

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

RELEASED TO THE PDR

6/25/98
date Initials

June 18, 1998

INFORMATION REPORT

SECY 98-142

For: The Commissioners
From: James L. Blaha, Assistant for Operations, Office of the EDO
Subject: WEEKLY INFORMATION REPORT - WEEK ENDING JUNE 12, 1998

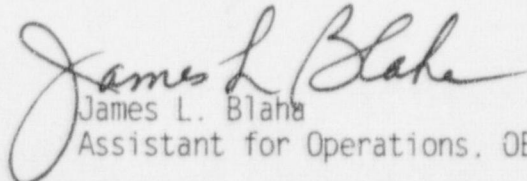
Contents

Enclosure

Nuclear Reactor Regulation
Nuclear Material Safety and Safeguards
Nuclear Regulatory Research
Analysis and Evaluation of Operational Data
General Counsel
Administration
Chief Information Officer
Chief Financial Officer
Human Resources
Small Business & Civil Rights
Enforcement
State Programs
Public Affairs
International Programs
Office of the Secretary
Region I
Region II
Region III
Region IV
Executive Director for Operations
Congressional Affairs

A
B
C
D
E*
F
G
H*
I
J*
K*
L*
M
N*
O
P
P
P
P
Q*
R

*No input this week.


James L. Blaha
Assistant for Operations, OEDO

Contact:
B. McCabe, OEDO

TO BE MADE PUBLICLY AVAILABLE IN
5 WORKING DAYS FROM THE DATE OF
THIS PAPER

9806260238 980618
PDR COMMS NRCC
WEEKLYINFOREPT PDR

DS14
O+M-6-1A Weekly
X O+M-6 COMM MTG

Office of Nuclear Reactor Regulation
Items of Interest
Week Ending June 12, 1998

Indian Point Unit 2

On June 4, 1998, Con Edison met with NRC on site to present their response and proposed corrective actions that addressed the finding cited in the industry lead Independent Assessment Team (ISA) report. This meeting was open to the public and was attended by the Region I staff: Regional Administrator, DRP Division Director, DRP Branch Chief, and Senior Resident Inspector; and NRR staff: Project Director and Project Manager; and the EDO Coordinator for RI. The corrective action items to be taken are scheduled in two categories, pre and post startup. The meeting was led by the new Senior Vice President Nuclear Operations, Buzz Carns. Mr. Carns noted that significant equipment and material condition improvements had been made during the outage. He further indicated that now it is time to focus on personnel and process issues. To aid in the effort to enhance operations department performance, two managers were hired, one from Salem and one from IP3. Mr. Carns indicated that he will continue to bring in industry individuals from outside of the Con Edison organization to assist in the restart effort.

The presentations provided by the plant management team reflected Mr. Carns' desire to ensure more middle management involvement. The corrective actions addressed all the weaknesses/deficiencies identified in the ISA report and provided a schedule for completion. The licensee's presentation met the staff's expectations, however, the meeting did not provide extensive details. Mr. Carns indicated that Con Ed will provide the NRC with a detailed Integrated Startup Schedule, which will include pre-restart corrective action plans. Further, Mr. Carns indicated that he will notify the NRC several weeks prior to IP2 restart and that he will not restart the plant before he is confident that significant personnel and process issues identified by the ISA are addressed. Mr. J. Michael Evan, Con Edison President and CEO, was in attendance and emphasized how important IP2 is to the Con Edison organization, and provided his and the corporation's full-fledged support of the restart effort. The staff plans to meet with the licensee again prior to restart. The restart date is unknown at this time.

On June 12, 1998, J. Michael Evans, President, and Buzz Carns had a drop-in meeting with M. Virgilio of the Chairman's staff, Commissioner Dicus, and Commissioner McGaffigan.

Limerick Generating Station (LGS) Unit 2

On May 30, 1998, the licensee brought LGS Unit 2 to cold shutdown to replace leaking safety relief valves (SRVs). At 0914 on June 3, 1998, an isolation of the reactor water cleanup system occurred due to initiation of the "2C" standby liquid control (SLC) pump. The SLC system injected between 300 to 350

June 12, 1998

ENCLOSURE A

gallons of sodium pentaborate into the reactor vessel before the operators secured the SLC pump at 0920. The licensee's event investigation team attributes the spurious operation of the SLC pump to electromagnetic induction (EMI) in the redundant reactivity control system cables as a result of operator manipulation of the "2M" SRV switch (no valve movement) during troubleshooting and testing activities at the time of this event. The root cause of the EMI was traced to repeated operation of the "2M" SRV from its control switch and verified by several tests which duplicated this anomaly. The licensee plans to install ferrite beads between the affected cables to suppress the effects of EMI, and conduct tests to verify the effectiveness of this action. NRR and Region I staff have had several conference calls with the licensee to ensure all pertinent issues, such as root cause, testing, corrosion, hideout, and reactor water quality were being addressed. Since the reactor coolant temperature is at 120°F, it is not expected that sodium pentaborate would cause any significant corrosion of the reactor vessel, its internals, or fuel with zircalloy cladding. Although the boron concentration is currently less than 1.0 ppm, the staff also evaluated the effects of a hypothetical residual boron concentration of 50 ppm and concluded that it would have a negligible effect on core nuclear kinetic parameters and transients. The licensee anticipates plant restart in the next day or two. The NRC will also pursue the generic implications of this event.

