

October 17, 2006

SECY-06-0211

For: The Commissioners
From: Michael R. Johnson, Assistant for Operations, Office of the EDO
Subject: WEEKLY INFORMATION REPORT - WEEK ENDING
OCTOBER 6, 2006

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*No input this week.

/RA/

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Office of Nuclear Reactor Regulation (NRR)
Items of Interest
Week Ending October 6, 2006

Meeting with the Materials Reliability Program (MRP) Regarding Inspection and Evaluation (I&E) Guidelines for Pressurized Water Reactor (PWR) Internals

On September 27, 2006, staff met with representatives of the industry's MRP to discuss the industry's progress in developing I&E guidelines for PWR internals. The I&E guidelines being developed by the MRP will be used by licensees with renewed licenses to implement a required aging management program. The discussions at this meeting focused on: (1) the ability to determine radiation exposure at PWR internals locations with sufficient accuracy to support the I&E guidelines; (2) the industry's integration of nondestructive examination technology development/qualification with the plan for I&E guideline development; (3) the industry's initial results from its internals screening and categorization process; (4) NRC comments on initial MRP technical reports which will support the development of the I&E guidelines; and, (5) the industry's overall plan for completing this work and the schedule for future NRC/MRP meetings on this topic. The next NRC/industry meeting is currently planned for February 2007.

Discussions with Exelon Nuclear Generating Company Regarding Pre-emptive Weld Overlays at Byron

During the period of September 27-29, 2006, NRC staff and management discussed challenges with Exelon Nuclear Generation Company (Exelon) representatives regarding Exelon's decision to install pre-emptive weld overlays on dissimilar metal welds associated with the Byron Station (Byron), Unit 1 pressurizer valve and surge line connections during the Fall 2006 outage. The weld overlays are intended to address inspectability issues with the original welds and reduce the susceptibility of the welds to primary water stress corrosion cracking. These weld overlays are not addressed in Section XI of the American Society of Mechanical Engineers Code, and therefore, Exelon submitted a relief request. During ultrasonic examinations of the weld overlays, flaws larger than the acceptance criteria were found in three of the six overlays. Exelon requested that they be permitted to operate with the flaws in service until the next refueling outage while they investigated the root cause of the flaws and automated grinding and welding repair methods to reduce radiation exposure. Following discussions with the staff, the licensee opted to perform the repairs.

Operator Licensing Meetings

On September 27, 2006, the staff hosted a periodic counterparts meeting with the Regional Operator Licensing Branch Chiefs. The meeting focused on a number of issues related to generic operator licensing, the initial licensing examination program, the requalification examination and inspection program (including license proficiency watches), and administrative matters. The meeting also enabled the staff to prepare for a September 28, 2006, public meeting covering the same subjects with the Industry Operator Licensing Focus Group sponsored by the Nuclear Energy Institute (NEI). The public meeting was conducted at the NEI Offices in Washington, DC, and attended by facility representatives from all four Regions, Westinghouse, and the Institute of Nuclear Power Operations, with international observers from the Canadian Nuclear Safety Commission and Ontario Power Generation.

Palisades Nuclear Plant License Renewal Safety Evaluation Report

On September 28, 2006, the staff issued the Safety Evaluation Report related to the license renewal of the Palisades Nuclear Plant, ahead of schedule. By letter, dated March 22, 2005, Nuclear Management Company, LLC submitted an application pursuant to 10 CFR Part 54, to renew the operating license for an additional 20 years. There are no identified open items and the staff has resolved the confirmatory item in its review.

Publication of Part 52 Draft Final Rule Language

On September 28, 2006, the staff published, for public viewing only, draft final rule language for 10 CFR Part 52, "Licenses, Certifications, and Approvals for Nuclear Power Plants," on the NRC's rulemaking website. This draft rule language is part of a final rulemaking to enhance Part 52 based on lessons learned during early site permit (ESP) and design certification (DC) reviews. The draft rule language is also based on discussions with stakeholders about the ESP, DC, and combined license (COL) review processes. The draft final rule reflects the NRC staff's consideration of comments received during the public comment period and will assist stakeholders in preparing for a November 9, 2006, Commission meeting on the Part 52 rule.

