

INFORMATION REPORT

March 6, 2003

SECY-03-0032

For: The Commissioners
From: John W. Craig, Assistant for Operations, Office of the EDO /RA/
Subject: SECY-03-0032 WEEKLY INFORMATION REPORT - WEEK
ENDING FEBRUARY 28, 2003

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*No input this week.

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Office of Nuclear Reactor Regulation
Items of Interest
Week Ending February 28, 2003

Public Meeting to Discuss the Orders for Reactor Pressure Vessel Head Inspections

On February 24, 2003, NRC staff held a public meeting to discuss the Orders on Reactor Pressure Vessel Head Inspections issued on February 11, 2003. After the issuance of the Orders, the Nuclear Energy Institute (NEI) submitted a letter dated February 19, 2003, to the NRC with 19 questions related to the Orders and requested that the staff address them during the public meeting. The meeting was attended by about 55 people in Rockville, MD and an additional 47 people participated by teleconference. The NRC made presentations on the background to why the orders were issued, the inspections required by the Order, the effect the Order had on the previously issued bulletins on this subject, and the required submittals the licensees would be making in response to the Order. NEI gave a short presentation on nuclear industry concerns. The NRC concluded the meeting after responding to NEI's previously submitted questions and taking questions from those in attendance and those on the teleconferencing line.

Facilitated Workshop for Risk-Informing Associated Circuit Inspections

On February 19, 2003, the NRC hosted an all-day facilitated workshop on how to risk-inform the associated circuit inspections. The associated circuits of concern are defined as those cables that have a physical separation less than that defined in the appropriate section of the NRC's fire protection regulations. The public meeting was well attended by various stakeholders and resulted in an open discussion of ideas. The staff, with the help of Brookhaven National Laboratory and Sandia National Laboratory will begin to draft inspector guidance in how to best perform this as a portion of the fire protection triennial inspections.

Diablo Canyon 2 Steam Generator Inspections

Division of Engineering staff are currently supporting a special inspection at Diablo Canyon Unit 2 to investigate the nature and cause of flaws identified during the licensee's steam generator tube inspections.

During their inspections, the licensee identified circumferential indications in the U-bend region of several tubes. These indications were found in tubes with various bend radii (small and large radii). Operating experience at similarly designed and operated units have generally resulted in the identification of circumferential flaws in the U-bend region of tubes with small bend radii only (i.e., low row tubes). As a result of these findings, the licensee performed specialized probe inspections of the U-bend region of all tubes. In-situ pressure testing of one of the larger flaws in the U-bend region indicated that the tube had adequate structural and leakage integrity.

In addition to the indications in the U-bend, the licensee also detected axial flaws at the tube-to-tube support plate intersection which grew faster than anticipated. To investigate the significance of these indications, the licensee plans to remove a portion of a minimum of two tubes, including the tube with the largest voltage indication (i.e., the most severe indication). Given the inspection results, the licensee is evaluating the methodology for projecting and assessing the significance of these flaws.

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The staff is following the inspection findings at Diablo Canyon Unit 2 and evaluating the generic implications of the results. A public meeting to discuss these issues with the licensee is planned for the week of March 3, 2003.

Staff Participation in NEI Workshop on Operator Licensing

On February 19 - 20, 2003, managers and staff from the Division of Inspection Program Management and the Operator Licensing branches from three of the NRC's regional offices participated in a national operator licensing workshop sponsored by the NEI in St. Pete Beach, Florida. The workshop was widely attended by training and simulator managers representing the majority of facility licensees. NEI convened the workshop to provide information to industry stakeholders on Draft Revision 9 of NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," and the use and testing of power plant simulators. The topics included reviews of the more significant written examination and operating test changes in Draft Revision 9, a review of the November 2001 amendment to 10 CFR 55.46 (the simulator rule), and a review of questions and answers related to the use and testing of plant-referenced simulators.

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Office of Nuclear Material Safety and Safeguards
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NMSS/Regional Division Directors' Counterpart Meeting

On February 24-25, 2003, Division Directors from the Office of Nuclear Material Safety and Safeguards (NMSS) met with their counterparts from the regional Divisions of Nuclear Materials Safety at NRC Headquarters. This was the first of two Division Director counterpart meetings scheduled this year to enhance communication between NMSS and the regions. These managers are responsible for nuclear materials, fuel cycle safety and safeguards, waste and decommissioning, and spent fuel and transportation activities. The meeting discussed security issues for NMSS and Agreement State licensees, Strategic Plan changes, the FY 2005 NMSS and regional budgets, and various program status updates in the materials and waste arenas. Approximately 50 managers, supervisors, senior staff, and NMSS interns attended the meeting. Representatives from the Office of Nuclear Security and Incident Response, the Office of Human Resources, and the Office of State and Tribal Programs also participated.

