

April 4, 2005

MEMORANDUM TO: Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards

THRU: Michael Markley, Acting Section Chief /RA/
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Office of Nuclear Material Safety and Safeguards

SUBJECT: MEETING SUMMARY, WESTINGHOUSE ELECTRIC COMPANY
MANAGEMENT MEETING, MARCH 24, 2005

On Thursday, March 24, 2005, NRC headquarters, Region II, and Region III staff and managers met with Westinghouse Electric Company (WEC) managers to discuss issues associated with the safety of fissile material operations at WEC's Columbia Fuel Fabrication Facility (CFFF) in Columbia, South Carolina, and with the handling of fissile materials during decommissioning activities at WEC's former fuel fabrication facility in Hematite, Missouri. This was a Category 1 public meeting, held at NRC's request. The meeting was announced on NRC's public meeting website on March 10, 2005.

NRC requested the meeting to discuss NRC concerns related to WEC's management oversight of criticality safety, human performance, and change management at the Columbia and Hematite facilities. During this meeting, NRC requested WEC management to address management oversight of identified concerns related to human performance, management and supervision of operations, nuclear criticality safety, and maintenance of the safety basis during change implementation. Because NRC has observed similar concerns at both WEC facilities, NRC requested that WEC specifically address actions to improve corporate-level oversight of facility operations.

At Columbia, NRC noted issues related to the effectiveness of supervisory and management oversight, and human performance challenges, as indicated by operators' failure to follow procedures or performance of actions not covered by procedures. Recent criticality safety concerns and events have included failure to: identify credible criticality accident scenarios; conduct operations within assumed bounding conditions; develop, implement, and comply with controls; and consistently evaluate changes to facilities, operations and equipment.

At Hematite, NRC noted a breakdown in the Nuclear Criticality Safety (NCS) program including failures to assure bounding assumptions and to implement NCS controls in procedures. NRC expressed concern about the apparent emphasis of schedule over safety.

NRC acknowledged that WEC has made considerable progress in some areas, particularly in some parts of the plant at Columbia. WEC has described these initiatives during previous licensee management meetings. NRC requested that WEC management address WEC corporate support for these facilities, describe WEC's actions or plans to improve management oversight of safety performance, and describe the methods that will be used to verify that actions are effective.

In its presentation, WEC emphasized its corporate commitment to safety; acknowledged opportunities for further improvement at Columbia and Hematite; and described corporate-level support for resources, oversight, and reinforcement at both facilities. WEC's leadership focus is on valuing the prevention of errors by providing corporate resources, oversight, and engaging line management. WEC described the self-assessment and improvement actions that have already been taken, including internal and external reviews at both facilities prior to 2004, an independent criticality safety review at Columbia in 2004, an Institute of Nuclear Power Operations/World Association of Nuclear Operators (INPO/WANO) peer review study at Columbia in 2004 with a second review in 2005, and an ongoing independent review at Hematite that commenced in February 2005. At Columbia, WEC is making improvements in the areas of design and licensing basis upgrade and control, strengthening the criticality safety framework, eliminating potential challenges to human performance and safety, and improving procedural adherence. At Hematite, WEC is implementing a comprehensive restart action plan which includes a corporate study of the safety environment and a comprehensive review of project NCS Evaluation flowdowns. WEC has filled the Criticality Safety Manager position and will focus efforts on increased use of engineering controls as opposed to administrative controls.

WEC emphasized that the overall safety performance of its facilities is good, and that the safety record has improved in recent years. WEC acknowledged that further improvements are imperative, and that it has identified opportunities to further drive safety improvements by valuing the prevention of errors. WEC management affirmed its commitment to provide resources and oversight and to engage line management in the improvements. WEC believes these actions will result in a continuous effort of critical assessment and improvement at both facilities.

NRC managers acknowledged the licensee's expressed commitment to corporate support to improve safety oversight of facility operations, discussed NRC plans to maintain the Licensee Performance Review (LPR) frequency for Columbia at one year versus the normal two-year cycle, and to verify performance at both sites through inspection.

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Attachments: 1. Meeting agenda
2. Attendees
3. WEC presentation slides

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