

ORIGINAL

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of:

Commission Meeting

Mid-Year Budget and Program Review

(Public Meeting)

Docket No.

Location: Washington, D. C.

Date: Thursday, May 16, 1985

Pages: 1 - 87

8505310283 850516
PDR 10CFR PDR
PT9.7

ANN RILEY & ASSOCIATES
Court Reporters
1625 I St., N.W.
Suite 921
Washington, D.C. 20006
(202) 293-3950

1 D I S C L A I M E R

2
3
4
5
6 This is an unofficial transcript of a meeting of the
7 United States Nuclear Regulatory Commission held on Thursday,
8 May 16, 1985 in the Commission's office at 1717 H Street,
9 N.W., Washington, D.C. The meeting was open to public
10 attendance and observation. This transcript has not been
11 reviewed, corrected, or edited, and it may contain
12 inaccuracies.

13 The transcript is intended solely for general
14 informational purposes. As provided by 10 CFR 9.103, it is
15 not part of the formal or informal record of decision of the
16 matters discussed. Expressions of opinion in this transcript
17 do not necessarily reflect final determination or beliefs. No
18 pleading or other paper may be filed with the Commission in
19 any proceeding as the result of or addressed to any statement
20 or argument contained herein, except as the Commission may
21 authorize.

22
23
24
25

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

- - -

COMMISSION MEETING

- - -

(PUBLIC MEETING)

Mid-Year Budget and Program Review

Room 1130
1717 H Street, N.W.
Washington, D. C.

Thursday, May 16, 1985

The Commission met, pursuant to notice, at 10:10 a.m.

COMMISSIONERS PRESENT:

NUNZIO PALLADINO Chairman of the Commission
JAMES ASSELSTINE, Commissioner
LANDO ZECH, Commissioner
FREDERICK BERNTHAL, Commissioner

STAFF AND PRESENTERS SEATED AT COMMISSION TABLE:

W. DIRCKS
J. DAVIS
H. DENTON
J. ROE
L. BARRY
J. TAYLOR
J. PARTLOW

ANN RILEY & ASSOCIATES
COURT REPORTERS
1625 I STREET, SUITE 921
WASHINGTON, DC 20006
202-293-3950

P R O C E E D I N G S

CHAIRMAN PALLADINO: Good morning, ladies and gentlemen. The Commission is meeting this morning to receive the mid-year status report on agency expenditures and major program accomplishments or progress towards the accomplishments.

From this review, we should identify any areas in which the Commission believes reorientation of work or objectives for the rest of fiscal year 1985 should be made.

The Staff has prepared Vugraphs for this report which are available to the audience on the table in the back of the room. The Staff has identified on these slides those programs for which there has been program redirection or program changes since the start of the fiscal year.

I should report that Mr. Roberts is still ill and will not be able to participate in today's meeting.

Are there any other comments from other Commissioners at this time?

COMMISSIONER ASSELSTINE: No.

COMMISSIONER ZECH: No.

COMMISSIONER BERNTHAL: No.

CHAIRMAN PALLADINO: Then let me turn the meeting over to EDO.

MR. DIRCKS: Mr. Chairman, we are down here with all

1 the program directors. I liken this meeting to a report of
2 the operations staff to the corporate board.

3 If I had to say anything in summary statement at the
4 beginning, I think it is a year that we have had a record of
5 accomplishment. I think as we go through the program we can
6 -- I think we hope to instill the same feeling on your part,
7 that we have had a year in which we have succeeded in
8 accomplishing a substantial amount of work and can show some
9 progress.

10 That is on the accomplishment side.

11 On the resource side, we have our usual problems of
12 accumulating the revenues to support the activities, but we
13 will get into that subject very shortly.

14 COMMISSIONER BERNTHAL: Make it short so that we
15 can get back to work and not blow our efficiency.

16 MR. DIRCKS: We will move along as rapidly as you
17 will allow us to.

18 COMMISSIONER ASSELSTINE: If I can make one
19 request. I notice there are a number of places in here where
20 you have the projected targets for the year and how much you
21 have done so far.

22 Where the projected targets are more than 50 percent
23 larger than what you have accomplished so far, can you
24 indicate as you go through, whether that is due to workload
25 not being as large as you anticipated it would be, or given

1 the resources that we have, we just weren't able to do as much
2 as we planned.

3 MR. DIRCKS: Yes.

4 COMMISSIONER ASSELSTINE: Or, the difficulties of
5 carrying out something.

6 MR. DIRCKS: Right. We will do that.

7 Jack will be the leadoff speaker, and then as we
8 come to each program, we will go through each program with the
9 program director. This year we are going to put a little
10 English on the ball, because instead of having Harold lead off
11 with his reactor program, we are going to have John Davis get
12 a chance to lead off with his presentation. We always feel
13 that John has been shortchanged at the end of these meetings.

14 COMMISSIONER ASSELSTINE: Now we will mix them up a
15 little bit.

16 (Laughter)

17 MR. DAVIS: I never felt that.

18 (Laughter)

19 MR. DIRCKS: It is like John to be right up there in
20 the leadoff --

21 COMMISSIONER BERNTHAL: Harold, have you got
22 something you want to hide there?

23 MR. DENTON: No. John was disappointed the last
24 time we had this.

25 MR. DIRCKS: I had to put up with John's grumbles

1 all year round because he didn't have a chance to take the
2 first shot. So, this year we are reversing it.

3 COMMISSIONER ASSELSTINE: Bill, do we also have
4 somebody who can speak for the Regions in terms of their
5 interests in this, or is it basically program managers?

6 MR. DIRCKS: It is basically programs. As you know,
7 the Regions, for their program activities, do rely on the
8 Regions for their direction.

9 COMMISSIONER ASSELSTINE: I was thinking more from
10 the resource standpoint.

11 MR. DIRCKS: Well, I am sure the program directors
12 will give you an unbiased report on how they allocated those
13 funds.

14 (Laughter)

15 Jack?

16 (Slide)

17 MR. ROE: The presentation will be basically in
18 four related parts, today.

19 First of all, we will give you an overview of the
20 resource summary, both dollars and the FTE. Len Barry and Pat
21 Dougherty are here to fill in any details that may be
22 required.

23 Next, the program summary as Bill indicated, first
24 of off we will have the Nuclear Materials Safety and
25 Safeguards Program and associated Inspection Enforcement

1 Programs addressed by John Davis and Jim Taylor.

2 Then in the Reactor Regulation Programs and
3 associated inspection programs by Harold Denton and Jim
4 Taylor.

5 And then finally for the last part of the program
6 summary, Bob Minogue will address the research program.

7 As Bill indicated, or the Chairman, the asterisk on
8 some of these is redirection, some course changes that we have
9 taken during the year. In this area I think that the
10 redirection is in the eye of the beholder. There has been a
11 lot of changes as the day-to-day priorities change. We have
12 indicated those that we think are significant.

13 We have put one slide in there that talks about
14 responding to external requests. The reason we do that is to
15 indicate that this program and resource summary is oriented
16 towards the PPG area, so there are certain activities that we
17 have not included in here. Some of them have quantifiable
18 aspects.

19 Some of the things that we could put in here is to
20 provide you an assessment or summary of how many Commission
21 papers that you have seen from EDO, OPE, OGC, the number of
22 Commission meetings, ACRS meetings, the number of export
23 cases, the number of investigations and audits that we have
24 done, documents we have published, payrolls we have met,
25 hearings and appeals, state programs, assessments that we have

1 made, travel vouchers, international visitors accommodated, et
2 cetera. We haven't given you more than just a glimpse, by
3 giving you an idea of letters to outsiders, questions to
4 Congress, and some of the FDI, to give you a sense of the
5 volume of those.