Louisiana State Hearing on Louisiana Energy Services Application

On February 26, 2003, an NRC staff member made a presentation at an information hearing held by the Tennessee State Senate Environment, Conservation, and Tourism Committee on the Louisiana Energy Services gas centrifuge enrichment plant project. The NRC staff member provided an overview of the NRC regulations and licensing process applicable to uranium enrichment facilities. The staff member also responded to questions on the adequacy of NRC regulations, staff analyses, site decommissioning, and effluent releases. Other attendees making presentations included: the Sumner County Executive; the Mayor of Lebanon, Tennessee; the producer of the film "Stealing the Fire;" a local engineer, and representatives of the Tennessee Environmental Council and Citizens for Smart Choices.

Meeting with the U.S. Enrichment Corporation

On February 25, 2003, staff from the Division of Fuel Cycle Safety and Safeguards, the Division of Waste Management, the Office of the General Counsel, and the Office of Nuclear Security and Incident Response met with staff from the U.S. Enrichment Corporation (USEC) in an open meeting to discuss USEC's application for a gas centrifuge uranium enrichment test and demonstration facility (Lead Cascade) to be sited at the Portsmouth Gaseous Diffusion Plant site in Piketon, Ohio. Representatives from the offices of Governor Taft (Ohio) and Senator DeWine (Ohio), an executive board member of the Southern Ohio Diversification Initiative (SODI), and a reporter from McGraw-Hill also attended the meeting. During the meeting, USEC briefly described its Lead Cascade application and its progress related to the development of gas centrifuge enrichment capability. NRC staff briefly outlined the process to be followed in reviewing the Lead Cascade application. The representative from Governor Taft's office provided a letter from Governor Taft, Senators DeWine and Voinovich, and Congressmen Portman and Ney to Chairman Meserve that supports USEC's Lead Cascade application. The executive board member of SODI provided NRC, for information purposes, over 4,000 letters from the public to USEC that indicate support for the Lead Cascade.

Mixed Oxide Fuel Fabrication Facility Draft Environmental Impact Statement

On February 20, 2003, NRC issued its draft Environmental Impact Statement (EIS) concerning construction and operation of a proposed mixed oxide fuel fabrication facility on the Department of Energy's Savannah River Site near Aiken, South Carolina. After weighing the costs and benefits, the NRC staff, in the draft EIS, includes a preliminary recommendation that the action called for is issuance of a license to construct and operate the plant, unless safety issues mandate otherwise, with conditions for enhancing protection of the environment. NRC staff plan to hold public meetings in Savannah, Georgia, North Augusta, South Carolina, and Charlotte, North Carolina, on March 25-27, 2003, to discuss the draft EIS and facilitate obtaining public comments on the draft EIS.

U. S. Nuclear Waste Technical Review Board Panel Meetings on Seismic issues and the Waste Management System

On February 24-25, 2003, NRC staff attended the U.S. Nuclear Waste Technical Review Board's (NWTRB's) Panel on the Natural System and Panel on the Engineered System Joint Meeting on Seismic Issues. The Department of Energy (DOE) presented information on the current DOE approach to seismic issues including probabilistic seismic hazard analysis for Yucca Mountain, preclosure analysis and design, proposed ground motions for preclosure and post-closure design, and response of the waste package and drip shield to seismic events and their incorporation into the Total System Performance Assessment. After each presentation the NWTRB posed questions to DOE. At the end of the day a round table discussion between DOE and NWTRB touched on many of these topics. On February 25, 2003, the meeting focused on the Waste Management System with presentations by DOE on waste acceptance, developing a transportation plan, the design of surface facilities, and underground facilities design and operations. The afternoon session focused on industry experience and views from the State of Nevada, the corridor states, and local governments.