Peach Bottom Atomic Power Station Units 2 & 3

On June 7, 1998, at about 4:00 p.m. a lightning strike caused a perturbation in 500 KV line between Peach Bottom Atomic Power Station and Three Mile Island and tripped the switchyard distribution breakers. One of the breakers was slow in tripping, and the electrical perturbation caused the recirculation pumps for both units to run back, reducing the flow to 30%. Systems responded as expected. The licensee subsequently tested the response of the breaker that was slow to trip and found that it was performing satisfactorily.

Brunswick Steam Electric Plant

On June 5, 1998, the staff issued license amendments which replaced the Brunswick Units 1 and 2 technical specifications in their entirety with new technical specifications based on the improved Standard Technical Specifications (STS). These are the 25th and 26th units that have been approved to convert to the improved STS. The licensee will implement these revised technical specifications within 90 days.

Fermi Technical Specification Change

On June 2, 1998, the NRC staff issued a license amendment to the Fermi licensee that approved an allowed outage extension of emergency diesel generators from 3 to 7 days. The amendment used both probabilistic and deterministic arguments for justification. SPSB used a three-tiered approach, consistent with the draft Regulatory Guide 1.174 (or DG-1065) and SRP for

June 12, 1998

ENCLOSURE A

risk-informed TS, to evaluate the risk associated with the proposed change. SPSB concluded that the PRA used to analyze the risk was valid for the proposed application, the risk increase from the proposed change was small, and the configuration risk management program at Fermi was reasonable.

Grid Reliability

NERC recently released its 1998 Summer Assessment of the reliability of bulk electricity supply in North America. The report discusses the expected loads and power availability for June through September. Three areas in the U.S. are highlighted as potential trouble spots: New England, Wisconsin/Illinois, and lower Michigan.

In New England, the continuing outage of the Millstone units will again cause difficult operating conditions. The area will be relying on importing substantial amounts of power from neighboring systems. Interruption of a substantial portion of these imports, abnormally hot weather, or unexpected generator unavailability could cause power shortages, triggering implementation of system operating procedures for capacity deficiencies.

In the Mid-America Interconnected Network (MAIN) Region, which includes Wisconsin and Illinois, the unavailability of a significant amount of generating capacity (including several nuclear units), coupled with restrictions to transmission import capability, will cause significant operating challenges. The report indicates that MAIN will have to implement transmission loading relief procedures repeatedly and will most likely have to resort to emergency operating procedures, including interruption of transactions, curtailment of interruptible demand, and possibly shedding of firm customer demand during peak conditions.

In the East Central Area Reliability Coordination Agreement (ECAR) Region, the lower portion of Michigan poses the greatest concern. This area has, in the past, been able to obtain power from Ontario Hydro. However, with all of the Ontario Hydro nuclear units shut down, the area will have to import power from other sources. The ability to import the necessary power during peak conditions may be limited by transmission constraints external to Michigan. Power interruptions similar to those discussed for the MAIN Region could result.

Also of concern, is the ability of the interconnecting grid system to supply significant amounts of power to both MAIN and ECAR at the same time. It is not clear whether the largest threats to the reliable operation of the bulk electric system have been adequately uncovered, analyzed, and mitigation plans developed. The NERC Reliability Assessment Subcommittee (RAS) has recommended that ECAR and MAIN initiate a joint study of the impact on reliability of combined large power flows into the Michigan area and the MAIN Region, to be completed by the end of June.

June 12, 1998

ENCLOSURE A

The Fermi 2 plant will play a pivotal role in the power situation in lower Michigan. The licensee is currently developing a one-time amendment to extend the intervals of approximately 105 18-month surveillance requirements (SRs) in order to delay the start of the next refueling outage from the latter half of August into early September.

The Electrical Engineering Branch met with the RAS and representatives from the Department of Energy on May 11, 1998, to discuss the summer assessment as it relates to the grid reliability issue and what impact summer conditions may have on the reliability of offsite power sources at nuclear power plants. As mentioned above, the projected problems could result in load curtailments and other operational difficulties. However, the attendees at that meeting do not expect that the offsite power at nuclear power plants will be impacted by the anticipated operational difficulties.

In addition, NRR project managers have contacted their licensees to discuss whether licensees anticipate any issues related to the performance of TS SRs during the summer months. These calls were made to minimize the potential for crises related to SRs. In addition to the issue concerning Fermi discussed above, Dresden 3 has submitted an amendment request for a one-time interval extension for a 40-month main steam safety valve SR. None of the other plants indicated that they had any concerns related to the performance of SRs during the summer months.

Public Meeting with Winston and Strawn Representing the Maintenance Rule Inspection Clearinghouse to Discuss Maintenance Rule Issues

On June 4, 1998, Suzanne Black, Rich Correia and staff from the Quality Assurance, Vendor Inspection and Maintenance Branch held a public meeting in the NRC Headquarters offices at the request of Winston and Strawn representing the industry Maintenance Rule Inspection Clearinghouse (MRIC). The purpose of the meeting was to discuss maintenance rule (MR) issues related to recent maintenance rule baseline inspections. Discussion topics included scoping of systems, structures or components (SSCs), unavailability determination, functional failures and general results from baseline inspections. A similar public meeting was held with MRIC previously on April 23, 1998. At the close of the meeting the NRC asked MRIC to consider reviewing the proposed changes to the maintenance rule and to prepare any comments for the upcoming public comment period. The meeting discussions were open and beneficial in ensuring licensees implement effective maintenance rule programs.