6 I would like to go first to the resource slides,
7 number one in the package, and highlight what we have as far
8 as our funds available.

9 (Slide)

10 You see that we have available for expenditure
11 \$451,681,000. The interesting point now in our funds for
12 expenditure is that we previously had had a recision of our
13 '85 funds of approximately \$4.3 million. Because the time
14 clock for congressional action has expired under the
15 Impoundment Control Act, it has been reapportioned to the
16 Agency.

17 We have received some guidance from OMB. It is,
18 don't spend it.

19 We are assuming that that recision will take place
20 as we go through the '86 appropriations process. So, we have
21 got it in the savings account, and we think that we will be
22 giving it back at a certain time.

23 COMMISSIONER ASSELSTINE: Wait a minute. Let me
24 understand this.

25 Congress set a period of time to act, but didn't

1 act, which means we get the money back?

2 MR. ROE: We get the money back.

3 COMMISSIONER ASSELSTINE: Now OMB has told us, but
4 now you can't spend it.

5 MR. ROE: They said, be judicious about spending
6 those funds.

7 COMMISSIONER ASSELSTINE: They are going figure out
8 a way to get it back.

9 MR. ROE: They will get it one way or the other.

10 CHAIRMAN PALLADINO: But, in 1986 --

11 MR. ROE: I think that they have indicated in some
12 of their guidances to individual appropriations committees,
13 subcommittees, to take individual agency actions instead of a
14 global approach, that works with that deficit reduction
15 action. That the intent of Congress will be carried out on
16 an agency or program-by program basis.

17 COMMISSIONER ASSELSTINE: That will be for 1986?

18 MR. ROE: It could be taken care of in various
19 fashions.

20 It could be, if the appropriations bill was timely,
21 it could be taken care of with the 1986 appropriation, but in
22 time to make recision against 1985 funds. Or, there could be
23 a reduction in our 1986 funding to take care of that funding
24 that couldn't possibly be carried over.

25 COMMISSIONER ASSELSTINE: Do we have any

1 confirmation from the Appropriations Committee in fact what
2 OMB is telling us.

3 MR. BARRY: I have fairly good word from the House
4 Appropriations Committee that in our FY 1986 markup bill for
5 1986, that they will also reduce FY 1985 by this amount.

6 COMMISSIONER ASSELSTINE: Okay.

7 MR. ROE: Current rate of obligations, 62 percent,
8 which is about what is expected.

9 Next area is on chart 2, which shows our staff
10 utilization as of mid year.

11 (Slide)

12 You will notice that we are right around the 50
13 percentile.

14 COMMISSIONER ASSELSTINE: Right on the money.

15 MR. ROE: Each individual program, you can see, is
16 a little bit above or a little below. In cases where there
17 are differences around the 50 percentile, we are fairly well
18 aware of those reasons. If you want to address those, we can.

19 The next is where we stand on meeting unmet
20 requirements and sources.

21 Essentially we have three major categories of unmet
22 requirements at the mid year. Salaries and benefits, a pay
23 shortfall, which is \$1.5 million. We have revised a
24 projection of the amount of money that we will need to pay the
25 salaries associated with the work that is being performed, the

1 number of FTEs spent in overtime, et cetera. And we feel that
2 that deficits about a million dollars.

3 Secondly, due to the change of the law associated
4 with relocation from one area to another, GSA's guidance to us
5 is that those payments for the taxable portions of relocations
6 are to be paid back to the employees by the agency, and that
7 is going to cost us about a half million dollars.

8 COMMISSIONER ASSELSTINE: So that is all included in
9 salaries and benefits?

10 MR. ROE: Yes, that is included in salaries and
11 benefits.

12 Administrative support, we have increase in need for
13 training in the ADP area. We desire to meet that.

14 Then in travel, as you know we cut that back. We
15 have increasing programmatic needs. The regions are conducting
16 more inspections and the funds are necessary there if research
17 is to carry out programmatic needs.

18 Commission level offices, essentially about half of
19 that amount, \$30,000 is for Advisory Committee on Reactor
20 Safeguards to conduct about 13 more subcommittee meetings this
21 year than they held last year. So, it is an increase in their
22 efforts.

23 And secondly, there is approximately \$40,000 more
24 investigations and audits carried out by both OI and OIA.

25 COMMISSIONER ASSELSTINE: Jack, on the salaries and

1 benefits part, am I right in assuming that what you describe
2 is that we are now going to fully implement this new authority
3 that GSA was given on helping to pay for relocation costs?

4 MR. ROE: No, there is a discretionary part. And,
5 there is pretty much a mandatory part.

6 We are carrying out the mandatory part. The
7 mandatory part is basically that there are certain expenses or
8 moneys that are provided to the employee, reimbursements that
9 are taxable. And we are reimbursing the employee for that tax
10 he paid.

11 COMMISSIONER ASSELSTINE: What would it cost to do
12 the discretionary part?

13 MR. ROE: I would say for a year period of time, it
14 would probably take us more or less than half million to two
15 million dollars.

16 COMMISSIONER ASSELSTINE: In addition?

17 MR. ROE: In addition to this.

18 MR. DIRCKS: We sent a memo down outlining some of
19 these options, and we did give an estimate of the cost.

20 COMMISSIONER ASSELSTINE: Okay.

21 MR. DIRCKS: We recommended, I think, that we go for
22 the more substantial program. But, we suggested we try to get
23 that through the appropriation process in our next budget go
24 around.

25 COMMISSIONER ASSELSTINE: Okay. Having just spoken

1 to the resident inspector in one of the regions, I know that
2 is still a matter of continuing concern to them. And, it is a
3 real disincentive to attracting people into the program,
4 particularly to getting some of those experienced people back
5 into the regions, perhaps even to Headquarters.

6 I think unless we do something more on that, we are
7 going to have difficulties both in attracting those people
8 and retaining them and using them in other places where we
9 can benefit from having that kind of operational experience.

10 MR. ROE: I agree with you.

11 The only concern we have is funding constraints.
12 We are constrained in 1985. And, as you see, we are trying to
13 modify the funds in 1986. You are well aware of our budget
14 problem. That is why I feel that we have to make an attempt
15 to get those moneys into the 1987 budget so that we can draft
16 the program.

17 It is a matter not of whether we want to or not. It
18 is a matter of when we will have the resources.

19 MR. DIRCKS: I think the estimate we had for the
20 program we wanted was around \$2 million. And it is difficult
21 to find reprogramming fields from which to get this money
22 right now.

23 COMMISSIONER ZECH: I support that view, though.
24 It really is important that we do something to alleviate those
25 expenses, especially from our resident people, and our region

1 people, too.

2 But, I recognize the program that you have worked on
3 is very expensive. But to me it would be very hard for us to
4 justify. But, it seems to me that perhaps it might be worth
5 exploring whether other companies might be able to satisfy our
6 needs in a more reasonable way.

7 I hope you continue looking at that program. It is
8 important.

9 MR. ROE: We are going to continue to look at it.
10 It is an expensive program. The unfortunate part of the
11 program is for the benefit of the employee the government
12 absorbs a tremendous additional cost.

13 COMMISSIONER ZECH: I know that. I appreciate
14 that. That's why I say I hope you don't just stop there, but
15 explore other companies that might have a better arrangement
16 for us.

17 It is very expensive, and I can understand the
18 decision you made. But, it seems to me that we ought to
19 continue looking at it to try to find somebody that could
20 give us a better arrangement.

