending July 2, 2004

Document Released to Public	Date	Subject
<b>Decision Documents</b>		
1. SRM-SECY-04-0037	7/01/04	Issues Related to Proposed Rulemaking to Risk-Inform Requirements Related to Large Break Loss-of-Coolant Accident (LOCA) Break Size and Plans for Rulemaking on LOCA with Coincident Loss-of-Offsite Power
Voting Record on SECY-04-0037	7/01/04	(same)
<b>Information Papers</b>		
1. SECY-04-0100	6/23/04	SECY-04-0100 Weekly Information Report - Week Ending June 11, 2004
2. SECY-04-0106	6/28/04	SECY-04-0106 Weekly Information Report - Week Ending June 18, 2004
<b>Memoranda</b>		
1. M040602B	6/30/04	Staff Requirements - Meeting with ACRS

Commission Correspondence

1. Letter to Congressman Markey, dated June 24, 2004, responds to questions concerning the accountability for two irradiated spent fuel rod segments missing from the Vermont Yankee NPP.
2. Letter to Congresswoman Kelly, dated June 23, 2004, regarding the NRC's interaction with Mr. William Lemanski, former Entergy employee.
3. Letter to Congressman Bass, dated June 22, 2004, responds to constituent concerns relating to Vermont Yankee.
4. Letter to Senator Sununu, dated June 22, 2004, responds to constituent concerns relating to Vermont Yankee.

Federal Register Notices Issued

1. Establishment of Atomic Safety and Licensing Board to preside over the Sequoyah Fuels Corporation proceeding; Gore, Oklahoma Site (Materials License Amendment) - Docket No. 40-8027-MLA-9; ASLBP No. 04-824-06-MLA.

July 2, 2004

ENCLOSURE O

Region I  
Items of Interest  
Week Ending July 2, 2004

Limerick - Dropped Fuel Pin

On July 1, 2004, the licensee was performing an eddy current test of a fuel bundle that experienced a leak during its first cycle of operation. While removing the third fuel pin from the eddy current test assembly, the upper end plug, used to lift the pin, failed and separated from the pin. The pin dropped 13 feet, through the eddy current test tube, and hit the bottom of the spent fuel pool (SFP) floor. The lower end plug also separated from the pin either during the fall or after impacting the SFP floor.

Initial inspections have concluded that all fuel pellets have remained inside the fuel pin and the pin has remained in an upright position, supported by the eddy current tube. There was a small release of bubbles/gas from the pin when the upper and lower end plugs separated from the pin; however, the local area radiation monitors and ventilation radiation monitors did not show an increase in radiation levels. The resident inspector monitored the licensee's actions and verified that there was no immediate radiological safety concern. The resident inspectors will continue to follow the recovery effort.

Pilgrim - Strike Planning

Entergy, the licensee for Pilgrim, continues to negotiate a first contract with the two new unions for engineers and technical employees and a renewal contract with the production and maintenance group. The latter contract expires on July 13, and negotiations will continue on July 3, 4 and 5 with the assistance of a mediator. Entergy continues preparations for a potential job action involving all union personnel by implementing the actions described in the Staffing Contingency Plan. The resident inspector and Region I staff continue to monitor licensee activities through inspections and periodic telephone briefings with licensee management. NRC staff is prepared to provide around-the-clock coverage at the site in the event a strike occurs. The public and other external stakeholders have expressed interest in the negotiations.

Vermont Yankee - Update on Transformer Fire

Since the transformer fire which resulted in an Unusual Event on June 18, 2004, Entergy, the Vermont Yankee licensee, has completed its damage assessment and root cause evaluation. Extensive testing and inspection of components confirmed damage to the main transformer bushings, isophase bus ducts, and potential transformer (PT) cabinet. All of these items will be repaired or replaced. The main and auxiliary transformers and main generator were not damaged. The event was due to a phase-to-ground fault (caused by the de-lamination of a portion of the aluminum expansion joint in an isophase bus bar) combined with the subsequent failure of a surge arrester in the PT cabinet. The de-lamination also traveled down the isophase duct into the main transformer bushing box. Entergy determined the root causes of the event to be inadequate preventive maintenance on both the surge arresters and bus ducts. Final installation and post maintenance testing of the new equipment is in progress. The licensee currently plans to start up the reactor within the week and will implement a test plan to ensure the



electrical system, including the repaired and replaced equipment, functions as designed. The resident inspectors will follow the repairs and observe startup activities.

July 2, 2004

ENCLOSURE P

Region II  
Items of Interest  
Week Ending July 2, 2004

Progress Energy Company - Shearon B. Harris Nuclear Plant

On June 28, 2004, the Deputy Director, Division of Reactor Projects, was at the Harris Nuclear Power Plant, in New Hill, NC. He attended the Licensed Operator Certification Presentation and met with the resident inspectors.

July 2, 2004

ENCLOSURE P

Region IV  
Items of Interest  
Week Ending July 2, 2004

Grand Gulf Public Meeting

On June 28, 2004, the Region IV staff held a meeting with representatives of Entergy Operations, Inc., the licensee for the Grand Gulf Nuclear Station. The purpose of this meeting was to discuss the improvements that the licensee was implementing for the licensed operator initial and requalification examination programs.

July 2, 2004

ENCLOSURE P

Office of Congressional Affairs  
 Items of Interest  
 Week Ending July 2, 2004

CONGRESSIONAL HEARING SCHEDULE, NO. 65					
Combs	07/07/04 2154 RHOB	1:30	TBA	Federal Information Technology R&D	Reps. Burton/Watson Human Rights and Wellness Government Reform
Portner	07/07/04 SD-192 TENTATIVE	2:00	Markup	FY2005 Energy and Water Development Appropriations	Senators Domenici/Reid Energy and Water Development Appropriations
Keeling	07/08/04 2154 RHOB	10:15	TBA	Federal Workforce Telework Opportunities Post-9/11	Reps. Davis/Waxman Government Reform
Keeling	07/13/04 SD-366	10:00	Kyle McSlarrow, DOE	Role of Nuclear Power in National Energy Policy	Senators Domenici/Bingaman Energy & Natural Resources