Visit to Indian Point Nuclear Power Plant Unit 3 Site with Senator Robert Bennett for Briefing on Year 2000 Problem

On June 8, 1998, Hugh Thompson, Deputy Executive Director for Regulatory Programs, Jared Wermiel, Chief, Instrumentation and Controls Branch, NRR, Larry Nicholson, Deputy Director, Division of Reactor Safety, Region I, Peter Habighorst, NRC Senior Resident Inspector, Indian Point 3, and Laura Dudes,

June 12, 1998

ENCLOSURE A

NRC Resident Inspector, Indian Point 3 attended the meeting with Senator Robert Bennett, Chairman of the Senate Subcommittee on the Year 2000 Problem and representatives from the New York Power Authority (NYPA) at the Indian Point Unit 3 site, on the licensee's program to address the Year 2000 (Y2K) computer problem. The licensee described their program, "Vision 2000," for addressing the Y2K problem. The program deals with all aspects of NYPA business activities including ensuring operability of its nuclear, fossil and hydroelectric power generation facilities. The licensee has modeled its program after the guidance in NEI/NUSMG 97-07. The licensee briefing described the program activities, implementation status and schedules specifically for ensuring Y2K readiness of Indian Point Unit 3. Of particular interest to the Senator was how the licensee is addressing embedded systems.

Senator Bennett indicated that he was pleased with the actions being taken by NYPA. He indicated his continuing concern that all those responsible for supply and distribution to the electric power grid do all they can to ensure grid reliability. He also stressed the need for effective contingency planning to address unanticipated problems. It was pointed out to the Senator that the President's Council on Year 2000 Conversion shares his concerns on grid reliability and has energized the private sector to the Y2K problem and its potential impact on grid reliability by interaction with the North America Electric Reliability Council (NERC).

Following the briefing, the Senator was taken on a tour of the plant to view certain areas where computer systems being reviewed for the Y2K problem are located (e.g., lower level of the turbine building, diesel generator room, turbine deck and control room). The Senator also observed a brief demonstration on the Indian Point 3 simulator.

Management Changes

TVA announced the appointment of John A. Scalice as Chief Nuclear Officer and Executive Vice President of TVA Nuclear on June 9, 1998. Mr. Scalice replaces O. J. Zeringue, who was promoted to TVA President and Chief Operating Officer in April 1998. Mr. Scalice will be responsible for the operation, maintenance, and support of the five operating TVA Nuclear units. Until Mr. Scalice's former position as Senior Vice President of Nuclear Operations is filled, all three Site Vice Presidents will continue to report to him. Prior to joining TVA in 1989 as Watts Bar Plant Manager, he was Plant Manager of the Shoreham Nuclear Power Station. While at Shoreham, he received a Senior Reactor Operator license.

On June 8, 1998, Northern States Power (NSP) announced that its board of directors approved the following organizational and management changes effective June 15, 1998. The NSP Generation Group, consisting of coal (47%), nuclear (31%), and hydro (22% including purchase from Manitoba Hydro), will split into two separate groups - NSP nuclear generation and NSP combustion and hydro generation. Mr. Ed Watzl, currently president of NSP Generation, was

June 12, 1998

ENCLOSURE A

named to the new position of NSP Executive Vice President, with major responsibilities devoted to the eventual formation of a separate nuclear generating company, potentially with other nuclear utilities in the region. Mr. Mike Wadley, currently VP-nuclear, was named to the new position of President, NSP Nuclear Generation. Mr. John Noer has been named to the new position of President, NSP combustion and hydro generation.

June 12, 1998

ENCLOSURE A

Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending June 12, 1998

Nuclear Materials Management and Safeguards System Users Meeting

During June 1-3, 1998, staff of the Offices of Nuclear Material Safety and Safeguards (NMSS) and International Programs represented the Nuclear Regulatory Commission at the annual Nuclear Materials Management and Safeguards System (NMMSS) Users Meeting in New Orleans, Louisiana. Staff presented information on some proposed rule and guidance changes to enhance the effectiveness and efficiency of licensee reporting and NMMSS operations. Representatives of eight utilities and seven fuel cycle licensees were in attendance and provided ~~some~~ feedback on the proposals and cited some additional modifications which, in their opinion, would contribute to the enhanced effectiveness and efficiency objectives. Staff indicated that the proposals would be reviewed for possible inclusion in the rule and guidance upgrades. In addition to the above activity, NMSS staff chaired or co-chaired several special sessions and attended an NMMSS Steering Committee meeting on June 4, 1998.

Nuclear Fuel Services

On June 2, 1998, a meeting was held at the Nuclear Fuel Services (NFS) site in Erwin, Tennessee, to discuss the NFS approach and accomplishments in improving Nuclear Regulatory Commission (NRC) identified deficiencies in NFS' operational readiness to start a proposed uranium enrichment downblending project. The meeting was attended by NFS senior management personnel and the Regional Administrator, Region II, the Director, Division of Nuclear Materials Safety, Region II, the Deputy Director, Division of Fuel Cycle Safety and Safeguards, the NRC's Project Manager for NFS, and other NRC staff. NFS presented partial results of a verification and validation team and a root-cause investigation team, proposed short and long-term corrective actions, and a short-term plan for assuring their readiness to start the downblending operation.