Letter of Intent for Exelon COL

By letter dated September 29, 2006, Exelon informed the NRC of its intent to submit a COL application in November 2008. Exelon is currently in the process of selecting both a technology and a site. Exelon is currently evaluating both the General Electric Economic Simplified Boiling Water Reactor and the Westinghouse AP1000, and are considering various site locations within the state of Texas.

Publication of Draft Proposed Limited Work Authorization (LWA) Rule

On October 4, 2006, the staff published, for public viewing only, draft supplemental proposed rule language for 10 CFR Part 52, "Licenses, Certifications, and Approvals for Nuclear Power Plants," on the NRC's rulemaking website. This supplement addresses requirements related to LWA. The primary purposes of the supplemental proposed rule are to revise the definition of construction and to reform the LWA process in 10 CFR 50.10(e). This would remove the need for construction permit and COL applicants, and holders of ESPs to obtain a LWA to conduct certain pre-construction activities. The Commission has approved publication of the supplemental proposed rule to seek public comment, which will be published in the *Federal Register* (FR) in the near future. This draft document is being made available for information in advance of the FR publication to keep stakeholders informed.

Orders on Fingerprinting Requirements for Access to Safeguards Information (SGI)

On September 29, 2006, the NRC issued an Order to licensees and all other persons who seek access to SGI. The Order implements Section 652 of the Energy Policy Act of 2005, enacted on August 8, 2005. Section 652 amended the fingerprinting requirements provided in Section 149 of the Atomic Energy Act and now requires fingerprinting before anyone is given access to SGI. Section 149, as amended, also requires a Federal Bureau of Investigation identification and criminal history records check based on the fingerprints.

October 6, 2006

ENCLOSURE A

Office of Nuclear Material Safety and Safeguards (NMSS)
Items of Interest
Week Ending October 6, 2006

Receipt of Mixed Oxide Fuel Fabrication Facility (MOFFF) License Application and Public Meeting

On September 27, 2006, Duke Cogema Stone and Webster (DCS), the applicant for the MOFFF, submitted the application and supporting submittals to the NRC for a license to possess radioactive material, including special nuclear material necessary to manufacture mixed plutonium/uranium oxide nuclear fuel assemblies. NMSS staff held a public meeting on the same date in which DCS presented the documentation heirarchy and the general content of the license application, the Integrated Safety Analysis Summary, the three exemption requests, the emergency plan submittal, and classified information handling submittal. NRC is performing a sixty day acceptance/acknowledgment review of the application and its supporting submittals.

Meeting with NAC International (NAC)

On September 28, 2006, staff met with representatives from NAC to discuss the licensee's plans to submit a new application for the Californium Transport System (CTS); submittal of proposed amendments to the Certificates of Compliance (CoC) for the NAC Universal Storage System (UMS); and the NAC Legal Weight Truck (LWT) packaging. The licensee also summarized the requested changes to the NAC Multi-Purpose Canister (MPC) spent fuel storage system application currently under review by the staff. NAC indicated that the CTS application will be submitted in February 2007, and the NAC-LWT application will be submitted by the end of October 2006. The NAC-UMS CoC amendment application was received September 22, 2006. The NAC-MPC CoC amendment application is currently under review by the NRC staff.

Office of Nuclear Regulatory Research (RES)
Items of Interest
Week Ending October 6, 2006

MELCOR (Version 2.0) Workshop

On September 18-22, 2006, RES organized the subject workshop to familiarize MELCOR users with the latest version. Over fifty participants from the U.S. and Cooperative Severe Accident Research Program (CSARP) member countries were involved in this workshop. The MELCOR code is the NRC's primary analytical tool for severe accident analysis and is used widely by the NRC, the industry, universities, and international groups for addressing reactor safety issues.

CSARP 2006 Annual Technical Review Meeting and MELCOR Code Assessment Program (MCAP) Meeting

On September 25-27, 2006 and September 27-28, 2006, respectively, RES sponsored the subject CSARP and MCAP international meetings. The purpose of these meetings were to exchange technical information on severe accident research with a view to addressing regulatory and safety issues. The 51 participants, from various organizations in 13 countries, suggested that severe accident research in the future be focused on phenomenological research.

