

INFORMATION REPORT

May 8, 2003

SECY-03-0072

For: The Commissioners
From: William M. Dean, Assistant for Operations, Office of the EDO
Subject: SECY-03-0072 WEEKLY INFORMATION REPORT - WEEK
ENDING MAY 2, 2003

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*No input this week.

/RA/

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Office of Nuclear Reactor Regulation
Items of Interest
Week Ending May 2, 2003

Agency Action Review Meeting

The Agency Action Review Meeting (AARM) was held in Annapolis, MD on April 22-23, 2003. Discussion topics included four reactor plants as well as one material licensee. Additional topics included the results of the Industry Trends Program and the ROP Self-Assessment Program. The Commission will be briefed on the results of the AARM on May 15, 2003.

Senior Risk Analyst (SRA) Counterpart Meeting

The SRA Counterpart meeting was held at One White Flint on April 22-24, 2003. All regions were represented and there was participation by other risk analysts from NRR and RES. The primary topics discussed included Standardized Plant Analysis Risk (SPAR) model development and needed improvements, an update from the Division of Systems Safety and Analysis (DSSA) on numerous risk assessment initiatives, and a discussion of SRA roles and responsibilities for input into an initiative to improve the SRA training program. Also discussed was the challenge that SRAs face when assessing external event contribution for licensee performance deficiencies in the significance determination process. Commissioner McGaffigan attended the meeting and offered his support for risk-informed regulatory activities. The Commissioner also expressed his personal view on the need for continued improvement of licensee probabilistic risk assessment models and for SRA involvement in Nuclear Security and Incident Response (NSIR) activities involving the establishment and review of plant target sets.

South Texas Project Unit 1-NRC Meeting With STP Nuclear Operating Company

On May 1, 2003, the STP Nuclear Operating Company (STPNOC), licensee for South Texas Project (STP) Units 1 and 2, met with the Nuclear Regulatory Commission (NRC) staff at the NRC Headquarters. The purpose of the meeting was to brief the NRC regarding STPNOC's efforts to address the issues arising from April 12, 2003, discovery of indications of leakage from the STP Unit 1 bottom-mounted instrument penetrations 1 and 46.

The STPNOC discussed information pertinent to the fabrication of bottom-mounted instrument penetrations, results from both visual examination of penetrations and chemical analysis of residue found at the two penetrations, and some potential causal mechanisms. The licensee discussed its plans for further non-destructive examination (NDE) to help determine the type of flaws, causes of the flaws, and options for repair of the condition. The licensee provided a non-proprietary schedule of milestone of activities. The core will be offloaded by mid-May. NDE and analysis will be completed by late May. Design approval relief request will be submitted to NRC for review by early June. Repairs will commence in mid-June. Final breaker closure is envisaged by STPNOC for late-summer.

The licensee's presentation was well received by the NRC staff, and there was significant public participation at the end of the meeting. The licensee has proposed the next meeting to discuss the penetrations leakage issue for the week of May 26, 2003. The staff and STPNOC will hold weekly conference calls to discuss current status and updated information.

May 2, 2003

ENCLOSURE A

Office of Nuclear Material Safety and Safeguards
Items of Interest
Week Ending May 2, 2003

Transportation Brochure

NRC has distributed a brochure (NUREG/BR-0292) entitled "Safety of Spent Fuel Transportation." The brochure was developed with technical assistance from Sandia National Laboratories and provides basic information on spent fuel transportation and the role NRC plays in regulating its safety. The 16-page, full-color brochure is intended for public meetings and general inquiries on spent fuel shipments.

National Academy of Sciences Radioactive Material Transportation Study

The National Academy of Sciences (NAS) announced the membership of the Transportation of Radioactive Waste Committee for a 20-day public comment period. The NAS Board of Radioactive Waste Management will convene the first meeting of the committee to study the societal risks of transportation, with a special focus on spent fuel transportation, on May 16, 2003. NRC has been asked to participate, along with other Federal agencies sponsoring the study.

NRC/DOE Quarterly Management and Quality Assurance Meetings

On April 29-30, 2003, NRC staff held its quarterly management and quality assurance meetings for the Yucca Mountain Project with the Department of Energy's (DOE's) Office of Civilian Radioactive Waste Management staff in Las Vegas, Nevada. The staff requested that DOE respond to NRC's continuing concerns on quality assurance within 30 days.

Management Counterpart Meeting on Materials Programs

During April 29 - May 1, 2003, management from the Division of Industrial and Medical Nuclear Safety attended a management meeting with their Regional counterparts. The meeting, hosted by Region I, included a discussion of more than 30 topics relative to technical and administrative issues of mutual interest concerning licensing and inspection programs for materials licensees.