Meeting with British Nuclear Fuels, Limited, Sierra Nuclear Corporation and Ventilated Storage Cask-24 Owners Group

On June 5, 1998, a meeting was held between representatives of the Spent Fuel Project Office, British Nuclear Fuels, Limited (BNFL), Sierra Nuclear Corporation (SNC), and the Ventilated Storage Cask (VSC-24) Owners Group. The meeting was held to: (1) discuss the recent purchase of SNC by BNFL; (2) update the Nuclear Regulatory Commission (NRC) on the status of resolving the Confirmatory Action Letters issued to the above three utilities; (3) provide site-specific status for all three utilities and outline future VSC-24 loading needs; and (4) discuss SNC's response to the Demand for Information regarding VSC-24 design control issues identified by an independent review team.

June 12, 1998

ENCLOSURE B

At the meeting, the Owners Group, BNFL, and SNC made several commitments to NRC to resolve the staff's concerns with the design control issues and corrective actions associated with VSC-24 welding problems. The Spent Fuel Project Office will document these commitments in a letter to SNC. Arkansas Nuclear One and Point Beach Nuclear Plant plan to have all issues affecting their respective sites answered in time to resume cask loading late this summer.

Site Visit to Naturita and Slick Rock, Colorado

On June 4, 1998, Division of Waste Management staff visited the Naturita and Slick Rock, Colorado, sites being remediated by the Department of Energy (DOE) under Title I of the Uranium Mill Tailings Radiation Control Act. As part of its review of the remedial action plan for Naturita, the staff focused its observations on the design of erosion protection features, including the interceptor ditch and use of large sandstone riprap. As part of its review of the completion report for the Slick Rock site, the staff observed finished construction features, including water level monitors and riprap placement. The staff did not identify any significant issues, indicating that the DOE is successfully completing the design and construction of these two sites.

Participation in Uranium Recovery Workshops

During the week of June 1, 1998, staff of the Division of Waste Management and Region IV participated in two workshops in Denver, Colorado. The subject of the June 2-3, 1998, workshop, sponsored by the Department of Energy's (DOE) Grand Junction Office, was long-term stewardship by DOE of reclaimed Title I and Title II uranium mill sites. At this workshop, there was discussion of licensing issues from the perspective of the licensees and regulators, and experiences in reclaiming and long-term care of sites. The June 4, 1998, workshop was sponsored by the National Mining Association (NMA), and involved discussions of the NMA's *White Paper on Uranium Recovery Issues*, and licensing issues based on experience of both the industry and the regulators.

Both workshops were attended by representatives of the uranium mining industry, DOE, various state agencies, and foreign agencies, as well as the Nuclear Regulatory Commission (NRC). NRC staff presented papers at both workshops, offering the NRC perspective on general licensing and inspection issues, and some site-specific issues.

June 12, 1998

ENCLOSURE B

Office of Nuclear Regulatory Research
Items of Interest
Week Ending June 12, 1998

Accomplishments in Ground-Water Research at NRC

Thomas Nicholson and Ralph Cady, WMB/DRA/RES presented an invited research paper on "Research Objectives and Accomplishments in Stochastic Modeling and Uncertainty Assessments in Hydrology" at the 1998 Spring Meeting of the American Geophysical Union (AGU) held in Boston, MA. This invited paper was presented during the session on "Twenty Years of Stochastic Subsurface Hydrology." The paper discussed NRC-funded research over this period, the issues addressed in the various research projects (i.e., projects at MIT, University of Arizona and PNNL); and the contributions made by the research projects to the NRC regulatory program. Two of the significant contributions discussed were: the development of stochastic theories which have provided a systematic framework for estimating flow and transport parameter values and evaluating model prediction uncertainties; and research results which show that permeability data behave as a stochastic multi scale continuum which suggests that site characterization be based on hydrogeologic data collected over a spectrum of scales relevant to the performance assessment. The presentation ended with a series of questions and challenges to the stochastic community. The questions posed by the NRC staff focused on: how can current stochastic models be used to determine risk related to contaminant transport associated with various remediation options? and, how should stochastic models be applied to realistic hydrogeologic systems for determining uncertainties in conceptual models? The AGU meeting included other sessions on: "Ground-Water Models: How much Complexity is Warranted?", "The Role of Preferential Flow as a Mechanism for Ground-Water Contamination"; and "Novel Interpretation and Modeling of Data Obtained from Fractured Rock." Information and ideas obtained in the AGU sessions are being factored into the ground-water research program, and are being shared with NRC staff and contractors.