21 COMMISSIONER ASSELSTINE: And maybe perhaps there's
22 a way to at least take a first step during these, the tough
23 budget years, with the anticipation that we do more down the
24 road rather than sit back and say, "Well, because it is going
25 to cost a lot we are not going to do anything for a few

1 years, or at least until we can get the Congress to
2 specifically focus on it."

3 COMMISSIONER ZECH: As far as I am concerned, it is
4 a kind of priority program that we ought to look at.

5 COMMISSIONER ASSELSTINE: I think it is, too.

6 MR. DIRCKS: You have got to have this fine line
7 where we don't want to take one of the least-cost options
8 which has few benefits, and there will be a tremendous letdown
9 I think on the part of the staff if we -- if it looks like we
10 are going to be confined to that, we have to maybe try that,
11 but with the high hopes that we are going to get the funds to
12 go on the program that will give more relief.

13 COMMISSIONER ZECH: Not just the financial part of
14 it, too, which of course is important to our people, and I
15 support that, but it also would allow us to move people
16 between regions, back to the Headquarters. We need some of
17 those region people and the resident people back in the
18 Headquarters. I think that would be helpful. And, vice
19 versa.

20 COMMISSIONER ASSELSTINE: Yes. I remember when I
21 visited a plant fairly recently, one of the regional folks
22 who used to be a resident inspector several years ago. In
23 fact, when I first met him. He said, you know all I have done
24 is lose money. I lost money when I moved from being a
25 resident to to one region; I lost more money when I moved from

1 one region to another. And yet, he is a very capable
2 individual. We are fortunate that he is willing to make those
3 kinds of sacrifices, but that is difficult to do.

4 MR. DIRCKS: Oh, yes.

5 CHAIRMAN PALLADINO: Let me ask another question
6 with regard to this particular slide.

7 Have we asked the Congress for permission to
8 reprogram this much money?

9 MR. ROE: Len, would you answer that question?

10 MR. BARRY: No, none of this requires reprogramming
11 in the technical sense in terms of the ground rules that have
12 been laid out by both the authorization committees and the
13 appropriation committee because, one, it doesn't break the
14 threshold of transferring funds in excess of \$500,000 from
15 one budget category to another. A budget category RR7 for
16 programs and have been PDS and PDA.

17 CHAIRMAN PALLADINO: The reason I asked, I see the
18 salaries and benefits total \$1.5 million. Then I read that
19 the House committee has rejected FEMA's \$5.5 million request
20 to adjust funds to pay for their people. And they rejected it
21 because they said it is the fault of management. They should
22 not have overspent.

23 MR. BARRY: Right. See, in salaries and benefits
24 it affects everybody in this particular -- and we are not
25 taking a specific amount of funds, as an example, from NMSS

1 and putting it into NRR.

2 MR. DIRCKS: The programs are funded.

3 CHAIRMAN PALLADINO: You are sure we are not going
4 to run into any trouble on this?

5 MR. BARRY: I am sure.

6 CHAIRMAN PALLADINO: Okay.

7 COMMISSIONER ASSELSTINE: On the travel part, how
8 much is that pinching us in terms of particularly regional
9 travel, getting inspectors out to the plants? Is this having
10 a significant impact?

11 MR. TAYLOR: I would say no. If there is a
12 programmatic need for the money, we will fill that need.

13 COMMISSIONER ASSELSTINE: How about getting project
14 managers out to their plants?

15 MR. ROE: I don't see any difficulty --

16 COMMISSIONER ASSELSTINE: From NRR?

17 MR. ROE: If there is a need there to allow them to
18 --

19 MR. DIRCKS: I think we have made it clear that if
20 it is going to impact substantially on high priority programs,
21 they are to come in to us. We will find the money somewhere
22 in the organization.

23 MR. TAYLOR: We have had some cutbacks on meetings
24 and that type of thing. But, mission essential travel is being
25 maintained.

1 MR. ROE: It is.

2 MR. TAYLOR: We have cut back in a discretionary
3 way.

4 MR. BARRY: That's the reason you see the increases
5 here, because we just had to fund it, and this is only through
6 the first six months.

7 We will continue to fund high priority travel as we
8 need it.

9 CHAIRMAN PALLADINO: Are you going to be saying that
10 our shortfall is greater when we look to the end of the year?
11 Where are we going to get that?

12 MR. BARRY: We have no difficulties taking care of
13 these requirements for the first six months. And as you can
14 see -- are you referring strictly to travel?

15 CHAIRMAN PALLADINO: No, I'm talking about the whole
16 picture of salaries and benefits.

17 Are you going to have another 1.5 for the second
18 half?

19 MR. DIRCKS: No. I think what we are saying here,
20 this is for fiscal 1985.

21 CHAIRMAN PALLADINO: That's what I understood.

22 MR. BARRY: This should take care of what we -- what
23 has happened to us, and what we think is going to happen to us
24 in the remaining six months.

25 MR. ROE: The sources are fairly straightforward

1 over there. The only one that I would remark about in this
2 area is from administrative support category.

3 As we are aware Region 1 is now sort of reflecting
4 the same thing we have at Headquarters, that they are in three
5 separate buildings with the desire to consolidate.

6 They are having their difficulties to move through
7 that process. So, we have taken away the money for this
8 fiscal year for that proposed move and consolidation of Region
9 1. We will probably see that need to be funded in the next
10 fiscal year.

11 COMMISSIONER ASSELSTINE: Why can't they find some
12 more space? I was up there just a couple of weeks ago, and
13 there is a lot of new buildings --

14 MR. ROE: There is now, I think at the local level,
15 a sewer permit moratorium, which has slowed the process up
16 considerably.

17 Apparently all the sewer permits for the buildings
18 that are being built, are already spoken for.

19 COMMISSIONER ASSELSTINE: But GSA is helping them?
20 They are working cooperatively with them?

21 MR. ROE: I don't think the region has any
22 difficulty with the situation, as they realize the problem.

23 COMMISSIONER ASSELSTINE: I think that's a
24 disincentive for Region 1 right now. I think of all the
25 regions, they have got the worst space situation by far.

1 MR. ROE: Yes.

2 COMMISSIONER BERNTHAL: Let's get beyond the sewer
3 permit moratoria.

4 CHAIRMAN PALLADINO: Let's go on.

5 MR. ROE: The next will be in the major programs.
6 The first one will be in John Davis' area for nuclear material
7 safety safeguards. And Jim will talk about the
8 inspection/enforcement aspect.

9 John will discuss transportation material/fuel
10 cycle, managing nuclear waste and so forth.

11 (Slide)

12 MR. DAVIS: As you know, of course, we are basically
13 the licensing office of everything other than reactors. The
14 licensing is done both in Headquarters. But, a fair percent
15 of licensing is done in a centralized manner from the regions.

16 Under NMSS, we currently have about 9000 licenses
17 which we regulate. We have a flow of about 6000 applications
18 per year, which are processed, as I say, both in Headquarters
19 and in the regions.

20 We cover basically the entire fuel cycle, that is
21 reactors, mills, high level waste disposal, commercial low
22 level waste disposal, fuel conversion, fuel fabrications,
23 reprocessing -- although there is no operating reprocessing
24 plant, we do oversee DOE's cleanup program at West Valley.
25 There are about 8900 radioisotope licenses for medical,

1 academic and industrial use.

2 We also license storage of fresh fuel reactors,
3 storage of spent fuel out of reactor pools, transportation,
4 and, of course, low level waste management at the user sites.