2.206 Petition Review Board Meets with Viacom and Westinghouse on Waltz Mill

On February 20, 2003, the NRC Petition Review Board (PRB) held a meeting, open to the public, on the October 30, 2002, §2.206 petition filed by Viacom, Inc., pursuant to the decommissioning of the Waltz Mill Test Reactor facility near Madison, Pennsylvania. At the meeting, lawyers representing Viacom and staff from Viacom provided additional information in support of their petition. Lawyers representing Westinghouse Electric Company and staff from Westinghouse also presented additional material at the meeting in support of their response to the Viacom petition. The Westinghouse response had been sent to NRC on December 20, 2002. Following the meeting with the petitioner and the licensee, the PRB met to determine the next actions required to address the §2.206 petition.

Meeting with Risk Communication Study Team of Tokai Works

On February 14, 2003, NRC's special counsel for public liaison (Office of the General Counsel (OGC)) and staff from the Division of Waste Management (DWM) met with members of the Risk Communication Study Team of the Japan Nuclear Cycle Development Institute (JNC) located at Tokai, Japan, and with the director of the JNC Washington, D.C., office. This meeting was held at the Washington, D.C., offices of Bisconti Research, Inc. Members of the JNC Risk

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Communication Study Team were in Washington, D.C., as part of a fact-finding visit to the U.S. on risk communication. The team was founded in 2001, in response to changing public sentiment toward nuclear activities in Japan following the Tokai Mura criticality accident of 1999. Team members were especially interested in NRC's public outreach activities and techniques for interacting with the public. OGC and DWM staff discussed NRC's use of facilitated public meetings and workshops, and gave specific examples concerning NRC's evolving outreach program for interacting with the public about the regulation of a potential high-level radioactive waste repository at Yucca Mountain.

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Office of Nuclear Regulatory Research
Items of Interest
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Agreement on Thermal-Hydraulic Code Applications and Maintenance between the United States Nuclear Regulatory Commission (USNRC) and the Technical Research Centre of Finland (VTT)

On February 24, 2003, the Executive Director for Operations (EDO) signed the international agreement between the USNRC and the Technical Research Centre of Finland (VTT) relating to Cooperation in the Thermal-Hydraulic Code Applications and Maintenance Program (CAMP) and the Office of Nuclear Regulatory Research forwarded this agreement on February 26, 2003, to VTT Finland for counter-signature.

This Agreement defines the terms and conditions by which the USNRC and the VTT will continue cooperation in the area of the Thermal-Hydraulic Code Applications and Maintenance Program (CAMP) and related research on the basis of mutual benefit and reasonable equity and reciprocity which will contribute to our overall efficiency and effectiveness. The work performed under this Agreement will also contribute to NRC's goal of maintaining safety by verifying the adequacy of the NRC thermal-hydraulic codes. This Agreement will enter into force upon signature of both parties from August 31, 2002 and will remain in effect for a period of 5 years.

Implementing Arrangement on Thermal-Hydraulic Code Applications and Maintenance between the USNRC and the United Kingdom Health and Safety Executive (UKHSE)

On February 24, 2003, the EDO signed the international agreement between the USNRC and the United Kingdom Health and Safety Executive (UKHSE) relating to Cooperation in the Thermal-Hydraulic Code Applications and Maintenance Program (CAMP) and the Office of Nuclear Regulatory Research forwarded this agreement, on February 26, 2003, to the UKHSE for counter-signature.

This Implementing Arrangement defines the terms and conditions by which the USNRC and the UKHSE will continue their cooperation in the USNRC Thermal-Hydraulic Code Applications and Maintenance Program (CAMP) on the basis of mutual benefit and reasonable equity and reciprocity. As part of their participation, the UKHSE will provide a cash contribution plus two code assessment reports per year for the duration of this Implementing Arrangement. The UKHSE will contribute in-kind technical information in the area of code validation and verification based on their nuclear plant designs. The work performed under this Implementing Arrangement will contribute to the NRC goal of maintaining safety and enhancing our efficiency and effectiveness in independently verifying the accuracy of the thermal-hydraulic analytical codes. This Implementing Arrangement will enter into force upon signature from August 31, 2002, and remain in effect for a period of five years, contingent upon the timely renewal of the USNRC-UKHSE Arrangement which expires on June 26, 2005.