Fuel Behavior

On June 9, 1998, Mr. Thadani and others from the Office of Research met here with a delegation of four from the French IPSN regarding proposals for NRC participation in a new testing program in a water loop in the Cabri test reactor in Cadarache, France. The test program is being proposed to answer questions and reduce uncertainties that have prevented resolution of the high-burnup-fuel issue on reactivity-initiated accidents. The issue is related to earlier test results from France and Japan that showed that criteria in Regulatory Guide 1.77 are not adequate for analyzing reactivity accidents with high-burnup fuel. Previous tests in a sodium loop in Cabri have been useful for interim assessment and to indicate the deleterious effects of spalling oxide on high exposure fuel rod cladding, but those tests were not sufficiently prototypical to resolve the issue. Earlier this year, RES sent a letter of intent to IPSN for participation in the extended program provided

June 12, 1998

ENCLOSURE C

that the Electric Power Research Institute, whom we have talked to, shares the costs with NRC on behalf of the U.S. industry. Prior to the meeting on June 9, it was not known whether IPSN would seek bilateral agreements or would attempt to operate the program as an OECD project. At this meeting it was announced that a proposal had been submitted to OECD and will be discussed at the OECD/CSNI meeting later in June. The proposal outlined a tentative test matrix of 12 tests, which were presented as a basis for discussions between program partners. RES, in turn, presented an outline of the type of tests it would need to resolve NRC's high-burnup fuel issue for the reactivity accidents. There was similarity between these initial test suggestions and details will have to be worked out within technical working groups. RES recently discussed its proposed participation in the Cabri water loop program with the ACRS and received a favorable letter from ACRS on this proposal (R. Seale to L. Callan, June 9, 1998). The first technical planning meeting with major partners, including RES, will be held by IPSN in July. Because of reactor modifications and construction of the loop, testing will not begin until 2002 with 3 tests per year thereafter.

June 12, 1998

ENCLOSURE C

Office for Analysis and Evaluation of Operational Data
Items of Interest
Week Ending June 12, 1998

Preliminary Notifications

1. PNO-I-98-020, New York Power Authority (Indian Point 3), SENATOR ROBERT BENNETT VISIT TO INDIAN POINT 3 - MEDIA INTEREST
2. PNO-I-98-021, Vermont Yankee Nuclear Power Corp. (Vermont Yankee 1), REACTOR SCRAM WITH COMPLICATIONS - MEDIA INTEREST
3. PNO-II-98-030, Duke Power Co. (Mc Guire 1), LOSS OF OFFSITE POWER
4. PNO-II-98-031, Florida Power & Light Co. (Turkey Point 3 4), NOTICE OF UNUSUAL EVENT DUE TO A FIRE ON SITE LASTING MORE THAN 10 MINUTES
5. PNO-III-98-032, Northern States Power Co. (Prairie Island 1), REACTOR TRIP DUE TO DROPPED CONTROL ROD
6. PNO-IV-98-013A, Owensby and Kritikos, RECOVERY OF LOST RADIOGRAPHIC EXPOSURE DEVICE
7. PNO-IV-98-022, Siemens Nuclear Power Corporation, SHIPMENT OF FUEL CLADDING FOR RECYCLE FOUND TO CONTAIN TWO UNIRRADIATED FUEL PELLETS
8. PNO-IV-98-023, Nuclear Pharmacy of Idaho, REPORT OF OCCUPATIONAL SKIN DOSE EXCEEDING NRC LIMITS
9. PNO-IV-98-024, State of Kansas Licensee (Geosystems Engineering,) STOLEN MOISTURE DENSITY GAUGE

June 12, 1998

ENCLOSURE D

Office of Administration
Items of Interest
Week Ending June 12, 1998

Miscellaneous Changes to Licensing Requirements for the Independent Storage of Spent Nuclear Fuel and High-Level Radioactive Waste (Part 72)

A proposed rule that would amend the regulations governing the independent storage of spent nuclear fuel and high-level radioactive waste was published in the Federal Register on June 9, 1998 (63 FR 31364). The proposed rule would differentiate the requirements for storing spent fuel under wet and dry conditions, clarify requirements for the content and submission of various reports, and specify that quality assurance records must be maintained as permanent records. The comment period for the proposed rule closes August 24, 1998.

License Term for Medical Use Licensees (Part 35)

A final rule that amends the regulations pertaining to the medical use of byproduct material to eliminate the five-year term limit for medical use licensees was published in the Federal Register on June 10, 1998 (63 FR 31604). The license term for these licensees will be set, by policy, for up to ten years in the same manner as the license terms for other materials licensees. The NRC retains the option to issue licenses for shorter terms if warranted by the individual circumstances of license applicants. The final rule becomes effective July 10, 1998.

Revision of Fee Schedules: 100% Fee recovery, FY 1998 (Parts 2, 140, 170, and 171)

A final rule entitled "Revision of Fee Schedules: 100% Fee Recovery, FY 1998" was published in the Federal Register on June 10, 1998 (63 FR 31839). The final rule amends the licensing, inspection, and annual fees charged to NRC applicants and licensees as necessary to recover approximately 100 percent of the NRC budget authority for FY 1998. The final rule becomes effective August 10, 1998.

Contract Award

Contract No. NRC-10-98-147 was awarded on June 12, 1998 to Jack Faucett Associates, Inc. for a project entitled "NRC Rules and Regulations." The contractor will provide assistance in updating NRC rules and regulations on a monthly basis. The period of performance is one year with four, one-year option periods. The total estimated cost of this cost-plus-fixed-fee contract, inclusive of option years is \$617,359. The following streamlining initiatives were applied: deadline was set for proposer's questions; less than three Source Evaluation Panel members were used; simplified evaluation criteria/past performance were applied; and the solicitation prohibited use of foldouts, sales brochures videos, etc. in offeror's proposals.