Issuance of Mixed-Oxide Fuel Fabrication Facility Revised Draft Safety Evaluation Report

On April 30, 2003, the staff issued its revised draft Safety Evaluation Report (DSER), which documents the staff's review of a revised construction authorization request (CAR) submitted to NRC on October 31, 2002, by the applicant Duke Cogema Stone & Webster (DCS). The CAR pertains to a proposed Mixed-Oxide Fuel Fabrication Facility (MFFF) that DCS plans to construct on the Department of Energy's Savannah River site.

In the revised DSER, the NRC staff concludes that DCS has not met all the applicable requirements pertaining to construction of the proposed MFFF. Based on the staff's review of the revised CAR and supporting information provided by the applicant, the staff finds that, because of the open items discussed in the revised DSER, DCS has not met the Baseline Design Criteria set forth in 10 CFR 70.64(a). Further, until the open items are closed, the staff cannot conclude, pursuant to 10 CFR 70.23(b), that the design bases of the principal structures, systems, and

components identified by the applicant will provide reasonable assurance of protection against natural phenomena and the consequences of potential accidents.

U.S. Enrichment Corporation, Inc. Stops Funding on SILEX

On April 30, 2003, the U.S. Enrichment Corporation, Inc. (USEC) announced that it is ending its funding for research and development (R&D) of the SILEX laser-based uranium enrichment process. USEC had been funding R&D on the SILEX process since 1996, when the company signed an agreement with SILEX Systems Limited in Australia. This leaves gas centrifuge as the only alternative within USEC's advanced enrichment program.

Design Basis Threat Orders for Category 1 Fuel Cycle Facilities

On April 29, 2003, the Office of Nuclear Material Safety and Safeguards issued Orders modifying the licenses of Category I fuel cycle facilities, effective immediately. Orders were issued to Nuclear Fuel Services, Erwin, Tennessee, and BWX Technologies, Lynchburg, Virginia.

Office of Nuclear Regulatory Research
Items of Interest
Week Ending May 2, 2003

Agreement on Thermal-Hydraulic Code Applications and Maintenance between the USNRC and the TÜV Süddeutschland Bau und Betrieb GmbH Energie und Technologie of Germany

On April 29, 2003, the Executive Director for Operations signed the international agreement between the USNRC and the TÜV relating to cooperation in the Thermal-Hydraulic Code Applications and Maintenance Program (CAMP). The Office of Nuclear Regulatory Research (RES) forwarded this Agreement on April 30, 2003, to Germany for counter-signature.

This Agreement defines the terms and conditions by which the USNRC and the TÜV Süddeutschland Bau und Betrieb GmbH Energie und Technologie of Germany, formerly known as TÜEV Bayern-Sachsen, will continue cooperation in the area of CAMP and related research on the basis of mutual benefit and reasonable equity and reciprocity. This cooperation will contribute to the NRC goal of increasing effectiveness by expanding our data and knowledge base for thermal hydraulic analysis and increasing efficiency by leveraging NRC funds and through a TÜV monetary contribution to the USNRC program. The work performed and exchanged under this Agreement also contributes to NRC's goal of maintaining safety by enhancing the quality of the reactor safety codes through the expansion of the international user community, and through their subsequent applications and feedback. These codes are used by the NRC for auditing calculations as part of the licensing review process for applications such as power uprates, emerging safety issues and for advanced reactor design reviews. This Agreement will enter into force upon signature of both parties and will remain in effect for a period of five years.

Release of the Beta Version of the TRAC/RELAP Advanced Computational Engine (TRACE, formerly TRAC-M) Thermal-Hydraulic System Analysis Code

Over the last several years, RES has actively pursued a program of code consolidation and modernization for its reactor safety thermal-hydraulic analysis codes. The culmination of this program will be the initial public release of the TRACE (formerly called TRAC-M) code at the end of calendar year 2003. An important milestone in this effort is the release of a beta version of this software to CAMP members on April 30, 2003.

TRACE is a two-phase, two-fluid thermal-hydraulic reactor systems analysis code. The TRACE acronym stands for TRAC/RELAP Advanced Computational Engine, reflecting its ability to run both RELAP5 and TRAC legacy input models. It includes a three-dimensional kinetics module called PARCS for performing advanced analysis of coupled core thermal-hydraulic/kinetics problems and has recently been linked to CONTAIN, providing the capability to perform integrated reactor analysis at levels of efficiency and accuracy not previously possible. Recent and planned improvements to the code will also give TRACE the ability to model advanced reactor types such as ESBWR and ACR 700.