5 I will look first at transportation. Transportation
6 is an area where we provide the agency lead. If there is a
7 matter dealing with transportation, it flows through my
8 office.

9 We also in that lead role, provide the agency
10 contact with other agencies. And there is a significant
11 amount of contact in this particular function, since
12 fragmentation is fairly well fragmented throughout the
13 government.

14 In transportation some years ago we recognized a
15 coming interest in transportation. We have been doing our
16 certification role, as well as trying to look ahead to make
17 certain that the agency is in shape to handle any problems
18 that may come up in the significant increase in transportation
19 of large shipments for low level waste -- for high level
20 waste.

21 Right now though, there are about three million
22 shipments of radioisotopes made each year. About 94,000 of
23 these are made in shipments or in casks or containers which we
24 certify. And, about 130 of these are spent fuel shipments.
25 So, it is a fairly active endeavor even used at the present

1 time.

2 The largest number of these three million of course,
3 are done in what are called Type A containers, which basically
4 we have no involvement in other than to make sure they are
5 loaded properly and unloaded properly. The total
6 transportation comes under DOT, unless something goes wrong.
7 If something goes wrong, usually NRC gets called.

8 We, in looking at our workload, we did forecast 110
9 planned certification cases this year. A certification case
10 can be anything from a simple amendment to an existing cask to
11 the complete review of a new cask. And we basically do this by
12 using modeling and computational approval of the cask. Not
13 by testing.

14 We completed 71 of these cases versus 110. Both
15 receipts and completions are up. Receipts are about 50
16 percent of what we forecast, completions are about 64
17 percent.

18 Our experience -- my particular office has been in
19 business for years and years and years. We have quite a
20 history of flow of applications. And we usually forecast out
21 pretty good. If you look at our materials, where the big
22 workload is, or the caseload is, we usually come within 5
23 percent -- our forecasts usually come within 5 percent of
24 actual.

25 And looking at this, some cases are easy, some cases

1 are difficult. And when you get at it, you can do the easy
2 ones fast, and the more difficult ones take more time. So, we
3 do fluctuate during the year, but by the end of the year we
4 will probably be quite on target.

5 In addition to the certification, what we, as I
6 mentioned, are looking forward to a rapid increase in the
7 attention given transportation. Last year we, or the
8 Commission published a policy statement on our role in
9 transportation accidents. And, our role in transportation
10 accidents basically is, we are not in charge.

11 This year, in fact in April, with IE and Region
12 III we had a Joint Headquarters-Illinois-Region III exercise
13 having to do with transportation. My impression is we did
14 relatively well. I guess the biggest thing we learned is that
15 the NRC definitely has a tendency to take charge. And so,
16 consequently we had to make certain -- and Wayne Kerr will be
17 making certain in his upcoming meeting with state officials,
18 that they clearly understand what that policy statement
19 says.

20 There is a growing interest in transportation. We
21 will be having a transportation seminar in early August of
22 this year with us and DOT to explain to the states, the local
23 government and the Indian tribes, our roles and
24 responsibilities. DOE will also be present, and of course it
25 will be an open meeting. There has been a great deal of

1 interest expressed in this.

2 Part of this seminar -- it is being done in Chicago,
3 and we will have set up actual casks and so forth for people
4 to see. And Illinois has agreed that they will demonstrate
5 some inspections and so forth. We anticipate it will be
6 pretty interesting.

7 COMMISSIONER ASSELSTINE: I think that is a very
8 useful thing to do. The sense I get is there is a great deal
9 of interest in the states on that. I think something like
10 this will help.

11 MR. DAVIS: We hope so. It is an area that we think
12 we are still in front of the curve of interest. But, that
13 curve moves very rapidly.

14 COMMISSIONER ASSELSTINE: More people talk about
15 MRSs and the more repositories that get identified, the more
16 interest you will see.

17 MR. DAVIS: The corridor states are extremely
18 interested. One of the things we have been doing, of course,
19 recognizing there will be an increase in the movement of large
20 shipments, we have been looking at the existing rules to make
21 certain that the rules are the proper rules. We don't want,
22 for example, for DOE or the industry to begin to build a new
23 generation of casks and then find that we have to change the
24 rules halfway through.

25 So, we have two studies looking at this. One we

1 call the modal study, and one we call the institutional
2 relationship study. The modal study occasionally attracts
3 interest.

4 What the modal study did, it went out and surveyed
5 actual accidents that have occurred that didn't involve
6 radioactive material, just actual accidents which have
7 occurred. Then, using computational techniques the forces
8 associated with these accidents are being compared against the
9 specifications of our rules. And, of course, what we are
10 aiming towards is, identify what we call the outlying
11 accidents, those where the forces would exceed our rules.

12 And we will be examining these accidents as to two
13 things, one, probability. Would there be an actual release?
14 And, should there be some regulatory changes?

15 But, we hope by going through this effort we will
16 make sure that the regulations are proper.

17 Also, it has been some years since we did a GEIS on
18 the transportation, and we will be updating that. So, it will
19 be, I think, usable at the time that it will be needed.

20 I am going to turn now to the materials program.

21 The materials program is our word for the
22 radioisotope program. To a large degree, this has been
23 decentralized to the regions. In fact, except for two
24 licenses or two types of licenses, that decentralization has
25 been completed.

1 In the course of decentralization, we found it
2 necessary to more standardize our guidance to make it a
3 little bit more precise. And the first bullet we have here,
4 complete nine of fifteen standard review plans relates to
5 that.

6 It is more formalization of regional guidance. They
7 do have guidance now, but this will formalize it.

8 We do anticipate we will be on track in the
9 production of these.

10 COMMISSIONER ASSELSTINE: Are the regions satisfied
11 both with the guidance they are getting now and with the
12 amount of resources that they have to do the materials
13 licensing work now that it has been assigned to them?

14 What prompts my concern is, I know in the early
15 stages of regionalizing this effort, there were some concerns
16 on the part of some people in the regions that first the
17 program officers were doing more of an inspection, and some
18 kind of formal arms' length inspection effort of what they
19 were doing, rather than helping cooperatively. And second,
20 the resources had been underestimated.

21 MR. DAVIS: In NMSS we have not done that. I
22 wouldn't even call it audit of the region. We have a term for
23 it, national program review. In fact, DIA just audited us. I
24 think, if you don't have the results, the results are
25 relatively positive.

1 The way we look at it, we have a continuing
2 interchange with regions by telephone. Then also, we have
3 occasional, what we call counterpart meetings where they meet
4 face to face and discuss problems.

5 Then annually, we do go out and do an on site
6 national program review. We are just as interested in a
7 national program review for the regions upfeed as to problems
8 they are having with headquarters, as our downfeed to them.
9 Maybe that is turned upside down, but of problems we have with
10 them. We are committed to the fact that we don't backlog
11 problems. In other words, when a problem comes up, we don't
12 wait until the national program review in order to solve the
13 problems. When they come up, we solve them at that
14 particular time.

15 We have been very successful, we think, in working
16 with IE. The IE and the NMSS reviews for those things coming
17 in the NMSS responsibility is done jointly. I think one of
18 the regions' consistent complaint is, of course, they are very
19 busy and they have very little time to work with these
20 characters from headquarters.

21 So, what we try to do is limit that as much as
22 possible by going there prepared, and by this continuing
23 aspect of it.

24 MR. DIRCKS: I think he brings out a good point,
25 that materials licensing effort is the oldest one we have out

1 there, and we are learning a lot from that. We are applying
2 it to the other programs that are out there in the regions.
3 We have gotten very -- I think DIA did give us a very good,
4 favorable review -- as much as you can get from any audit
5 report. We got a positive, I think, feedback on John's
6 efforts.

