



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555

MAY 27 1994

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LICENSEE: Siemens Power Corporation (SPC)
Richland, Washington

SUBJECT: SAFETY EVALUATION REPORT: APPLICATION DATED APRIL 22, 1994,
ORGANIZATIONAL CHANGES

Background

By letter dated April 22, 1994, Siemens Power Corporation (SPC) requested an amendment to SNM-1227 to reflect organizational changes at the Richland Manufacturing Facility. These organizational changes affect the reporting relationships, responsibilities, and authority of key management positions. The changes also include creation of a new Quality Group responsible for quality control and quality assurance functions. On April 27, 1994, SPC submitted a corrected organizational chart (Figure I-2.1) showing the new organization of SPC's Nuclear Division.

Discussion

• Richland Plant Manager

In the existing management structure, the Richland Plant Manager reported to the Vice President, Manufacturing, Nuclear Division, who in turn reports to the General Manager, SPC Nuclear Division. The Vice President was responsible as the Senior Site Representative in Richland, but was also responsible for fuel fabrication at Siemens' Lingen and Hanau facilities in the Federal Republic of Germany. The Richland Plant Manager was designated as the deputy to the Vice President in the absence of the Vice President.

In the new organization, the Richland Plant Manager is assigned full responsibility for safe operation of the Richland Plant and reports directly to the General Manager. The Vice President, Manufacturing, has become the Vice President, International Manufacturing, responsible for business-related decisions in globalized manufacturing activities for the entire Nuclear Division of SPC. Because the safety-related functions for the Richland plant now fully reside with the Richland Plant Manager, the Vice President, International Manufacturing, is not shown on the amended organizational chart, Figure II-9.1, and the position description for this Vice President is deleted from Chapter 2 (Section 2.1.3) of the license.

The reason for this change is to provide clear responsibility and authority to the Richland Plant Manager in the safety-related functions of the fabrication of nuclear fuels at the Richland plant. Staff has determined that this change will result in closer management attention to plant safety.

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- Director, Quality

SPC has also created a new position to manage quality control and quality assurance functions. The Director, Quality, reports directly to the General Manager, SPC Nuclear Division. The Director, Quality, has overall responsibility for quality assurance programmatic activities in addition to monitoring and approving product quality. Overall management responsibility for the Analytical Laboratories is also assigned to the Director, Quality. The Analytical Laboratories provide safety-related support through analysis of environmental, process, waste, and safeguards/accountability samples.

This change will provide additional focus and coherence in Nuclear Division quality programs at the Richland plant, with direct access and accountability to the General Manager for both quality control and quality assurance functions. The change also provides for independence of the quality control functions, including Analytical Laboratory operations, from the production functions and responsibilities of the Richland Plant Manager. Staff has determined that this change will result in greater separation of quality functions from production functions.

Categorical Exclusion

These changes to organizational responsibilities and authority constitute an amendment that is administrative and organizational in nature. Accordingly, pursuant to 10 CFR 51.22(c), neither an environmental assessment nor an environmental impact statement is warranted for the proposed action.

Conclusion

Based on the above discussion, the staff concludes that approval of the amendment will not adversely affect the protection provided for the health and safety of the employees, the public, or the environment. Therefore, approval of this application is recommended.

The Region IV Principal Inspector has no objection to this proposed action.

Principal Contributor

Mary Adams