Chief Information Officer
Items of Interest
Week Ending June 12, 1998

Freedom of Information and Privacy Act Requests Received during the 5-Day
Period of June 5, 1998 - June 11, 1998:

H&G Inspection Company, Inc., OI rpt 4-97-064. (FOIA/PA-98-228)

Maine Yankee response to allegation of radioactive contamination at Wiscasset landfill. (FOIA/PA-98-229)

Millstone, Unit 3, meetings between Northeast Utilities and NRC Commissioners, 1997 to present. (FOIA/PA-98-230)

Millstone, Unit 3, correspondence from Northeast Utilities officials to NRC Commissioners, 1997 to present. (FOIA/PA-98-231)

IMPAC listing, agency directory, organizational charts. (FOIA/PA-98-232)

Uranium tailings, 10/92 mtg with DOE & EPA re guidance on disposal of byproduct material not covered under the Atomic Energy Act of 1954.
(FOIA/PA-98-233)

June 12, 1998

ENCLOSURE G

Office of Human Resources
Items of Interest
Week Ending June 12, 1998

Combined Federal Campaign (CFC) Meeting Attended

On June 9, 1998, Henry Rubin attended a meeting of the Local Federal Coordinating Committee for the CFC of the National Capital Area held at the Department of Health and Human Services Building. Norm Taylor, CFC Director, informed the committee of the agencies that were approved and disapproved for inclusion in the 1998 campaign. In addition, details about the CFC Loaned Executive Program were discussed. This is a full-time rotational assignment beginning in mid-August and ending mid-December where an employee is assigned to work with one or more Federal agencies in planning and running their CFC campaigns. Interested employees should contact Henry Rubin for further information.

Arrivals		
CHAPUT, Peter	SUMMER TECHNICAL INTERN	NMSS
DRAKE, David	SUMMER TECHNICAL INTERN	NMSS
DUFFY, Patricia	HR MANAGEMENT ANALYST	HR
LATHROP, Henry	TRANS STOR & SFTY INSP	NMSS
MISRA, Timir	GENERAL ENGR (INTERN)	NRR
MILLIGAN, Patricia	EMER PREPAREDNESS SPEC	NRR
NELSON, Toumonava	SECRETARY	RII
OUSLEY, Richard	SR SYSTEMS ANALYST	CFO
SULLIVAN, Randolph	EMER PREPAREDNESS SPEC	NRR
Retirements		
PAUL, Ronald	SR RADIATION SPEC	RIII
Departures		
ENRIGHT, Andrea	INCIDENT RESPONSE ASST	AEOD
PIERCE, Robert	SR ATTORNEY	ASLBP

June 12, 1998

ENCLOSURE I

Office of Public Affairs
Items of Interest
Week Ending June 12, 1998

Media Interest

There were four print reporters at the news conference given by Luis Reyes at St. Lucie.

There has been media interest in the expected decision on the Millstone restart issue, and interest on Long Island in Congressman Forbes' meeting on emergency planning in the event of an accident at that plant.

School Volunteers Program

Jeryll Dorsey, OCIO, spoke with students at Weller Road E.S. about computer careers.

Mitzi Young, OGC, and Dan Schwartz, OCIO, spoke with students at Georgian Forest E.S. about law and computer careers, respectively.

Press Releases	
Headquarters:	
98-87	NRC Staff Issues Confirmatory Order to South Texas Project Requiring Improvements to Employee Concerns Program
98-88	NRC Amends Regulations Governing Timepieces Containing Tritium
Regions:	
I-98-65	NRC, PECO Energy to Discuss Apparent Violations at Limerick Plant
I-98-66	Note to Editors: Meeting at Millstone
I-98-67	NRC Rates Hope Creek as "Superior" in Area of Plant Support, "Good" in Three Other Areas, in Latest Periodic Evaluation
I-98-68	NRC Sends Special Team to Vermont Yankee to Check Circumstances of Shutdown
I-98-69	NRC Proposes \$55,000 Fine for PECO Energy for Two Violations Involving Problems That Affected Emergency Cooling Pump

June 12, 1998

ENCLOSURE M

II-98-43	NRC Staff Sets Enforcement Conference With Duke Energy Corporation to Discuss Regulatory Concerns at Oconee
II-98-44	NRC Staff Issues Report on Performance at Crystal River Nuclear Power Plant
II-98-45	NRC Official to Hold News Conference to Discuss Regulatory Issues and Status of Crystal River
II-98-46	Meeting Scheduled to Address Pilot Program for NRC Oversight at DOE Savannah River Plant
II-98-47	NRC to Meet With Duke Energy on July 8 to Discuss Nuclear Power Plant Ice Condensers
III-98-38	NRC Staff Reschedules Predecisional Enforcement Conference on Possible Fire Protection Violations at Quad Cities Plant
IV-98-22	NRC Gives Siemens Good Safety Rating in Latest Performance Review

