



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

February 1, 2000

MEMORANDUM TO: Philip Ting, Chief
Operations Branch
Division of Fuel Cycle Safety and Safeguards, NMSS

Theodore S. Sherr, Chief
Licensing & International Safeguards Branch
Division of Fuel Cycle Safety and Safeguards, NMSS

Susan F. Shankman, Deputy Director
Licensing and Inspection Directorate
Spent Fuel Project Office, NMSS

Edward J. McAlpine, Chief
Fuel Facilities Branch
Division of Nuclear Materials Safety, RII

FROM: Dwight D. Chamberlain, Director /RA/
Division of Nuclear Materials Safety, RIV

SUBJECT: FUEL FACILITY LICENSEE PERFORMANCE REVIEW

The internal NRC Licensee Performance Review (LPR) meeting for Siemens Power Corporation is scheduled March 21, 2000, at 9:30 a.m. EST via teleconference. The schedule for the LPR is included as Enclosure 1. Appropriate branch and section chiefs, the project inspector, the licensing project manager and license reviewers for the Siemens facility should be available to participate in this meeting. A bridge telephone number will be provided before the meeting.

In preparation for this meeting, you are requested to provide concise statements of your assessment of the licensee's performance relative to each of the functional areas (described in NRC Manual Chapter (MC) 2604, paragraph 09.01) for which you have responsibility (Enclosure 2). These statements should be based on your personal knowledge of the licensee's performance during the review period and be supported by specific information, inspection findings and events. Where trends in performance are indicated the dates of the activity and specific inspection findings or incidents that occurred during the current or previous review periods should also be provided as background information.

Please provide your assessment in "bullet" form in accordance with MC 2604 and break the findings into three categories: program strengths, program areas needing improvement, and projected challenges to performance. Special emphasis should be placed on trends in performance during the assessment period. Supporting information should be provided as narrative attachments. The initial submittal should be submitted by e-mail to Wayne Britz (wlb2) and D. Blair Spitzberg (dbs) by close of business on February 25, 2000.

Participants should also be prepared to discuss their assessments and their recommendations for modifying the NRC inspection program at Siemens. The review will cover the period from January 1, 1998, to January 1, 2000.

Enclosures:

1. LPR Time Line
2. LPR Functional Areas
3. Background Information

c w/enclosures:

MFWeber, NMSS/FCSS (8A33)

PWLain, NMSS/FCSS (8A33)

PAHarich, NMSS/FCSS (8A33)

EWMerschhoff

TPGwynn

DWChamberlain

DBSpitzberg

JLWeaver

PLHiland, RIII

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RIV:DNMS:FCDB	C:FCDB	D:DNMS	
WLBritz /RA/	DBSpitzberg /RA/	DDChamberlain /RA/	
01/28/00	01/31/00	02/1/00	

OFFICIAL RECORD

ENCLOSURE 1

SIEMENS POWER CORPORATION LPR TIME LINE

<u>DATE</u>	<u>ACTION PER MC-2604</u>
January 28	Region requests staff to provide assessment information by February 25 and announces Licensee Performance Review (LPR) meeting to be held on March 21.
February 25	Information received by region from staff.
March 10	Collected information organized and distributed (with final meeting agenda) to participating staff for consideration at staff meeting.
March 21	LPR staff meeting via teleconference at <u>9:30 a.m. EST, March 21, 2000</u> , for staff to develop consensus on licensee performance.
April 3	Region completes preparation of draft LPR presentation materials and distributes them to participating Branch Chiefs for concurrence.
April 10	Branch Chiefs concur in draft presentation materials; distribution of draft presentation materials to Directors of DFCSS and DNMS for concurrence.
April 17	Directors, DFCSS and DNMS comment and concur on final draft presentation materials.
April 25	Joint briefing of Director, NMSS, and responsible Regional Administrator by Division Directors, DFCSS and DNMS. Meeting on April 25, 2000, at 10:00 a.m. EST in the office of the Director, Nuclear Material Safety and Safeguards. Regional Administrator arranges for meeting of NRC senior management with licensee senior management.
May 23	Meeting of NRC senior management with licensee senior management.