24th International Common-Cause Failure Data Exchange (ICDE) Steering Group Meeting

On September 26-28, 2006, staff attended the subject meeting to review progress to date and discuss future activities for the next year of the agreement period. These include updating the common-cause failure (CCF) event data for the six components currently in the ICDE database; updating CCF analyses and insights for several components with emphasis on inspection and maintenance applications; and, adding several components for data collection (e.g., control rod drive assemblies, level-measurement devices, and heat exchangers). A workshop was held as part of the meeting in which the various countries described how the ICDE data are used in their country. The NRC presented its efforts to provide insights about new and interesting CCF event failure mechanisms for use by the Office of Nuclear Reactor Regulation and Regions in inspection activities.

Presentation at the Reactor Health Physics Counterpart Meeting

On September 27, 2006, staff made a presentation at the subject meeting on the revised Reactor Abnormal Occurrence criteria, reactor exposure and dose trends, and the recently-released fact sheet on groundwater contamination. There were demonstrations of the revised VARSKIN computer code, used to assess skin dose from contamination, and the Radiological Toolbox databases. The presentation generated positive comments, requests for copies of the VARSKIN code and Toolbox, and an appreciation for the work on communicating risk due to groundwater contamination. RES is coordinating with its counterparts in the Office of Nuclear Reactor Regulation to make this an annual presentation at the counterpart meeting.

Probabilistic Risk Assessment (PRA) Steering Committee Public Meeting with the Nuclear Energy Institute and Nuclear Industry Representatives

On September 28, 2006, staff participated in the subject meeting to discuss risk-informed activities. The steering committee discussed their charter and structure; the appropriate levels of interface between the industry and NRC; and, the PRA Leadership Team, which would interact with the industry to discuss risk-informed implementation issues. The staff discussed planned improvements to the risk-informed regulation implementation plan and ongoing efforts to improve the NRC's risk-informed environment. The industry presented their views on the PRA quality standards development and how the industry would like to proceed; and, their priorities for strategic (e.g., rulemakings) and tactical (e.g., technical specification improvements) risk-informed activities.

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ENCLOSURE E

Office of Administration (ADM)
Items of Interest
Week Ending October 6, 2006

Number Six Software, Inc.

On September 26, 2006, a competitive task order no. DR-33-06-363 was awarded to Number Six Software, Inc. under the General Service Administration's (GSA's) Federal Supply Schedule. The Contractor shall provide "Operational Support for the NRC Project Management Methodology and Supporting Tools". The period of performance is three years, including two one-year option periods, with a total estimated cost of \$6.1 million.

Southwest Research Institute

On September 29, 2006, a cost-plus-fixed-fee contract, NRC-02-06-018, was awarded to Southwest Research Institute (SwRI). The total estimated cost of the contract is \$800,000. The contract, entitled, "Technical Assistance for the Review of a Mixed Oxide Fuel Fabrication Facility Application," is a "work for others" award to SwRI to maintain essential capabilities at the Center for Nuclear Waste Regulatory Analyses (CNWRA). The period of performance is September 29, 2006, through September 28, 2007, with a 4-year option period.

On September 29, 2006, a cost-plus-fixed-fee contract, NRC-02-06-021, was awarded to Southwest Research Institute (SwRI). The total estimated cost of the contract was also \$800,000. The contract, entitled, "Technical Assistance for Gas Centrifuge Enrichment Facility Construction Inspection" is a "work for others" award to SwRI to maintain essential capabilities at the Center for Nuclear Waste Regulatory Analyses (CNWRA). The period of performance is September 29, 2006, through September 28, 2007, with a 4-year option period.

Project Performance Corporation

On September 29, 2006, a competitive Labor Hour delivery order, DR-07-06-504, was awarded to Project Performance Corporation under the GSA Federal Supply Schedule program. The contractor shall provide services to modernize the Emergency Response Data System (ERDS) in two releases. The first release will modernize the ERDS hardware and software at NRC headquarters and regions, the NRC backup facility, the NRC technical training center, and States. The second release will modernize the hardware and software at plants and will address the more long-term issues such as plant communications, plant data, system administration, and system security. The base period of performance is two years. The total estimated cost is \$4.4 million inclusive of three one-year option periods and three optional tasks.