Nuclear Security and Incident Response
Items of Interest
Week Ending February 28, 2003

Preliminary Notifications

1. PNO-III-03-009, Scott Process Systems, Inc. - RADIOGRAPHY EQUIPMENT DAMAGE.
2. PNO-IV-03-012, University of California Medical Center - THERAPEUTIC RADIOPHARMACEUTICAL MEDICAL EVENT.
3. PNO-IV-03-013, Alta Bates Medical Center - BRACHYTHERAPY MEDICAL EVENT.
4. PNO-IV-03-014, Framatome ANP, Inc. - REPORT OF SMALL FIRE IN FEED HOPPER OF SOLID WASTE URANIUM RECOVERY INCINERATOR.
5. PNO-I-03-003, Beaver Valley Nuclear Power Station, Unit - UNUSUAL EVENT DUE TO A SAFETY INJECTION SIGNAL AND CLOSURE OF THE MAIN STEAM ISOLATION VALVES (#39616).

Office of Administration
Items of Interest
Week Ending February 28, 2003

State of Nevada; Denial of a Petition for Rulemaking (PRM-63-1)

A document that denies a petition for rulemaking submitted by the State of Nevada was published in the Federal Register on February 27, 2003 (68 FR 9023). The petitioner requested that the Commission amend its regulations governing the disposal of high-level radioactive wastes in a proposed geologic repository at Yucca Mountain, Nevada. The petitioner believes that the present regulations in Part 63 are deficient because, in the petitioner's view, they do not provide the regulatory framework to ensure that the repository isolates high-level radioactive waste over the long term primarily by geologic means and they do not demand that the applicant present an "affirmative safety case" for the repository. The NRC is denying the petition because the petitioner's assertion that Part 63 is not in full compliance with the Nuclear Waste Policy Act or the Atomic Energy Act is without substance, the petition does not appear to present significant new factual information or policy recommendations that the Commission did not consider in the rulemaking that established Part 63, and it would be an unwise expenditure of resources to reconsider issues resolved in that rulemaking.

Rulemaking on Controlling the Disposition of Solid Materials: Scoping Process for Environmental Issues and Notice of Workshop (Part 20)

A document requesting stakeholder participation in an enhanced participatory rulemaking on alternatives for controlling solid materials that have no, or very small amounts of, radioactivity resulting from licensed operations was published in the Federal Register on February 28, 2003 (68 FR 9595). The NRC is seeking stakeholder participation and involvement in identifying alternatives that should be considered as part of this rulemaking and the environmental impacts of these alternatives. A public workshop will be held on May 21-22, 2003. The comment period for this action closes June 30, 2003.

Chief Information Officer
Items of Interest
Week Ending February 28, 2003

FY 2002 Performance and Accountability Report

The FY 2002 Performance and Accountability Report was issued to the Office of Management and Budget (OMB) on January 31, 2003. The agency received an unqualified opinion on its financial statements for the ninth consecutive year. Agency distribution to branch chiefs and above has been made. The Web site address is: www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1542

Freedom of Information and Privacy Act Requests received during the period of February 21 through February 27, 2003:

OI Report 1-2002-019 (FOIA/PA-2003-0175)

Interview of named individual regarding discrimination; records on phone conversations (FOIA/PA-2003-0176)

Contract NRC3391980, Sections B and C, task orders, delivery orders, SOWs, Sections J, L and M (FOIA/PA-2003-0177)

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Office of Human Resources
Items of Interest
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Retirements		
MENDELSON, Barry	SR. SAFEGUARDS TECH. ANALYST	NSIR
RIDGELY, Helen *	HUMAN RESOURCES ASSISTANT	HR
Departures		
GREEN, Stephen	REACTOR ENGINEER	RIV

* Actual Separation Date 2/22/03

Office of Public Affairs
Items of Interest
Week Ending February 28, 2003

Media Interest

Davis-Besse dominated the headlines, especially the NRC's preliminary finding of a "red" safety significance to the reactor head damage, completion of refueling, and the licensee's efforts to obtain NRC approval to restart the power plant in April 2003.

Coverage of Indian Point focused primarily on the Federal Emergency Management Agency's role in approving local emergency planning, especially a Congressional hearing on the subject. *The New Yorker* ran a lengthy feature on the facility's emergency evacuation plans and history of its safety problems.

The science program "NOVA" on PBS discussed the potential for terrorists to use a dirty bomb and the dangers of missing radiological materials worldwide. Chairman Meserve was among the experts featured.

The Chairman's travels in India received coverage, as did the temporary shutdowns at Beaver Valley (PA) and Kewaunee (WI); the Utah legislature's efforts to tighten controls on nuclear waste shipments, and the proposed mixed oxide fuel fabrication facility in South Carolina.