June 12, 1998

ENCLOSURE M

Office of the Secretary
Items of Interest
Week Ending June 12, 1998

Documents Released to Public	Date	Subject
Negative Consent Documents		
1. SECY-98-065	4/2/98	FY 1998 NRC Excellence Plan
SRM on 98-065	6/4/98	(same)
Information Papers		
1. SECY-98-123	6/1/98	Performance Evaluation for ACRS and ACNW
2. SECY-98-125	6/4/98	Weekly Information Report - Week Ending May 29, 1998
Memoranda		
1. M980605B	6/10/98	Staff Requirements: Affirmation Session, Friday, 6/5/98: I. SECY-98-118 - Private Fuel Storage, L.L.C.; Ruling by Chief Judge of ASLBP to Establish a Second Board, LBP-98-8 (4/24/98); II. SECY-98-112 - Proposed License to Export High Enriched Uranium (HEU) for Production of Medical Isotopes at the Canadian NRU (XSNM3012) & Maple Reactors (XSNM3013); III. SECY-98-109 - Hydro Resources, Inc., Docket No. 40-8968-ML, Memo & Order Denying Motion for Stay and Request for Prior Hearing, Lifting Temporary Stay, Denying Motions to Strike & For Leave to Reply), LBP-98-5; IV. SECY-98-124 - Hydro Resources, Inc., Docket No. 40-8968-ML, Memo & Order (Denial of Motion to Disqualify Presiding Officer), LBP-98-11

Commission Correspondence

- Letter to Senators Pete Domenici, Harry Reid, John H. Chafee, et al., dated June 3, 1998, regarding proposed cuts to NRC's FY 1999 budget.

June 12, 1998

ENCLOSURE 0

2. Letter to Representative Michael P. Forbes dated June 8, 1998, regarding request to delay the Commission's decision on restart of Millstone Unit 3 for 90 days (Incoming of May 27, 1998, also released).
3. Letter to Senators Rick Santorum and Mitch McConnell, and Representative David McIntosh dated June 4, 1998, regarding possible changes in the NRC's 10 CFR Part 35 regulations on medical use of byproduct material (Incoming letters dated April 25, April 27, and April 29, 1998, also released).
4. Letter to Senators Jesse Helms and Joseph Biden regarding proposed cuts to NRC's FY 1999 budget.
5. Letter to Senators Christopher Dodd and Joseph Lieberman and Representative Sam Gejdenson dated June 4, 1998, responds to request to hold a public meeting in Southeastern Connecticut prior to restart of Millstone Unit 3 (Incoming of May 20, 1998, also released).
6. Letter to Secretary of Commerce William Daley dated June 4, 1998, authorizes NRC employees to be employed and compensated to work in the field on Census 2000 (Incoming of May 5, 1998, also released).
7. Letter to South Dakota Governor William Jankow dated June 4, 1998, requests continued participation in the NRC's State Liaison Officer program.
8. Letter to The Vice President dated June 5, 1998, regarding streamlining the granting of waivers.
9. Letter to Representative Frank Wolf provides information on participating in Federal telecommuting, or flexiplace, initiatives (Incoming of May 7, 1998, also released).

Federal Register Notices Issued

1. 10 CFR Part 32: License Applications for Certain Items Containing Byproduct Material; Final Rule.
2. Magdy Elamir, M.D.; Docket No. IA-97-070; Notice of Evidentiary Hearing (July 14-16, 1998, Newark, NJ).
3. Commonwealth Edison Company; Docket Nos. 50-295/304-LA; Establishment of Atomic Safety and Licensing Board (Moore/Kline/Shon).
4. ACRS Subcommittee Meeting on Advanced Reactor Designs; Notice of Meeting on July 6-7, 1998.
5. ACRS Subcommittee Meeting on Planning and Procedures; Notice of Meeting on July 7, 1998.

June 12, 1998

ENCLOSURE 0

Region I
Items of Interest
Week Ending June 12, 1998

Salem Units 1 and 2 - Hope Creek

On the afternoon of June 9, 1998, the Projects Branch Chief and the State Liaison Officer made a presentation to the Cape May County Board of Freeholders on the restart of the Salem plants. After the Board's questions were answered, the Board provided an opportunity for members of the public to comment. The public comments were similar to those heard at previous NRC meetings with the public in the vicinity of Salem. There was minimal media interest in the meeting.

Safety Inspection at the Philadelphia Veterans Administration Medical Center (PVAMC)

Branch 1 conducted an unannounced safety inspection at the Philadelphia Veterans Administration Medical Center (PVAMC), June 1-3, 1998. During the latter part of the inspection, the inspection team was accompanied by the Deputy Director, DNMS and the Deputy Regional Administrator. The inspection focused on the licensee's responses to the violations identified during Inspection Nos. 96-001 and 97-001; licensee actions to assess and improve the Radiation Safety Program; and implementation of management commitments addressed in the Confirmatory Action Letter (CAL) issued on December 19, 1997.

June 12, 1998

ENCLOSURE P

Region II
Items of Interest
Week Ending June 12, 1998

Florida Power and Light Company - St. Lucie

On June 10, 1998, the Regional Administrator, accompanied by Regional and NRR staff members, attended the St. Lucie Bi-monthly performance review meeting at the St. Lucie Training Center in Jensen Beach, Florida. The licensee's presentation highlighted performance improvements in the areas of regulatory compliance, cost performance, unit reliability and employee development/work place quality. The Regional Administrator acknowledged improvements in these areas and indicated that the Region would adjust the inspection activity accordingly. A SALP board meeting is scheduled for July 1998. These bi-monthly meetings began in 1995 after a performance decline was noted. A sizable group of employees along with some print and radio media attended the meeting.