Systems Research and Applications Corporation

On September 29, 2006, a competitive Labor Hour delivery order was awarded to Systems Research and Applications Corporation of Fairfax, VA under the GSA Federal Supply Schedule program. This delivery order requires the contractor to provide technical assistance in providing a structural approach for the modernization of NRC Headquarters Operations Center. The period of performance is one year and the total value of the delivery order is approximately \$300,000.

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ENCLOSURE G

Office of Information Services (OIS)
 Items of Interest
 Week Ending October 6, 2006

Microsoft Office Suite Town Meeting

On October 3, 2006, OIS hosted a "Town Meeting" in the NRC Auditorium to discuss Agency deployment of the Microsoft Office Professional 2003 software suite. The regions and the NRC's Technical Training Center participated in the meeting through video teleconference. A panel of OIS and Human Resources representatives discussed the phases of the Microsoft Office Suite project, a tentative roll-out schedule, and the deployment process. The panel also discussed software version upgrades for existing installations of previous versions of the Microsoft Office applications, and the use of the Consolidated Test Facility for testing applications that have been developed under previous Microsoft Office software versions. The meeting included information on how to obtain contractor support for testing NRC applications and a question and answer period.

Freedom of Information Act (FOIA) and Privacy Act (PA) Requests Received During the Period of September 28 through October 5, 2006:

Fee paid to Navarro & Associates for audit of financial statement for FY05 and Annual Appropriation for Office of Inspector General staff for FY05	FOIA/PA-2007-0001
Company names of all nuclear-related industry in Lea County, NM with full omission list and details and air and water monitoring; emergency plans for Louisiana Energy Services and proposed Spent Fuel Plant	FOIA/PA-2007-0002
Shieldalloy Metallurgical Corp., 12 West Blvd., Neewfield, NJ 08344, any and all files	FOIA/PA-2007-0003
Program Plan for Power Uprate Operating Experience Review, beginning March 2005, all correspondence, responses, records to date	FOIA/PA-2007-0004
Job Announcement RII-DRS-2006-0018, Emergency Response Assistant, all records re: selection	FOIA/PA-2007-0005
MLTS Database, active and retired facilities	FOIA/PA-2007-0006
Materials license no. 29-00968-02, Alcan, Millville, NJ	FOIA/PA-2007-0007
Security clearance records on named individual	FOIA/PA-2007-0008
Medical Byproduct Materials licenses, all facilities, 50 states	FOIA/PA-2007-0009
Independent review by SEI, re: NRC Certification and Accreditation process within the Information Systems Security Program	FOIA/PA-2007-0010

Office of Human Resources (HR)
Items of Interest
Week Ending October 6, 2006

Arrivals		
ARORA, SURINDER S.	PROJECT MANAGER	NRR
BAILEY, KENNETH M.	AFFIRMATIVE EMPLOYMENT SPECIALIST	SBCR
BURKE, JOHN P.	MATERIALS ENGINEER	NRR
JARVIS, RODNEY J.	PROPERTY MANAGEMENT SPECIALIST (TL)	ADM
ROMINE, C. RACHEL	SECRETARY (OA)	OGC
SIMONIAN, NIRY	EDITORIAL AND CORRESPONDENCE ASST	EDO
Retirement		
HODGES, NANCY L.	SECRETARY	R-IV
REAMER, CHARLES W.	DIR, DIV OF HLW REPOSITORY SAFETY	NMSS
VAN DOORN, PETER K.	SENIOR REACTOR INSPECTOR	R-II
WINGO, CAROLYN I.	TECH ASSISTANCE PROJ COORD	NMSS

Office of Public Affairs (OPA)
Items of Interest
Week Ending October 6, 2006

The Office of Public Affairs received significant media inquiries on the following:

Shieldalloy's decommissioning plan for its materials site in New Jersey.

NRC's special inspection at Palo Verde.