7 But the effort is to make sure that we don't have
8 this arm's length review, that there is a lot of interaction.
9 If there is one shining benefit from this attempt to get more
10 programs in the regions, it is to get much more counterpart
11 discussions going on between branch chief to branch chief,
12 reviewer to reviewer, inspector to reviewer and so on. And
13 that is what we are trying to do.

14 Harold is doing it through his program, and we are
15 learning, I think, as we go along. Even from my office I am
16 sending out a group of people every once in a while to go up
17 at the regional administrator level and his staff, to see if
18 they have any feedback on the various program audits.

19 And I think I have used Tom Rehm a lot on those
20 trips. We are getting very good reports -- critical reports,
21 but good feedback reports.

22 CHAIRMAN PALLADINO: Let me observe at the rate we
23 are going, if we go into this depth on every one of these
24 topics, it can be approximately two hours. I don't want to
25 discourage discussion, but let's be brief.

1 MR. ROE: Maybe I can suggest then that --

2 CHAIRMAN PALLADINO: I just make that observation.

3 MR. DIRCKS: Why don't we just let John move through
4 as quickly as he can.

5 MR. DAVIS: I'll just touch on these. Then if you
6 want to ask a question, we will do it that way. All right?

7 COMMISSIONER BERNTHAL: I'd like to know, were there
8 any problems on this?

9 MR. DAVIS: There's a lot of problems.

10 (Laughter)

11 MR. DIRCKS: Let me rephrase, at the beginning I
12 said we also wanted to give you some sense of accomplishment
13 here. And, I think we are. That, you don't hear very much
14 about. You hear an awful lot about problems.

15 COMMISSIONER ASSELSTINE: It is important to do
16 that.

17 MR. DIRCKS: We have had an awful lot of discussion
18 from outside groups about problems in the agency. We are
19 trying to give you also some of the accomplishments that you
20 can be proud of.

21 COMMISSIONER BERNTHAL: I have complete confidence
22 that we have accomplishments.

23 MR. DIRCKS: We don't hear too much about them.

24 COMMISSIONER ASSELSTINE: This is important.

25 CHAIRMAN PALLADINO: Let's not debate. Otherwise

1 we are going to be --

2 COMMISSIONER ASSELSTINE: This is an important
3 activity. If it takes two meetings, it takes two meetings.

4 CHAIRMAN PALLADINO: Let's go.

5 MR. DAVIS: I'll just mention very rapidly, we are
6 basically on target on the workload; the transfer to the
7 regions is basically complete.

8 As a result of the Mexican steel incident of last
9 year, we have worked up a plan which we think adequately
10 covers that. We had the plan reviewed, and have a lessons
11 learned report out on it. We even had two opportunities to
12 exercise the plan on caskets from Taiwan and from Brazil, and
13 they work pretty well.

14 As you know, we do have before you part 35, the
15 revision to the medical licensing, we are moving on. We are
16 looking at radiological safety, and I think if there have been
17 people in the business who have been physically hurt by
18 radiation, it is in this area. And we have had a very
19 long-term look at it, and are continuing to look at it with, I
20 think, a lot of interest from down here.

21 COMMISSIONER ASSELSTINE: Yes. I hope you keep
22 after that. I think there are some things that can be done to
23 substantially improve the situation. You are absolutely
24 right, that is the area where you get the exposures.

25 MR. DAVIS: There are basically relatively large

1 sources out of fixed facilities with technician people in
2 charge.

3 COMMISSIONER ASSELSTINE: There ought to be
4 something that could be done. Basic technology --

5 MR. DAVIS: Dick Cunningham was on a trip to Europe
6 a few months ago, and while he was there he took the
7 opportunity to look at the European practices. So, I think we
8 may learn something from that.

9 (Slide)

10 On the next page, the top of page 5, it talks about
11 our workload completion. Our completions are a little bit
12 down, and the reason is because we are working at the current
13 time on cases which have a higher labor rate.

14 CHAIRMAN PALLADINO: You do expect to have a
15 shortfall on your target on the first item there?

16 MR. DAVIS: No, we anticipate by the end of this
17 year, it will all level out.

18 COMMISSIONER ASSELSTINE: Do the tough cases first?

19 MR. DAVIS: Right.

20 CHAIRMAN PALLADINO: You do expect to achieve your
21 roughly 5800 licensing by the end of year licensing?

22 MR. DAVIS: Yes, sir.

23 CHAIRMAN PALLADINO: By the end of the year we will
24 make that.

25 MR. TAYLOR: On the inspection side of materials, we

1 are basically on target at mid year for the amount of
2 inspections that we normally plan. We have had some unusual
3 situations in the materials area.

4 The J. C. Haines case is one which you probably have
5 heard about, and which I recently had to issue two orders, in
6 order to get that situation under control out in Ohio. That
7 is proceeding well. Region III has been on top of it. The
8 cleanup has started, and EPA has picked up the costs for
9 that. In the next few weeks we hope we will be in a situation
10 to report that that site is cleaned up.

11 Also, you have heard of nuclear pharmacy in which we
12 have had to issue orders. And, we do have some unusual
13 material cases. But generally -- and, we, of course, have a
14 pattern of enforcement in medical uses, too. But, I think our
15 inspections are uncovering the types of problems that they
16 should.

17 In the radiography area, because of the concern we
18 are shifting heavily to get in a little bit more field
19 observation of radiography. That is where the mistakes are
20 made, not back with radiation and safety officers. So, we are
21 pushing in that direction through the field, where the real
22 errors come up.

23 So that is a thumbnail on the materials
24 inspections.

25 COMMISSIONER ASSELSTINE: I hope in that area, too,

1 you take advantage of some of those state experiences. Some
2 of those state inspectors are very adept in sneaking around
3 and finding out what is going on at those radiography sites.

4 MR. DAVIS: In the area of fuel cycle, which is
5 basically all of our licensing actions with the exception of
6 radioisotopes, we have had a long-term program called a
7 remedial action program, which was instituted, believe it or
8 not, in 1977, where questions are raised about the
9 contamination level at sites which are no longer active.

10 There were 20,000 of these which had to be reviewed,
11 and we have finally worked down and only have one to go. So,
12 this program will be winding down in fiscal year 1985.

13 (Chairman Palladino left the room.)

14 Our workload, we are a little bit above our cases
15 completed in fuel cycle, and the incomings are a little bit
16 down in this area. You might want to talk about that.

17 MR. TAYLOR: With regard to the inspection loading
18 fuel cycles, it is a bit up for the first half of this year,
19 principally due to two areas. One is NFS Irwin, and the other
20 is GE Wilmington.

21 At NFS Irwin we have had several problems, some of
22 which have reached the escalate enforcement stage. But of
23 particular note, they had an accumulation of uranium in the
24 uptake of the scrubber in the scrap area down there, which we
25 considered they had seen the forerunners, they had the hints,

1 and didn't react. So, we took enforcement action.

2 We are paying particular attention to that area in
3 that facility. They went on strike last night, so the line is
4 shut down, basically the production line. But that has caused
5 an increase of attention at Irwin.

6 Several of us have been down there.

7 COMMISSIONER BERNTHAL: They are on strike again,
8 the second time in about four years?

9 MR. DAVIS: I think every other year.

10 MR. DIRCKS: We just got a letter from the union
11 down there listing many allegations about that workplace.

12 COMMISSIONER BERNTHAL: I don't want to make an
13 issue of this point, but has anybody ever asked whether the
14 prolonged tense union/management relationship down there does
15 not become a matter of public health and safety?