Southern Nuclear Operating Company - Vogtle

On June 9, 1998, an electrical fault on the 2C condensate pump motor caused the loss of the 2NAB 13.8KV Bus. This fault also caused a main generator trip, turbine trip, and reactor trip. The loss of the main generator caused a loss of power to the remaining non-1E AC loads. The licensee determined that these loads did not transfer to the reserve auxiliary transformer (RAT) due to incorrect amperage settings on a seal-in circuit for the feeder breaker overcurrent relay. The overcurrent relay seal-in blocked the automatic transfer to the RAT although the condensate pump motor breaker had opened, cleaning the fault. The Senior Resident Inspector was in the control room when the event occurred.

The resident inspectors, NRR and Regional inspection staff are monitoring the licensee's root cause evaluation and reviewing the plant response.

Tennessee Valley Authority - Browns Ferry

On June 11, 1998, the Regional Administrator and other staff members met in Athens, Alabama with representatives of the Tennessee Valley Authority to present the results of the Brown Ferry Systematic Assessment of Licensee Performance (SALP).

Subsequent to the formal SALP presentation, the staff met with the applicable State and local government officials to exchange information and to discuss matters of mutual interest.

June 12, 1998

ENCLOSURE P

FEMA Region IV - Regional Interagency Steering Committee

On June 9, 1998, the RSLO participated in a meeting of the Regional Interagency Steering Committee (RISC), hosted by FEMA Region IV in Atlanta.

The Federal Response Plan (FRP) designates specific Federal Agencies as the lead agency for the twelve Emergency Support Functions (ESFs), and representatives from all of these agencies were in attendance. Additionally, officials from all of the Regional States also participated in this meeting. The meeting provided a good opportunity to exchange information of mutual interest on current events and programmatic updates.

June 12, 1998

ENCLOSURE P

Region III
Items of Interest
Week Ending June 12, 1998

Management Meeting with Commonwealth Edison Company

On June 9, 1998, a management meeting was conducted in the Region III Office, Lisle, Illinois, between management representatives from Commonwealth Edison Company and members of the NRC staff. The meeting discussed the utility's performance and actions taken in response to the NRC's January 1997 letter regarding safety performance at the utility's six nuclear facilities.

Regional Inspection Seminar

From June 10 - 12, 1998, the region conducted its semiannual inspection seminar. Topics presented included: Office of Nuclear Reactor Regulation issues; Office of Nuclear Materials Safety and Safeguards issues; inspector findings; allegations; enforcement; emergency preparedness; grid stability; and control room operations. Seminar speakers included: Sam Collins; Carl Paperiello; Ed Baker; Mark Satorius; Bill Borchardt; and Dave Desaulniers.

June 12, 1998

ENCLOSURE P

Region IV
Items of Interest
Week Ending June 12, 1998

Siemens' Power Corporation Licensee Performance Review

The Director, Division of Fuel Cycle Safety and Safeguards, NMSS, and Region IV Deputy Regional Administrator, Director, Division of Nuclear Materials Safety and designated staff met with the Siemens Power Corporation's senior management and their designated staff on June 10, 1998, at the Siemens facility in Richland, Washington.

The purpose of the meeting was to discuss the NRC Licensee Performance Review of Siemens licensed activities. This meeting was open to the general public.

Differing Professional View

A Differing Professional View (DPV) panel completed review of a concern regarding the agency's Order requiring Envirocare to limit their receipt to 350 grams of U-235 at any one time. The concern was that in order for Envirocare to limit its possession, intermodal containers on rail cars were being off loaded in Salt Lake City and queued for truck transport to the site and that this arrangement increases waste handling and the possibility of container rupture and resultant spillage in a metropolitan area. The DPV panel concluded that the change in handling intermodal containers has resulted in additional handling and temporary storage incidental to shipment in a metropolitan area, and has resulted in some increase in the risk of mishandling of the containers. While the panel acknowledges that the NRC and the Department of Transportation have determined that Envirocare's current mode of transport of the waste material in question meets regulatory requirements, it agreed that this extra handling was undesirable. Consequently, the panel recommended that the Region request that NMSS expedite their activities to achieve a practical solution to this situation, especially in light of the winter Olympics scheduled for the year 2000 in Salt Lake City. The DPV panel recommendation was endorsed by the Regional Administration and will be forwarded to the program office for appropriate action.

June 12, 1998

ENCLOSURE P

Office of Congressional Affairs
Items of Interest
Week Ending June 12, 1998

CONGRESSIONAL HEARING SCHEDULE, NO. 20					
OCA Contact	DATE & PLACE	TIME	WITNESS	SUBJECT	COMMITTEE
Gerke/ Portner	06/16 2247 RHOB	10:00	Markup	H.R. 716, Requiring Identification by Agencies of Activities Private Sector Could Do	Reps. Horn/Kucinich Gov't Mgmt., Info & Technology Government Reform & Oversight
Madden	06/16 2359 RHOB	1:00	Markup	FY99 Energy & Water Development Appropriations	Reps. McDade/Fazio Energy & Water Development Appropriations
Gerke	06/18 311 CHOB	9:30	TBA	Options to Improve Financial Mgmt of Fedl Government	Reps. Horn/Kucinich Gov't Mgmt., Info & Technology Government Reform & Oversight
Keeling	06/18 2172 RHOB	2:00	Dept of State	India-Pakistan Nuclear Proliferation	Reps. Bereuter/Berman Asia & the Pacific International Relations
Gerke	06/22 342 DSOB	2:00	Jacob J. Lew	Confirmation hearing to be OMB Director	Senators Thompson/Glenn Governmental Affairs

June 12, 1998

ENCLOSURE R