RES is now using TRACE to perform confirmatory analysis for AP1000, address various other safety issues and plans to use it in future ESBWR and ACR 700-related applications.

Public Meeting on Mitigating Systems Performance Index (MSPI) Pilot Program

May 2, 2003

ENCLOSURE C

During an April 30, 2003 public meeting to discuss technical and implementation issues with the MSPI pilot, staff from RES and NRR presented the status and most recent findings of the research program and pilot issues. The meeting was attended by participants from Regions, industry representatives (NEI, INPO), and pilot plant licensees.

The purpose of the MSPI is to monitor the performance of six systems based on their ability to perform risk-significant functions. The index, which approximates the change in core damage frequency, is comprised of two elements - system unavailability and system reliability. Plant-specific PRA models will be used to calculate the contribution of component failures and maintenance unavailability to the index.

In the presentation, the staff discussed the status of research into the key technical issues. The successful effort thus far to enhance the Standardized Plant Analysis Risk (SPAR) models for the twenty pilot plants in the program was described. Possible solutions to remaining open items, as well as the proposed timeline to complete development and implement the MSPI, were discussed.

Nuclear Security and Incident Response
Items of Interest
Week Ending May 2, 2003

Preliminary Notifications

1. PNO-I-03-012, Hospital of St. Raphael - POTENTIAL MEDICAL EVENT AT HOSPITAL OF ST. RAPHAEL.
2. PNO-I-03-013, Entergy Nuclear Operations, Inc. - REACTOR TRIP FROM 100 PERCENT POWER DUE TO A TURBINE TRIP - MEDIA AND PUBLIC INTEREST.
3. PNO-I-03-014, Entergy Nuclear Operations, Inc. - UNUSUAL EVENT DECLARED DUE TO FIRE IN THE MAIN TURBINE.
4. PNO-II-03-007, Delta Consulting Engineers, Inc. - STOLEN PORTABLE GAUGE.
5. PNO-11-03-007A, Delta Consulting Engineers, Inc. - UPDATE TO STOLEN PORTABLE GAUGE.
6. PNO-II-03-008, U.S. Army - MISSING TRITIUM EXIT SIGNS.
7. PNO-III-03-022, Perry - ALERT DECLARED DUE TO A HIGH RADIATION ALARM IN THE FUEL HANDLING BUILDING.
8. PNO-III-03-023, Republic Engineered Products, LLC - POTENTIAL OVEREXPOSURE TO MEMBERS OF THE PUBLIC.
9. PNO-III-03-023, Republic Engineered Products, LLC - POTENTIAL OVEREXPOSURE TO MEMBERS OF THE PUBLIC.
10. PNO-IV-03-023A, Entergy Operations, Inc. - SHUTDOWN OF GREATER THAN 72 HOURS (UPDATE).
11. PNO-IV-03-024, Sioux Valley Hospital - POTENTIAL EXPOSURE IN EXCESS OF REGULATORY LIMITS.

Office of Administration
Items of Interest
Week Ending May 2, 2003

List of Approved Spent Fuel Storage Casks: FuelSolutions; Confirmation of Effective Date (Part 72)

A document confirming the effective date of May 7, 2003, for a direct final rule that revised the FuelSolutions cask system listing within the list of approved spent fuel storage casks was published in the Federal Register on May 1, 2003 (68 FR 23183).

Contract Award

As a result of a competitive acquisition, a cost plus fixed fee contract was awarded to Applied Programming Technology, Inc. of Bloomsburg, PA on April 23, 2003. The purpose of this contract is to maintain and modify the Symbolic Nuclear Analysis Package (SNAP) code consistent with the current code design and general coding practices. The contract period includes a base year and two 12-month option years and is valued at \$875,065. The streamlining process included the synopsis waiver for technical assistance and research projects and incorporated simplified evaluation criteria.

Chief Information Officer
Items of Interest
Week Ending May 2, 2003

NRC's First Information Quality Correction Request Received

On April 30, 2003, Craig Reed, Director, Regulatory Affairs, Novoste Corporation, filed by email via the NRC web site, an information quality correction request. This is the first such request received by the NRC. He seeks to have reference to Novoste Corporation removed from a Draft Abnormal Occurrence Report attached to SECY-03-0036. He said reference to the Novoste device may lead to errors in interpretation of NRC findings by Congress and the public. NRC will process the request in accordance with its Information Quality Handbook procedures.

