

# Westinghouse Response to NRC Inspection at Western Zirconium

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Public Portion



# Agenda

- 1:00 PM – NRC Introduction and Purpose of Meeting
- 1:15 PM – Westinghouse Overview of NOV Response
- 1:45 PM – Public Question/Answer Period
- 2:00 PM – Break /Commence Closed Portion
- 2:00 PM – Westinghouse Proprietary Information Related to NOV
- 2:30 PM – NRC Discussion of Westinghouse Proprietary information
- 2:45 PM – NRC Meeting Wrap-Up/Next Steps

## Purpose

- To gain a common understanding on the previous communications on this issue
- To provide a preview of the Westinghouse response to the Revised WZ NOV (February 4, 2015)
- To discuss the Westinghouse Part 21 process and why we believe it complies with 10 CFR 21



## Westinghouse Part 21 Process

- Westinghouse is fully committed to Nuclear Safety and promoting a robust Nuclear Safety Culture
- Employees encouraged to identify potential safety concerns
  - Westinghouse Nuclear Safety Culture Policy
  - Frequent safety briefings
  - Employee Concerns Hotline
  - Postings
- Nuclear Safety is integral to Corrective Action Program
- Corrective Action and Part 21 Programs ensure timely resolution of safety issues
- Part 21 Program is fully compliant with NRC regulations

# NRC Inspection at Western Zirconium

- Conducted at the Westinghouse Western Zirconium, Inc. facility in Ogden, Utah on May 7–8, 2013
- NRC issued a Notice of Violation (NOV) (Level IV) and Inspection Report 99910426/2013-201 – June 24, 2013

*Western Zirconium failed to adopt appropriate procedures to evaluate deviations and failures to comply associated with substantial safety hazards as soon as practicable and, except as provided in paragraph (a)(2) of this section, in all cases within 60 days of discovery.*

- There were two examples cited in the NOV
- Westinghouse Response July 22, 2013
- Westinghouse Supplemental Response – September 13, 2013
- Westinghouse provided Applicable Procedures – February 2014
- NRC issued revised NOV (Level IV) February 4, 2015



## NRC Inspection at Western Zirconium (2013 NOV)

- **Second Example**
  - Concerns Western Zirconium Line Stop Procedure
  - Westinghouse did not contest this example
  - Corrective actions taken
  - NRC has accepted response
  - No need to discuss further today

# NRC Inspection at Western Zirconium (2013 NOV)

## First Example

- *WEC 21.0, "Identification and Reporting of Conditions Adverse to Nuclear Safety," Revision 4.1, dated October 21, 2008, was not an appropriate procedure to ensure evaluation of deviations and failures to comply associated with substantial safety hazards within 60 days of discovery.*  
...
- While Westinghouse agrees that WEC 21.0 procedure was not appropriately implemented in this case, Westinghouse does not agree that WEC 21.0 was not an appropriate procedure



## The Issue Reviewed During Inspection (Cited in Example 1)

- Indeterminate grain size of zirconium bar concern entered in CAPs on August 18, 2008
- WZ determined testing was required to determine if the product could be used (i.e., whether there was a deviation)
- Testing determined that the material could be used as is and documented September 19, 2008
  - No SSH would have been created if issue had gone undetected
- Closeout of the issue should have occurred at this time
- Closeout documentation on December 10, 2008



# Westinghouse Response to NOV

## July 22, 2013

- 10 CFR 21 does not prescribe a time period for Discovery
- Discovery involves a process which is complete at “completion of the documentation first identifying the existence of a Deviation”
- Discovery is not necessarily complete when the issue report is written
- Westinghouse has since implemented a 30 day limit on Discovery (subsequent to 2008 incident)
- The Westinghouse procedure is compliant with 10 CFR 21

# NOV Example 1

- Part 21 assessment should have been closed in September when we identified there was no deviation
- The Westinghouse Part 21 process could have been executed with more urgency (As noted in September 2013 letter)
- Westinghouse agrees that WEC 21.0 was not appropriately implemented and would not contest a NOV for this event
- Westinghouse does not agree that the Westinghouse Part 21 program is not compliant and does contest the NOV as written



## Revised NOV

February 4, 2015

- Order of examples changed and new 2<sup>nd</sup> example reworded

*Western Zirconium's failure to file an Interim Report within 60 days of the discovery that four lots of Global Nuclear Fuel Zr2 bars failed grain size and metallography tests by showing atypical grains (a deviation) was a violation of 10 CFR 21.21(a)*

- Presumes a deviation existed – Westinghouse does not agree

## Concerns with the February 4 Letter

*“Discovery means the completion of the documentation first identifying the existence of a deviation or failure to comply potentially associated with a substantial safety hazard within the evaluation procedures discussed in § 21.21(a).”*

- Westinghouse uses the definition from Part 21 in its procedure.
- This defines the end of discovery
- *“Discovery is not complete until the documentation identifying the existence of a Deviation or Failure to Comply is complete. Thus, in order to complete the documentation, some evaluation must take place to identify a Deviation or Failure to Comply. Further, the Discovery process is intended to be included in the procedures necessary to comply with Part 21 or §50.55(e).” (SECY 91-150)*



## Concerns with the February 4 Letter

*“Evaluation means the process of determining whether a particular deviation could create a substantial hazard or determining whether a failure to comply is associated with a substantial safety hazard.”*

- Westinghouse uses the definition from Part 21 in its procedure.
- The definition calls for making a determination with regard to a defined (actual) “deviation”. If there is no actual deviation there is no need for an evaluation

## Concerns with the February 4 Letter

*“The NRC rejects Westinghouse’s position that 52 additional days to issue a report to the NRC was permissible because Westinghouse needed more time to complete its evaluation.”*

- Westinghouse did not make this claim
- An evaluation was not necessary because there was no deviation



## Concerns with the February 4 Letter

*The action by the Westinghouse Issue Review Committee constitutes the discovery of a potential safety defect or deviation under 10 CFR 21.21(a)(1)*

- In this instance, the actions of the Issue Review Committee did not constitute “Discovery,” they merely forwarded the issue for further review
- The existence of a Deviation was indeterminate at that time (i.e., a Deviation had not been documented)

## Conclusions

- Westinghouse recognizes the importance of 10 CFR 21 and is committed to full compliance
- Westinghouse recognizes the definition of terms in 10 CFR 21 – including Discovery
- Westinghouse agrees that the Westinghouse Part 21 procedure was not appropriately implemented in this instance
- The Westinghouse Part 21 program complies with NRC Regulations