

June 11, 2012

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Special Report – Event Notification #47979
UFTR Operating License R-56, Docket 50-83.
UFTR Technical Specifications 6.6.2(3)(g)

NOTICE: When separated from Safeguards Information designated as Safeguards Information – Modified Handling attachment, this document is decontrolled provided the transmittal document does not otherwise warrant protection from unauthorized disclosure.

This follow-up written report is submitted to describe the circumstances of Event Notification #47979 in accordance with Technical Specification 6.6.2. An initial report of this event was made by telephone to the USNRC on 31 May 2012.

Identification of Occurrence

On 30 May 2012, during preparation of a supplemental license submittal in support of License Amendment Request #27, several apparent violations of 10 CFR 50.54(p)(2) were discovered.

Conditions Prior to Occurrence

The UFTR was shutdown and secured at the time of discovery of these events.

Description of Occurrence

License Amendment Request #27 was submitted to the USNRC on 29 February 2012. The LAR requests that, based on current UFTR Special Nuclear Material possession limits, the requirement to maintain and implement a physical security plan be deleted.

In anticipation of a Request for Additional Information (RAI), the UFTR is preparing a supplement to LAR#27 that contains the new security procedures designed to support deletion of, and replace, the current Security Plan. During preparation of these security procedures, the preparer noted several discrepancies between the current facility condition and what was described in the Security Plan. The preparer notified UFTR management of these discrepancies and the initial report was made to the NRC on 31 May 2012.

The details of these discrepancies contain information considered Safeguards Information – Modified Handling (SGI-M). These details are described in Attachment 1 of this document to allow for separation of the SGI-M information from the remainder of this report.

SDD1

Apparent Causes

UFTR staff failed to recognize that the facility changes impacted the content and basis of the Security Plan.

1. Hardcopy format of Security Plan made review difficult and time consuming.
2. Significant turnover in key positions resulted in a loss of overall experience base and negatively impacted necessary access to the required Safeguards Information.
3. The related administrative procedural guidance was inadequate considering the turnover and resultant experience level of the replacement staff at the time (this has since been corrected).
4. There was a failure to fully recognize that completion of the HEU-LEU order/conversion process significantly changed the underlying security and regulatory basis of the UFTR Physical Security Plan.

Immediate Corrective Actions

1. An email was sent out to all UFTR staff. Selected UFTR staff received face-to-face notification of this event. The Security Plan license condition and requirements of regulation 10CFR50.54(p)(2) were reviewed. The need to ensure facility modifications are reviewed against these requirements was emphasized.
2. A review of UFTR SOP-0.1, Operating Document Controls, and SOP-0.4, 10CFR50.59 Screening and Evaluation, were conducted to ensure appropriate procedural guidance is in place to prevent reoccurrence. Revision was made to SOP-0.1 in July 2011 adding a step to ensure all procedure changes are reviewed against the requirements of 10CFR50.59 in accordance with UFTR SOP-0.4. Revision was made to SOP-0.4 in October 2011 adding a step to direct the preparer of Security Plan changes to 10CFR50.54. This combination of revisions should ensure future Security Plan or security procedure changes are properly evaluated and reported.
3. The changes have been evaluated for impact on security effectiveness as described in Attachment 1. The evaluation concludes that no loss of security effectiveness occurred as a result of these changes.

Longer Term Corrective Actions

1. Revise the Security Plan to incorporate the changes associated with this event.
Due date - 31 July 2012.
2. Reformat Security Plan and security procedures into an easily searchable electronic format.
Due date - 31 July 2012.
3. Revise Security Plan and applicable security procedures from SGI to SGI-M.
Due date - 31 July 2012.

4. Incorporate this event into the next scheduled Security Plan and security implementing procedures requalification lecture.
Due date – Next scheduled Security requalification lecture.
5. Submit a License Amendment Request to delete the license requirement to maintain and implement a Physical Security Plan.
Due Date - Completed.

This event and report will be reviewed by the Reactor Safety Review Subcommittee at their next scheduled meeting

Please let us know if you need further information.

Sincerely,



Brian Shea
Reactor Manager

BS/djc

Enclosure – Attachment 1

cc: Dean – College of Engineering
Reactor Safety Review Subcommittee
UFTR Facility Director
UFTR Reactor Manager
UFTR Licensing Coordinator
NRC Project Manager