16 MR. TAYLOR: I would say that what we know about it
17 doesn't indicate to me that that is the case.

18 Jim Partlow, would you want to comment?

19 COMMISSIONER BERNTHAL: That sure was the case in
20 about 1980 --

21 MR. TAYLOR: Do you have anything to say on the
22 tense managment/union relationships? The current situations
23 that we have been finding wrong down there aren't necessarily
24 reflective of that.

25 MR. PARTLOW: I guess in 1980 I recall down there

1 they did go on strike. The management operated the plant.
2 The union objected to that. But my recollection is that our
3 inspection efforts during that time indicated that the
4 management operated the plant safely.

5 (Chairman Palladino returned to the hearing room

6 COMMISSIONER BERNTHAL: I may have my years wrong,
7 since they apparently did this every other year, but there was
8 a period of violence down there, and a period where there were
9 very serious safety allegations being made by the workers,
10 which disappeared as soon as the strike was over. And that
11 kind of thing just seems to me it may be embarrassing looking
12 over the long term, if this is a continuing pattern.

13 MR. DAVIS: Commissioner, I don't recall the year,
14 but I will say over the last several years there has been
15 significant upgrading in that plant from the safety aspects of
16 the plant. Very significant, wouldn't you say so?

17 MR. TAYLOR: Yes.

18 We haven't been able to make the tie. I understand
19 the question.

20 The other is, we have a petition in on GE Wilmington
21 from a Vera English, which is a case which is being handled by
22 the Department of Labor. She was discharged, and there is
23 allegations of contamination control. That is requiring quite
24 a bit of attention to GE Wilmington.

25 Those are two problem spots right now in the

1 inspection area.

2 MR. DAVIS: This last area in fuel cycle I would
3 like to mention now is this West Valley project.

4 The West Valley project really -- West Valley at one
5 time was the only licensed separation plant that existed. It
6 did its last processing around 1972.

7 It has about 600,000 gallons of high level waste
8 stored on site in tanks.

9 A bill was passed in Congress that permitted a
10 cleanup of this, a Demonstration Act, and also the
11 decontamination of this particular plant.

12 We are not in a licensing mode with that plant, but
13 we are in an oversight, safety oversight mode, and it is moving
14 along relatively well. It is a fairly massive undertaking,
15 and sometimes in your travels you might find it very
16 interesting to take a look at it.

17 In nuclear waste, the nuclear waste program within
18 NMSS is our largest consumer of resources. It is basically
19 at the current time tracking the DOE national waste program.

20 I do have listed on the chart a series of
21 deliverables, either which you have seen or which you will
22 see.

23 Basically, the program is progressing. DOE is at
24 the present time quite swamped because of their environmental
25 assessments, which we commented on on time, by the way. They

1 got 1600 letters of comment on their EAs, and then counting
2 the number of comments, apparently about 17,000 comments.

3 You do have before you a preliminary draft of the
4 project decision schedule, which is an extremely important
5 document, since this does, as they say, nail down the
6 schedule. And, if NRC is unable to meet the agreed upon
7 schedule, then it is required to notify the Congress as to
8 why.

9 COMMISSIONER ASSELSTINE: Are we going to proceed on
10 the present schedule of the finalizing the EAs?

11 MR. DAVIS: DOE has not announced a shift, other
12 than to change the date to a season of the year.

13 COMMISSIONER ASSELSTINE: Okay.

14 MR. DAVIS: They are now talking about fall.

15 COMMISSIONER ASSELSTINE: Fall. Okay.

16 MR. DAVIS: We do have, of course, a rule change on
17 site characterization, where staff believes what it is doing
18 on part 60 is moving it into conformance with the act.

19 There has been a great deal of interest on this
20 rule, particularly in states. And I believe there are three
21 letters to the Commission asking to be heard by the states
22 before you make the decision on this rule.

23 There will be coming to you this summer, another one
24 of the major rules. Just as Part 20 you talked about
25 yesterday, the very major rule change, the definition of high

1 level waste is a very major rule change. And, we will be
2 getting the ANPR down to you we hope, middle of the year in
3 June. Very major rule change.

4 COMMISSIONER ASSELSTINE: But you are going to
5 follow the approach of an advance notice?

6 MR. DAVIS: Yes.

7 CHAIRMAN PALLADINO: Do you expect to meet the June
8 date?

9 MR. DAVIS: We think we will, yes.

10 With regard to spent fuel storage, we do have seven
11 topical reports in which we are reviewing at the present time.

12 As you know, the topical report, what that basically
13 does is approve a dry cask, so that it is almost an
14 off-the-shelf item. And when a particular utility desires to
15 store fuel in a dry cask, then they select one of the seven
16 and the licensing centers only on the site-specific
17 activities.

18 We do have two dry spent fuel applications before
19 us; Vepco for Surry and Carolina Power and Light, Robinson.

20 The Vepco case is a time-sensitive case, and it
21 involves either storing the fuel on site at Surry, or
22 transferring the fuel to North Anna.

23 The sentiment in Virginia is strongly in support of
24 storing it on site. Surry says that --

25 COMMISSIONER ASSELSTINE: Certainly in the vicinity

1 of North Anna.

2 (Laughter)

3 MR. DAVIS: Yes. On the roof, too.

4 In any event, Surry tells us that they need to begin
5 construction of the pad before we can issue the license. And
6 so consequently there is under development a paper explaining
7 this which will be down to you quite promptly.

8 COMMISSIONER ASSELSTINE: Are we making adequate
9 progress on the topical reports and on the license
10 applications?

11 MR. DAVIS: Topical reports -- we have been somewhat
12 surprised at the slowness of the vendors in responding to our
13 questions. In fact, that is where the delay is in the Vepco
14 case. If the vendor had responded promptly, there wouldn't be
15 this problem of pad construction.

16 COMMISSIONER ASSELSTINE: Is there a way to
17 communicate that concern so that this moves ahead on a
18 reasonable schedule?

19 Or, do the vendors understand that now?

20 MR. DAVIS: We tried. But, I literally think -- my
21 personal belief is that when you talk about this interim
22 storage at sites, there is an interplay between this and the
23 MRS from some people's perception. I think they are kind of
24 looking at what is going to happen.

25 COMMISSIONER ASSELSTINE: Okay.

1 MR. DAVIS: If you turn to the next page, on 7.

2 (Slide)

3 This talks about an interface with EPA. We still
4 carry on a somewhat strained interface with EPA. We are
5 trying to identify a methodology in dealing with these
6 alternative concentration limits where EPA does not feel
7 constrained to concur case by case.

8 CHAIRMAN PALLADINO: When will the methodology be
9 developed?

10 MR. DAVIS: We think we have identified a site on
11 which to develop that methodology. It will be a DOE Title I
12 site. We believe all three agencies agree. This isn't a
13 perfect site. We will do our hardest, they will do theirs, and
14 then we will see how they mesh.

15 We are -- I hate to ever say we are optimistic --
16 maybe I won't even say we are optimistic. It is something we
17 are trying.

18 CHAIRMAN PALLADINO: Do you have any idea how long
19 it is going to take us?

20 MR. DAVIS: It will take some months.

21 COMMISSIONER ASSELSTINE: Is the delay caused just
22 by working out the details as opposed to lack of a cooperative
23 effort?

24 MR. DAVIS: No, we don't detect currently any
25 footdragging with EPA. I think there may be some significant

1 differences of what a methodology is, but I think the staffs
2 are committed to try to give it a good try.