Freedom of Information and Privacy Act Requests received during the period of
April 25 through May 1, 2003:

| | |
|--|-------------------|
| OI Report, Rosemount Inc., NY, October 1991 | FOIA/PA-2003-0264 |
| Choicepoint Inc., all records relating to transactions, communications and contracts, January 2001 to present | FOIA/PA-2003-0265 |
| Rokkasho Aomori, Japan, modeling and simulation of damage and casualties from accidents and/or attacks on nuclear facilities (MOX fuel fabrication plant, uranium enrichment plants, etc.) | FOIA/PA-2003-0266 |
| Atomic Energy Commission Contract No. AT(30-3)-220 | FOIA/PA-2003-0267 |
| Operation CrossRoads Atomic Bomb Test, list of all non-target ships | FOIA/PA-2003-0268 |
| EDSA Micro Corporation, all records | FOIA/PA-2003-0269 |
| Operation Technology, Inc., all records | FOIA/PA-2003-0270 |
| All records related to named individual | FOIA/PA-2003-0271 |

Office of Human Resources
Items of Interest
Week Ending May 2, 2003

| | | |
|--------------------|-------------------------------|------|
| Arrivals | | |
| CHERNOFF, Margaret | PROJECT MANAGER | NRR |
| EBAUGH, Anthony | STUDENT ENGINEER (CO-OP) | NMSS |
| ENGLISH, Lance | INTELLIGENCE SPECIALIST | NSIR |
| GIGLIO, Nick | STUDENT ENGINEER (Summer) | RII |
| HENDERSON, Erica | SUMMER CLERK | NRR |
| HICKOK, Roy * | REACTOR TECHNOLOGY INSTRUCTOR | HR |
| KREX, Hollie** | SECRETARY (OA) | RII |
| LEE, Brian | NUCLEAR SAFETY INTERN | NRR |
| ORLIKOWSKI, Robert | RESIDENT INSPECTOR | RIII |
| TINDELL, Brian | NUCLEAR SAFETY INTERN | RIV |
| Retirements | | |
| BARR, Kenneth | SR. MATERIALS ANALYST | RII |
| BELL, Julia | SECRETARY (OA) | RII |
| EDWARDS, Robert | HUMAN RESOURCES SPECIALIST | HR |
| LEAGUE, Karen | HUMAN RESOURCES TEAM LEADER | RIV |
| PLITT, Nellie | REFERENCE LIBRARIAN | CIO |
| Departures | | |
| KRAUS, Kelly | CRIMINAL INVESTIGATOR | OIG |

* Attending orientation on 05/12/03

**Reporting 05/08/03

Office of Public Affairs
Items of Interest
Week Ending May 2, 2003

Media Interest

Orders on the NRC's revised Design Basis Threat and security guard training and fatigue were carried in headlines during the week, with more extensive coverage in regional newspapers and broadcast media.

Concerns over the apparent reactor vessel bottom leak at South Texas continued to receive coverage, including a piece in *The New York Times*. Projected delays in Davis-Besse's restart also were reported. The Inspector General's report on NRC oversight of Indian Point was detailed in *The (New York) Journal-News*. Passage of FEMA's May 2 deadline for local governments to submit information on emergency planning near IP was also noted.

Western media reported on NRC's concerns over DOE's quality assurance for its Yucca Mountain project. South Carolina's distribution of potassium iodide to residents near nuclear plants received coverage throughout the Southeast.

| Press Releases | |
|-----------------------|--|
| Headquarters: | |
| 03-051 | NRC to Hold Public Meeting May 1 on Reactor Vessel Penetration Leakage at South Texas Project (4/28) |
| 03-052 | NRC Approves Changes to the Design Basis Threat and Issues Order for Category 1 Fuel Cycle Facilities (4/29) |
| 03-053 | NRC Approves Changes to the Design Basis Threat and Issues Orders for Nuclear Power Plants to Further Enhance Security (4/29) |
| 03-054 | NRC Issues Revised Draft Safety Evaluation Report on Proposed MOX Facility in South Carolina (5/2) |
| Regions: | |
| III-03-038 | NRC Oversight Panel to Hold Two Meetings on Davis-Besse Reactor (4/30) |
| III-03-039 | NRC Oversight Panel to Meet with FirstEnergy in Lisle, Illinois, to Discuss Resolution of Engineering Design Issues at Davis-Besse (5/1) |