ENCLOSURE 2

FUNCTIONAL AREAS FOR LPR

[Refer to NRC MC 2604, §03.02]

<u>FUNCTIONAL AREA</u>	<u>LEAD RESPONSIBILITY</u>
<u>Safety Operations</u>	
Chemical Safety	FCOB/DFCSS
Nuclear Criticality Safety	FCOB/DFCSS
Fire Protection	FCOB/DFCSS
Plant Operations	FCDB/DNMS/RIV
Management Controls	FCDB/DNMS/RIV
<u>Safeguards</u>	
Material Control and Accountability	FCOB/DFCSS
Physical Protection	FFB/DNMS/RII
<u>Radiological Controls</u>	
Radiation Protection	FCDB/DNMS/RIV
Environmental Protection	FCDB/DNMS/RIV
Waste Management	FCDB/DNMS/RIV
Transportation	FCDB/DNMS/RIV & NMSS/SFPO/SLID
<u>Facility Support</u>	
Maintenance/Surveillance	FCDB/DNMS/RIV
Training	FCDB/DNMS/RIV
Emergency Preparedness	FCDB/DNMS/RIV
<u>Special Topics</u>	
Licensing Activities	LIB/DFCSS

ENCLOSURE 3

FACILITY BACKGROUND INFORMATION

During the assessment period of January 1, 1998, through January 1, 2000, 19 routine NRC inspections were performed at Siemens Power Corporation. The results of these inspections are as follows:

REPORT	INSPECTOR(S) (Region inspections)	FINDINGS	REPORT	INSPECTOR(S) (Headquarters insp.)	FINDINGS
98-01	Hooker	Clear	71-0003/ 98-203 (Transportation)	O'Connor/Spets/Huang/ Strombert/Galbraith	20 Non-compliances 7 Apparent non-compl. ²
98-02	Hooker/Seymour/Britz	Clear	98-201	Morey	1 NCV
98-03	Krsek/Britz	1 SL4 VIO	98-202	Olencz/Ong/Whaley	1 SL4 VIO
98-04	Krsek/Britz	Clear	98-203	Collins/Whaley/Ailes	Clear
98-05	Ayres/Britz/Simpkins	Clear	98-204	Morey/Parra	1 SL4 VIO
99-01	Britz/Howell	3 SL4 VIO ¹	99-201	Whaley	Clear
99-02	Britz	Clear	99-202	Morey/Burrows/Smith/ Outlaw	Clear
99-03	Britz/Hsueh/Morey	1 NCV	99-203	Lee	1 SL4 VIO
99-04	Britz/Rice	Clear	99-204	Drummond/Troskoski	Clear
99-05 Phy.Sec.	Tobin (RII)	Clear			

¹ These 3 violations resolved the 7 apparent non-compliances identified in headquarters inspection 71-0003/98-203.

² CAL 98-8-002 was issued 3/17/98.

TYPES AND FREQUENCIES OF INSPECTIONS

TYPE OF INSPECTIONS	NO. OF INSPECTIONS
Criticality Safety - HQ	3
Chemical Safety - HQ	1
Fire Protection - HQ	1
Material Control & Accountability - HQ	3
Transportation - HQ	1
Security - RII	1
Operational Safety Review	7
Radiological Protection	2
Management Controls	2
Operator Training	2
Emergency Preparedness	2
Radioactive Effluents	2
Environmental Protection	2
Waste Disposal/Transportation	4
Maintenance/Surveillance Testing	2

LICENSEE EVENTS

DATE	DESCRIPTION	TYPE
4/15/98	Fire in UO ₂ Building Waste Handling Area	Alert per Emergency Plan
6/5/98	Fuel pellets inadvertently shipped with fuel cladding offsite	For information
9/22/98	Failure to remove uranium during duckwork dismantlement	Bulletin 99-01
8/13/99	CSA limit for surface density exceeded in waste drums	Bulletin 99-01

OVERVIEW OF PREVIOUS LPR

The previous LPR was for the period of January 31, 1996, to January 1, 1998. This review concluded that Siemens had exhibited a good level of performance with attention to safety. It was noted that the areas of packaging and shipping of nuclear fuel, the depth and exploration of issues during the incident investigation process, and individuals' performance and accountability in carrying out established procedures and programs needed improvement. Based on this review the NRC decided to increase its inspection effort in packaging and shipping of nuclear fuel, seek to reduce the level of inspection in the area of safeguards if current levels of performance continue, and reduce the inspection effort in the areas of safety operations, radiological controls and facility support.