3 CHAIRMAN PALLADINO: John, on this May 1985 date on
4 item number two, do you expect to meet that?

5 MR. DAVIS: Yes, sir. This will be, of course, for
6 the radiological aspects.

7 Nonradiological aspects of EPA rule went out in
8 advance notification for proposed rulemaking. They were
9 recently closed, and we are examining the contents now.

10 But for the radiological aspects, we expect that
11 will be done, too.

12 COMMISSIONER ASSELSTINE: John, on a preceding slide
13 for the MRS, where do we stand in terms of your working on the
14 licensing and regulatory framework for the MRS?

15 MR. DAVIS: We should get that down to you quite
16 promptly.

17 I just got on my desk the proposed revisions to Part
18 72, which would do those modifications to make it amenable to
19 an MRS.

20 COMMISSIONER ASSELSTINE: What kind of hearing
21 structure is contained in that, legislative type?

22 MR. DAVIS: Of course, you know it is one stop, and
23 then we announce for hearing. I think a regular hearing, but
24 I will get back to you on that.

25 COMMISSIONER ASSELSTINE: Okay.

1 MR. DAVIS: We don't see this as any -- the way we
2 look at it, is this is what you wish you had for reactors
3 programs. Maybe we are wrong. We would have to come in with
4 a complete design.

5 But, I think we would be very happy to come down and
6 talk to you.

7 COMMISSIONER ASSELSTINE: I suspect now that
8 potential sites have been identified. there will be
9 significant official interest in that framework.

10 MR. DAVIS: I am sure there will. That, plus the
11 transportation aspects.

12 COMMISSIONER ASSELSTINE: Right.

13 MR. DAVIS: The last topic will be on safeguards.
14 And, of course, this lays out our accomplishments.

15 I would like to mention, rather than go through
16 these, that we see safeguards as being a matter of particular
17 interest to you within the next several months.

18 We did have a paper down to you dealing with the
19 threat, and we are prepared to come down and talk with you
20 about that. And there are various aspects of those safeguard
21 issues.

22 Of course one of them is the nonpower after
23 question. So, we think it would be of interest.

24 I believe Mr. Dircks agrees with me that the
25 capstone of all of this should be the discussion of threat.

1 COMMISSIONER ASSELSTINE: We should get on with
2 that.

3 CHAIRMAN PALLADINO: The first item you say,
4 completed six regulatory effectiveness reviews so far, and you
5 are going to do eighteen.

6 MR. DAVIS: Yes, we fully intend to do twelve in the
7 next six months. We think we will finish.

8 CHAIRMAN PALLADINO: So you are going to fall short?

9 MR. DAVIS: No, sir, we think we will finish them.

10 MR. DIRCKS: We will do the remaining twelve.

11 CHAIRMAN PALLADINO: You will do the remaining
12 twelve?

13 MR. DAVIS: We think so.

14 CHAIRMAN PALLADINO: Why that disproportionate
15 amount in each half?

16 MR. DAVIS: Well one thing is we have had to bring
17 in some new people. And one of the aspects of it is getting
18 the people up to speed. But we think we will get that going.

19 MR. TAYLOR: On the inspections side, the safeguards
20 inspections out at regions are basically on target for this
21 time of year in terms of the accomplishments. We are setting
22 up some special training for residents, because part of what
23 we expect the resident to do is keep his eye on this aspect of
24 the operation you know, on a day-to-day basis.

25 So, we are working through the regions to get some

1 specialized training to each of the operating plant
2 residents. And that is proceeding well. They can pick out
3 the more obvious safeguard deficiencies. Some do come up.

4 MR. DAVIS: That concludes --

5 CHAIRMAN PALLADINO: Also on reactor licensing, you
6 say 127 versus 340 planned.

7 Are we going to fall short there?

8 MR. DAVIS: We may fall short, simply because the
9 cases may not come in. Our forecast of 340 included some
10 applications having to do with the insider rules. And since
11 that slips, that forecast may have to be adjusted.

12 MR. ROE: The next area is the one associated with
13 reactors in operation and other reactor related areas.

14 Harold and Jim Taylor will address those.
15 Basically six areas, reactors in operation, reactor licensing,
16 issues of quality assurance, and then enforcement and risk
17 assessment.

18 So, Harold, would you go through and highlight those
19 areas?

20 (Commissioner Bernthal left the room)

21 MR. DENTON: Reactors in operation. The main issue
22 I wanted to keep you up to speed on is our tech spec
23 improvement program.

24 (Slide)

25 I think I mentioned at earlier briefings, that we

1 had as an objective to relook at tech specs, because it is
2 tech specs that drive the number of licensing actions we have
3 to take and in order to make a big change in that area we need
4 to relook at what is in the specification.

5 I told you I had formed a group earlier. We have
6 now had several meetings with all the owners groups of the
7 utilities. They have -- each of the owners groups have
8 combined under one organization that we are interfacing
9 with.

10 We have met with the operators at St. Lucie,
11 Sequoyah, Trojan, Oconee, LaSalle, Pilgrim, several other
12 plants.

13 We have also combined with research and made some
14 special trips to Duke Power, Florida Power and Light, to look
15 at the surveillance intervals and how they might be adjusted.

16 We met with our resident inspectors, regional
17 offices.

18 I think we are still on schedule to come up with a
19 possible new approach in this area by September. We plan to
20 meet with public interest groups as a part of this effort.

21 We have an advisory group that includes members from
22 the ACRS.

23 I think this is an area that we are putting a lot of
24 focus on at the moment while we are keeping the operating
25 plants cared for and fed.

1 (Commissioner Bernthal returned to the room.)

2 One thing in regard to standard plans, we have
3 talked a lot about standard plans. We want to make sure we
4 get the concept of tech specs into the standard plans, so
5 when a standard plan is designed and licensed, we have a set
6 of tech specs that go with it. So, it goes as an integral
7 package. And that is a last-minute item.

8 Looking at our accomplishments in the operating
9 actions --

10 COMMISSIONER ASSELSTINE: On the tech spec review,
11 are you looking at the problem from both the standpoint of the
12 custom tech specs from perhaps some of the earlier plants, and
13 these more recent standard tech specs for the NTOLs. It
14 almost seems to me you have got two extremes. Some of those
15 early plants had very limited tech specs, and then the new
16 ones today have the ones that are probably overloaded, so
17 detailed and so complex.

18 MR. DENTON: Yes. We haven't drawn any
19 conclusions. We are just listening to everybody and seeing
20 what they think should be in them. And we intend to approach
21 both the old ones and the new ones when we have a solution.

22 COMMISSIONER ASSELSTINE: Great.

23 MR. DENTON: We are running about 10 percent less
24 operating actions than we had planned by the middle of the
25 year. But I think by the end of the year we will be able to

1 make that up or exceed it. So, I don't think that is an
2 unusual occurrence.

3 We have acted on almost 500 amendments that required
4 treatment according to Sholly.

5 COMMISSIONER BERNTHAL: How much does that cost to
6 go through this exercise that has .2 of one percent
7 probability of substantive consequence?

8 MR. DENTON: I prepared those data. It is costing
9 us about 1000 or 2000 man days per year to carry that out.
10 And it cost OELD about 500, 600 man days per year. And, I
11 spend about \$150,000 a year to pay the printing cost to
12 publish the results.

13 COMMISSIONER BERNTHAL: I thought we were going to
14 explore some rationalization in that process. Is that
15 ongoing?

16 MR. DENTON: We owe the Commission a paper on that,
17 which I am trying to find ways to make the living under the
18 current approach as effective as we can. And, I hope to get
19 that over to Bill shortly.

