OFFICE OF THE PRESIDENT 1986 JUL 28 AN II: 17

July 25, 1986 REGION VIA

R.A. Scarano, Director
Division of Radiation Safety and
Safeguards
U.S. Nuclear Regulatory Commission
Region V
1450 Maria Lane, Suite 210
Walnut Creek, California 94596

Re: Docket No. 50-288

Dear Mr. Scarano:

This letter is to inform you of the steps we have taken to respond to the violations cited in the June 23-24, 1986 report of Messers P.T. Morrill and M. Cillis (License No. R-112, Docket No. 50-288). In addition, I wish to inform you of personnel changes, both in place and planned, for supervision of the Reed Reactor Facility. With these changes we hope to have a more efficient operation which is responsive in a timely fashion to the appropriate regulatory requirements.

With respect to the violations cited in Appendix A of the report of Messers Morrill and Cillis:

A) Technical Specifications, Section F.9.(a) requires at least a semi-annual verification that all control element drop times are less than one second.

Contrary to the above, verification of control element drop times were not performed for approximately a one year period ranging from February 7, 1985 through January 21, 1986.

Chris Grant, the Senior Reactor operator who is acting on behalf of Mr. Kay, the Director, during July and August, while Mr. Kay is out of the country, informs me that the control element drop time verifications was last performed on June 28, 1986 and that it is now scheduled to be repeated in January of 1987. He states that this test is clearly indicated in the semi-annual check list and should not be missed in the future.

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B) Technical Specifications, Section I.2 requires that the Radiation Safety Committee membership shall be composed of faculty members and members from outside the organization who are not connected with the operation of the reactor facility.

Contrary to the above, an individual who has been connected with the operation of reactor facility as a licensed operator has been a member of the Radiation Safety Committee from 2 April 1983 through 2 April 1985.

John Frewing, Chairman of the Radiation Safety Committee has been informed of this problem. This committee will meet early in August, 1986 and record the membership for the coming year which will not include any of the Reactor operators.

C) 10 CFR Part 50,54 "Conditions of Licenses" states in part (i-1) that "Holders of operating licenses in effect on September 17, 1973 shall implement an operator requalification program which, as a minimum, meets the requirements of Appendix A of Part 55 of this chapter which was submitted for approval by the Atomic Energy Commission."

The licensee's NRC approved operator requalification program, revised on November 27, 1980, requires: (1) The Director will select a qualified senior reactor operator (SRO) to write and administer reactor operator (RO) and (SRO) requalification examinations.

Contrary to the above, an RO was assigned to prepare and administer the 1985 annual reactor operators examination.

The person assuming the position of Director of the RRF will be reminded of the conditions required by the November 27, 1980 version of the reactor operator requalification program, and in particular the requirement that an SRO write and administer the requalification examination.

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By the time of the meeting of the Reactor Safety Committee in early August, we hope to have addressed the last of the issues raised in the NRC Inspection Report No. 50-288/85-01 and in our meeting of May 21, 1985. You should be hearing our response soon after the Safety Committee meets.

As I mentioned above, we are planning a change in management of the RRF. As of September 1, 1986, Mr. Kay will no longer be the Director of the Facility. We have engaged Professor Lawrence Ruby, Professor of Nuclear Engineering, University of California, Berkeley as a consultant for our facility. We are also entering into discussions with Professor Ruby which we expect to lead to his assumption of the position as Director of the Reed Reactor Facility upon his retirement from the University of California in 1987.

Meanwhile, we are exploring the options available locally for filling the positions of Director and Reactor supervisor on an "Acting" basis from September 1, 1986 to July 1, 1987. We will keep you informed as these changes occur. In any case, we would engage in direct discussion with your office well in advance of any move toward changing the status of the Reactor from its present state of suspension.

We appreciate the advice we have received from your office and trust that the changes already made and those being planned will enhance the effectiveness of operations at the Reed Reactor Facility.

> Paul E. Bragd President

cc: Professor Lawrence Ruby
Marshall Cronyn
Edwin McFarlane
William Dixon, Oregon DOE
John Frewing, Chair, Reactor
Safety Committee