Press Releases	
Headquarters:	
03-025	NRC Advisory Committee on Reactor Safeguards to Meet March 6-8 in Rockville, MD.
Regions:	
III-03-006	Preliminary Safety Significance Determined for Reactor Head Damage

Office of the Secretary
 Items of Interest
 Week Ending February 28, 2003

Document Released to Public	Date	Subject
Decision Documents		
1. SECY-02-0216	12/11/02	Proposed Process for Providing Information on Significant Nuclear Materials Issues and Adverse Licensee Performance
SRM on 02-0216	2/25/03	(same)
Commission Voting Record on 02-0216	2/25/03	(same)
Information Papers		
1. SECY-03-0018	2/6/03	Annual Report on Court Litigation (Calendar Year 2002)
2. SECY-03-0026	2/21/03	SECY-03-0026 Weekly Information Report - Week Ending February 14, 2003

Federal Register Notices Issued

1. Notice of Denial: Petition for Rulemaking - State of Nevada.
2. Notice of Application for License to Export a Nuclear Utilization Facility.
3. ACRS Subcommittee Meeting on Thermal-Hydraulic Phenomena - Notice of Meeting.
4. ACNW Meeting on Planning and Procedures - Notice of Meeting.

Region I
Items of Interest
Week Ending February 28, 2003

Regional Administrator Testifies Before House Subcommittee

On February 25, 2003, the Region I Regional Administrator testified before the House of Representative's subcommittee on Economic Development, Public Buildings, and Emergency Management (a subcommittee of the Committee on Transportation and Infrastructure). Also testifying were: Congressman Eliot Engel, 17th District of NY; Congresswoman Nita Lowey, 18th District of NY; Joseph Picciano, Acting Regional Director, Region 2, Federal Emergency Management Agency (FEMA); Edward Jacoby, Director, NY State Emergency Management Office; Scott Vanderhoef, County Executive, Rockland County; Andrew Spano, County Executive, Westchester County; and Ed Diana, County Executive, Orange County.

The focus of the hearing was the adequacy of emergency preparedness in the vicinity of the Indian Point Nuclear Generating Station, at Buchanan, NY. Of particular interest to the subcommittee was how the NRC and FEMA were responding to New York State Governor George Pataki's recently released draft report by James Lee Witt and Associates, A Review of Emergency Preparedness at Indian Point and Millstone.

Region II
Items of Interest
Week Ending February 28, 2003

Special Strategic Plan Senior Leadership Group Session

On February 24, 2003, the Regional Administrator participated in the Special Strategic Plan Senior Leadership Group Session in Headquarters. The Group continued to review the Agency's Strategic Plan and discuss potential areas for revision.

Southern Nuclear Operating Company Management Meeting

On February 27, 2003, the Regional Administrator and other regional managers participated in a public management meeting at the Southern Nuclear Operating Company's Headquarters office in Birmingham, AL. The purpose of meeting was to discuss licensee performance, new initiatives, and other general issues pertaining to the Farley, Hatch, and Vogtle plants.

Florida Power and Light Company - St. Lucie Public Meeting

On February 25, 2003, representatives from Florida Power and Light Company were in the Region II office to attend a management meeting. The purpose of the meeting was to discuss the licensee's lessons learned and corrective actions for radiation protection issues that arose during the last refueling outage at the St. Lucie, Unit 1 facility.

End-of-Cycle Summary Meeting

On February 25, 2003, the Regional Administrator participated in an End-of-Cycle summary meeting with the Director, Office of Nuclear Reactor Regulation. The purpose of this meeting was to discuss the reactor oversight process assessments for the performance of Region II nuclear power reactors for calendar year 2002.

Federal Women's Program Presentation

As part of the regional activities in support of the NRC's equal employment opportunity (EEO) goals, the Region II Federal Women's Program lead a celebration of African-American or Black History Month on February 26. The celebration included the showing of a movie about an African-American sailor's struggle to overcome obstacles and succeed.

Duke Energy - Press Release Regarding Application for MOX Fuel

On February 27, 2003, Duke Energy issued a press release, indicating that the company submitted an application to the NRC for approval of the use of lead test assemblies containing mixed oxide (MOX) fuel. The application was for the use of four assemblies for evaluation in either the company's McGuire or Catawba nuclear power reactors beginning in 2005.