Office of the Secretary
Items of Interest
Week Ending May 2, 2003

| Document Released to Public | Date | Subject |
|--|----------|--|
| Decision Documents | | |
| 1. COMSECY-03-0012 | 3/10/03 | Fitness-for-Duty Enhancements to Address Concerns Regarding Fatigue of Nuclear Facility Security Force Personnel - Draft Order and Compensatory Measures for Power Reactor Licensees |
| SRM-COMSECY-03-0012 | 3/31/03 | (same) |
| Commission Voting Record-COMSECY-03-0012 | 3/31/03 | (same) |
| Information Papers | | |
| 1. SECY-03-0054 | 04/10/03 | Replacement of North Anna, Unit 2, Reactor Pressure Vessel Head with a Head Manufactured to French Standards |
| 2. SECY-03-0065 | 4/24/03 | SECY-03-0065 Weekly Information Report - Week Ending April 18, 2003 |
| 3. SECY-03-0057 | 4/17/03 | FY 2002 Results of the Industry Trends Program for Operating Power Reactors and Status of Ongoing Development |
| 4. SECY-03-0062 | 4/21/03 | Reactor Oversight Process Self-Assessment for Calendar Year 2002 |
| 5. SECY-03-0066 | 5/1/03 | SECY-03-0066 Weekly Information Report - Week Ending April 25, 2003 |
| Memoranda | | |
| 1. SRM-M030411A | 4/28/03 | Staff Requirements - Meeting with Advisory Committee on Reactor Safeguards (ACRS) |
| 2. SRM-M030429 | 4/29/03 | Staff Requirements - Affirmation Session: I. SECY-03-0040 - Nuclear Fuel Services, Inc. (Erwin, Tennessee) |

May 2, 2003

ENCLOSURE O

Federal Register Notices Issued

1. Sander C. Perie, ICN Worldwide Dosimetry Service, Receipt of Petition for Rulemaking (PRM-02-25).
2. ASLBP Notice of Hearing - Advanced Medical Imaging and Nuclear Services.

May 2, 2003

ENCLOSURE O

Region II
Items of Interest
Week Ending May 2, 2003

Tennessee Valley Authority - Sequoyah Nuclear Plant Visit

On April 30, 2003, the Deputy Regional Administrator toured the Sequoyah Nuclear Plant in Soddy-Daisy, TN and met with licensee management and resident inspectors. The tour included the licensee's activities for closure of the Unit 2 containment liner and concrete structure, which was removed for earlier movement of steam generators.

Duke Energy Corporation Management Meeting

On April 29, 2003, representatives from Duke Energy Corporation were in the Regional Office to attend a management meeting. The purpose of the meeting was to discuss oversight structure, equipment reliability, human performance, and security at the McGuire Nuclear Station.

Tennessee Valley Authority Browns Ferry Manual Chapter Review Meeting

On April 29, 2003, representatives from Tennessee Valley Authority were in the Regional Office to attend a Manual Chapter Review meeting. The purpose of the meeting was to discuss the licensee comments to the Draft Browns Ferry Unit 1 Recovery Manual Chapter they received on March 11, 2003.

Duke Energy Corporation - Oconee Special Inspection

On May 2, 2003, a Special Inspection Team completed its review and exited with the licensee on the results of the inspection to follow up on repetitive failures and problems with the opening of manually operated valves in the atmospheric dump valve flow path in Unit 3 of the Oconee nuclear power plant. These valves are important to safe response to certain postulated events at the plant. The Team's findings will be issued in a special inspection report within the next thirty days.

Region III
Items of Interest
Week Ending May 2, 2003

Special Team Inspection Completed at Quad Cities 2

The special inspection team reviewing a relief valve failure at the Quad Cities Nuclear Power Station, Unit 2, completed the inspection and met April 29, 2003, with plant officials to discuss their preliminary findings. The power-operated relief valve opened unexpectedly on April 16 and would not close, leading to a reactor shutdown. (Reference: PNO-III-03-20 and 20A) The valve has been replaced. The inspection team plans to issue its report in 30 to 45 days.

May 2, 2003

ENCLOSURE P

Office of Congressional Affairs
Items of Interest
Week Ending May 2, 2003

CONGRESSIONAL HEARING SCHEDULE, NO. 13

| OCA Contact | DATE & PLACE | TIME | WITNESS | SUBJECT | COMMITTEE |
|-------------|--------------------|------|---------|---|--|
| Keeling | 05/15/03 SD-406 | TBA | Markup | Draft Legislation, "To Promote Chemical, Nuclear and Water Infrastructure Security" | Senators Inhofe/Jeffords Environment and Public Works |

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ENCLOSURE R