

NOV-27-1991

SC

MEMORANDUM FOR: Gary R. Konwinski (FTS 554-5807)  
Richard A. Leonardi (FTS 728-8187)  
W. Scott Pennington (FTS 492-0693)  
J. Blair Nicholas (FTS 728-8189)  
Gilbert L. Guerra (FTS 728-8238)

FROM: G. Michael Vasquez (FTS 728-8121)

SUBJECT: TEAM INSPECTION OF SEQUOYAH FUELS CORPORATION (SFC)

We are scheduled to perform a team inspection at the Sequoyah Facility, owned by Sequoyah Fuels Corporation (a subsidiary of General Atomics) in Gore, Oklahoma. The purpose of the inspection is to determine SFC's compliance with the Order and to evaluate SFC's status with regard to restart of the Sequoyah Facility (see Memorandum from L. J. Callan to G. Michael Vasquez dated November 20, 1991). (The inspection was announced to the licensee on November 22, 1991.)

As far as logistics is concerned, (except for Gary) you should schedule your flights to arrive as close to 11 a.m. as possible, on Monday, December 2, in Fort Smith, Arkansas. We shall all stay at the Holiday Inn in Fort Smith (the telephone number is (501) 783-1000). We will tentatively schedule the exit briefing to begin at 9:30 a.m. on Friday, December 6.

Guidance documents for this inspection include: MC 2600; MC 2601; Memorandum from L. J. Callan (referenced above); the Order; Inspection Modules 30703, 83822, 88005, 88045, and 92701; NRC inspection reports since August 1990; SFC's Facility Environmental Investigation Findings Report, and other documents as appropriate.

To prepare for the inspection, each team member should study the Order, SFC's responses, NRC's associated correspondence, and the NRC inspection reports since August 1990 BEFORE arriving onsite. Also, I have requested that SFC fax to me those procedures that SFC has reviewed and approved, so that I may disseminate them to you before the inspection.

Each team member will be assigned certain tasks, including review of selected procedures. The team will not attempt to evaluate every procedure SFC is reviewing prior to restart. Rather the team will perform an in-depth review of a few key procedures. Therefore, when evaluating procedures you should assess: (1) the technical content and clarity, such that the intent of the procedure will be met; (2) that changes to the procedures adequately address previously identified weaknesses; and (3) the effectiveness of training provided to SFC workers.

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GMVasquez/ch  
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~~C:NMIS~~  
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When team members desire to walk down a procedure with the appropriate SFC personnel, you should inform me 1 day in advance. I will coordinate these requests with the licensee to ensure efficient use of our time and the licensee's resources.

The team will meet at the conclusion of each day and each team member will discuss his observations, both strengths and weaknesses in the licensee's program. The purpose of these daily meetings is to provide a team review of the adequacy of SFC's overall response to the Order, management effectiveness, and SFC staff readiness to reinitiate operations. Team members should also use this time to formulate their thoughts for the exit briefing and the report. Each morning, the team leader will discuss the team's observations with a member of licensee management.

On Thursday afternoon, December 5, each team member will finalize an outline for the exit, communicating his observations and findings. Later that evening, the team will hold a mock exit briefing. Also that evening, we shall brief regional management on our findings.

Draft report inputs from the team members shall be made to me no later than the close of business on December 13, 1991, and the report should be issued by January 8, 1992. Draft inputs should include discussions about strengths and weaknesses in the licensee's program. Conclusions should be supported with copious documentation. A tentative outline for the inspection report is shown in the Attachment to this memo.

Along with the draft report inputs, team members shall submit a listing of the time spent preparing for, conducting and documenting the inspection. Travel time should also be indicated. Modifications may be made immediately prior to issuance of the inspection report, if necessary.

Your assigned review tasks may be modified at my discretion and only with my approval. Individual assignments are as follows:

- Richard Leonardi
- (1) Review the population of procedures at SFC and ensure that, except for environmental-related procedures, SFC has identified all the procedures encompassed by the Order;
  - (2) FAP-1277, "Contractor Training;"
  - (3) HSDEPT-102, "Shift Health and Safety Technician Procedure Qualifications Sheet;"
  - (4) HS-001, "Establishing and Posting Control Areas;"
  - (5) HSDEPT-119, "Entry By Personnel Into High Radiation Areas;"
  - (6) N-270-8, "Primary Fluorination Tower Operation;"

- (7) N-270-10, "Ash Grinding;" and
  - (8) HS-506, "Laundry Facility Operations."
- Scott Pennington
- (1) Determine if SFC's basis for deferring review of certain procedures (except for environmental-related procedures) until after facility restart is consistent with the intent of the Order;
  - (2) G-114, "Change Room Procedure;"
  - (3) G-158, "Radioactive Contamination Control;"
  - (4) HS-301, "Radiation, Contamination and Release Surveys;"
  - (5) HSDEPT-104, "Contamination Incident Reports;"
  - (6) HS-104, "In-Plant Air Sampling and MPC-Hour Exposure;"
  - (7) HS-503, "Selection of Respiratory Protection Equipment (RPE);" and
  - (8) G-304, "Hazardous Work Permits."
- Gary Konwinski
- (1) Review the management controls in the environmental program, including oversight by new Manager, Environmental;
  - (2) EDI-1u2, "Environmental Action Level Exceedance Investigation;"
  - (3) HS-102, "Airborne and Liquid Effluent Monitoring;"
  - (4) Review the population of SFC procedures and ensure that SFC has identified all the environmental-related procedures encompassed by the Order;
  - (5) Determine if SFC's basis for deferring review of certain environmental-related procedures until after facility restart is consistent with the intent of the Order.
- Blair Nicholas and  
Gilbert Guerra
- (1) Review the management controls in the health and safety program, including oversight by the Manager, Health and Safety and the Vice President, Regulatory Affairs; and

- (2) Review the H&S procedures to ensure they are complete and form a workable program that establishes the appropriate level of safety.

**Original Signed By.**

G. Michael Vasquez  
Senior Health Physicist  
Nuclear Materials Inspection Section

Attachment: As stated

bcc:

RD Martin

JM Montgomery

LJ Callan

JP Jaudon

CL Cain

NMIS File

RIV File

ML Horn, NMSS

SL Uttal, OGC

✓ Goldberg, OGC

TR Combs, OCA

JL Liberman, OE

GM Vasquez

RA Leonardi

JG Gilliland

## ATTACHMENT

### Tentative Outline of Inspection Report 91-16

#### Inspection Summary

#### Executive Summary

#### 1.0 Persons Contacted

#### 2.0 General Background Information (to include a brief discussion of the Order - GMV)

##### 2.1 Team Charter and Team Activities (GMV)

#### 3.0 Management Organization and Controls (GMV - changes and management effectiveness)

#### 4.0 Procedures that SFC Plans to Review (RAL - completeness of the total population of procedures SFC plans to review)

#### 5.0 Procedures Reviewed Prior to Restart (input from each inspector. Specific format of this section may vary, depending on team findings.)

#### 6.0 Training (input from each inspector. Specific format of this section may vary, depending on team findings.)

#### 7.0 Deferring Review of Certain Procedures (WSP)

#### 8.0 Conclusions (GMV with input from each inspector)

#### 9.0 Exit Briefing