Oyster Creek's drywall liner and its relevance to the plant's license renewal application.

The NRC's Tritium Task Force report.

Press Releases	
Headquarters:	
06-120	NRC Issues Supplemental Safety Evaluation for North Anna Early Site Permit Application (10/3)
06-121	NRC to Hold Public Meeting Oct. 19 on Environmental Scoping Process for Vogtle Early Site Permit (10/4)
06-122	NRC Implements Reorganization of Materials and Agreement State Programs (10/4)
06-123	NRC Tritium Task Force Issues Report and Recommendations, Finds No Health Impact (10/4)
06-124	NRC to Hold Public Meeting Nov. 1 in Rockville, MD on Proposed Revisions to Limited Work Authorization Rules (10/4, revised 10/10)
06-125	NRC Announces Opportunity to Participate in Hearing on Vogtle Early Site Permit Application (10/6)
06-126	NRC to Hold Public Meeting in Piketon, Ohio, to Discuss Final Safety, Environmental Reviews for Centrifuge Plant (10/6)
Regions:	
I-06-054	NRC Public Meeting Scheduled for Oct. 6 th to Discuss Indian Point Nuclear Plant's Alert and Notification System (10/2)
I-06-055	NRC to Discuss Process for Review of License Renewal Application for FitzPatrick Nuclear Plant, Seek Input on Environmental Review (10/3)
II-06-040	NRC Schedules Regulatory Conference to Discuss Turkey Point Nuclear Plant Event (10/3)

II-06-041	NRC to Present Results of Licensee Performance Review at Areva Commercial Fuel Plant in Richland (10/3)
IV-06-022	NRC to Conduct Special Inspection at Palo Verde Nuclear Generating Station (10/2)

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ENCLOSURE M

Office of the Secretary (SECY)
Items of Interest
Week Ending October 6, 2006

Document Released to Public	Date	Subject
Decision Documents		
1. COMSECY-06-0043	09/06/006	Nuclear Regulatory Commission (NRC) Drug-Free Workplace Plan - Recommended Changes to Drug Testing Pool
SRM on 06-0043	09/29/06	(same)
Commission Voting Record on 06-0043	09/29/06	(same)
2. SECY-06-0200	09/20/06	Results of the Review of Emergency Preparedness Regulations and Guidance
3. SECY-06-0204	09/28/06	Proposed Rulemaking – Security Assessment Requirements for New Nuclear Power Reactor Designs (RIN 3150-AH92)
Information Papers		
- SECY-06-0203	10/03/06	Weekly Information Report - Week Ending September 22, 2006

Commission Correspondence

- Letter to Margaret Spellings, Secretary of Education, dated September 29, 2006, provides NRC's FY 2007 Annual Federal Plan of Executive Agency Actions to Assist Historically Black Colleges and Universities.

Federal Register Notices Issued

1. Notice of Hearing and of Opportunity to Make Oral or Written Limited Appearance Statements, Exelon Generation Company, LLC (Early Site Permit for Clinton ESP Site).
2. Advisory Committee on Nuclear Waste, Procedures for Meetings.
3. Southern Nuclear Operating Company, Notice of Hearing and Opportunity to Petition for Leave to Intervene on an Early Site Permit for the Vogtle ESP Site, Docket No. 52-011.
4. Abnormal Occurrence Reports: Implementation of Section 208 of the Energy Reorganization Act of 1974; Revised Policy Statement.

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ENCLOSURE O

Region II (RII)
Items of Interest
Week Ending October 6, 2006

Director of New Reactors Visits Region II Office

On October 4, 2006, the Region II Construction Inspection Organization staff members celebrated the establishment of the new organization with a ribbon cutting ceremony at their new office spaces in the Richard B. Russell Federal Building. The ribbon cutting honor was shared by the Region II Regional Administrator, Director of the Office of New Reactors (NRO). The ceremony was also attended by the Region II Deputy Regional Administrator for Construction, the Director, NRO, and the Director, Division of Construction Inspection and Operational Programs, NRO. The Construction Inspection Organization will be responsible for the inspection of new reactor and fuel facility construction nationwide.

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ENCLOSURE P