20 It didn't include readdressing Sholly, but rather
21 trying to live with Sholly in the most effective way.

22 COMMISSIONER ASSELSTINE: I hope that you will at
23 least consider as part of that, the approach of instead of
24 doing these analyses and publishing every one of them,
25 publishing the amendment saying, here is the proposed

1 amendment that we have received, and only doing the analysis
2 if you get a request for a hearing. Because requests for
3 hearings are so small in number. Even though you might delay
4 those a little bit, that would decrease your workload by what,
5 99.5 percent.

6 MR. DENTON: I think our preference would be to have
7 that option. Maybe not do it every time, but if there are
8 cases where we are satisfied with the incoming material and
9 its evaluation, to go ahead and notice that immediately.
10 Because, as you say in the great bulk of cases, there is not
11 interest in having it an issue anyway.

12 COMMISSIONER ASSELSTINE: And I gather -- I get the
13 sense from talking to some utilities that they have got a
14 problem about having to do that analysis at the outset, too.
15 They are spending a lot of time and effort doing that. And,
16 if it is only for half a percent of these cases that people
17 ask for hearings, you could cut down their workload and ours
18 if you simply said, tell us if you want a hearing and then we
19 will do the analysis to see whether it is a no significant
20 hazards consideration amendment.

21 MR. DENTON: It certainly has probably added ten or
22 fifteen man years and considerable dollars to our effort
23 there.

24 COMMISSIONER BERNTHAL: One public comment out of
25 476 notices?

1 COMMISSIONER ASSELSTINE: Yes. That's it.

2 COMMISSIONER BERNTHAL: Why are we doing it?

3 (Laughter)

4 COMMISSIONER ASSELSTINE: That's precisely the
5 question.

6 If you are going to get that small a request for
7 hearings, then do the analysis for just those.

8 MR. DENTON: I might mention SALP reviews. I think
9 SALP reviews have had a big impact on operating reactors. And
10 we are getting more and more formal as time goes by.

11 I now have a practice in place where every reviewer
12 that reviews an operating action provides a project manager
13 his view of the licensee's performance -- how effective he is
14 and how timely that is.

15 We have also assigned an SES member to each SALP
16 review. So, for about the past six months every SALP review
17 includes a member of management from NRR and a tabulation of
18 the areas in which the licensee has done outstanding work or
19 done poorly.

20 I think we are putting more effort in the SALP
21 reviews than ever before, because I think that is becoming a
22 very valuable annual way of looking at, should we give a
23 licensee more attention or less attention.

24 The number of licensee actions has remained about
25 constant. We keep working at ways to get it down, but we are

1 feeling the impact of Salem, which we put in the pipeline last
2 year. That is continuing to have items.

3 We are now doing the pilot integrated assessment
4 program for two plants. The Commission recently approved
5 that.

6 We are doing Millstone and Connecticut Yankee. We
7 would have those finished by the end of next year, and then
8 could decide what else to do.

9 We continue to have unanticipated operating events
10 that require attention. I just hit a few of them for you
11 that you may not have heard of. As you know, we meet once a
12 week, all the major offices and go over everything. We decide
13 what needs to be picked up.

14 Fermi had problems with its diesel generator,
15 lubrication problems. You may recall Farley had tendon
16 baseplate fracture. Susquehannah lost all AC power during a
17 test of that area. Sequoyah had problems with their reactor
18 testing system logic that raised a question, should we reopen
19 the Westinghouse ATWS issue. McGuire had a failure in their
20 isolation valves on the upper head ejection system that had
21 the potential to eject not only water, but also a nitrogen
22 bubble. So, that forced us to look at that.

23 So, those sorts of activities continue to take a lot
24 of our resources in addition to just processing normal
25 actions.

1 COMMISSIONER ASSELSTINE: I think we need to think
2 on the Commission side of the table how we want to follow up
3 on those things, because I think those are the significant
4 operating events that you have identified in the first six
5 months of the year.

6 We weren't involved, or didn't have a meeting on any
7 of those, and I think we need to think about how to follow up
8 on those ourselves to understand what went on, what the route
9 causes were, and what the staff is proposing to do to address
10 those things. Whether it is a review of the Quarterly
11 Abnormal Occurrences Report, have a meeting to discuss those
12 or whatever. But, I think we need to think about that, because
13 they are the significant events. We haven't heard about one
14 of them --

15 MR. DENTON: These are highlights. There is
16 something happening every day that Jim and I are routinely
17 responding to.

18 COMMISSIONER ASSELSTINE: This agency is rapidly
19 converting to a review of operating reactors. The Commission
20 really isn't very involved in that process.

21 MR. DENTON: Why don't I turn it over to Jim?

22 MR. TAYLOR: With regard to operating plants and the
23 residents, we are moving ahead. As you know, the caseload is
24 growing as more plants are licensed, come in to preop and op,
25 so the demand for residents remains high.

1 The regions are continuing to recruit. Right now we
2 have 134. That number doesn't mean anything particular. You
3 know, they are multi-unit and single-unit sites. We are
4 moving in accordance with the budget direction that we have
5 for this next year, to get additional 19 residents in
6 single-unit sites, which we think is a good move.

7 And that will, of course, increase our inspection
8 capability, since we get much more inspection time out of
9 residents than we can when they are region based. The region
10 base bringing in a specialist-type inspection for the site.

11 COMMISSIONER ASSELSTINE: Apart from the resources,
12 are we having difficulties in getting those people?

13 MR. TAYLOR: We are behind. Part of it is we are
14 trying to get more entry-level type folks, younger folks who
15 are with experience. But, we have been able to keep up with
16 the traffic.

17 Jim, do you have any information that you might want
18 to supplement?

19 It is a race, we look for the same kind of people
20 the industry likes.

21 COMMISSIONER ASSELSTINE: And they can pay more.

22 MR. TAYLOR: And they can pay more. But, I think we
23 are holding our own. We don't see any diminishment in them
24 putting somebody fresh off the block out to take charge.

25 We are running the PAT program fairly well on

1 schedule. That is all in Bethesda now. Remember, a few years
2 ago that was dispersed through the region.

3 And PAT, I think is providing a valuable input both
4 to look at our own programs, to look at INPO. I believe
5 Mr. Humenanski is up with the PAT team right now at Maine
6 Yankee.

7 COMMISSIONER ZECH: Yes, he is.

8 MR. TAYLOR: I hope we get some idea of the type of
9 work these fellows do. In order to get a little longer look
10 each year beyond the three inspections by the PAT team, we are
11 taking one or two of the PAT people who are particularly
12 conversant in areas like operations, maintenance and
13 surveillance, and doing a week long assessment type inspection
14 at several plants each year.

15 This is increasing our base of understanding of how
16 our programs are working out there, just to get a little bit
17 of independent look.

18 One accomplishment that has come out of that that I
19 think is very worthwhile, is some of our people who are doing
20 that are fairly expert in batteries, and we are finding
21 problems with station batteries. They are a static device,
22 and people are not maintaining them.

23 This is the old submarine experience with
24 batteries. They are not maintaining and doing the tests,
25 periodic tests, discharge rate and so forth. And the battery

1 just sort of sits there until you need it. And when you need
2 it you are pretty desperate.

3 So, it is an important piece of equipment.

4 COMMISSIONER BERNTHAL: There are no battery meters?

5 MR. TAYLOR: There are things like test discharge, a
6 whole series of tests. Meters, in terms of charge, you can
7 measure the voltage and so forth.

8 COMMISSIONER BERNTHAL: All of those things are
9 passively measurable, though. I don't understand why there
10 isn't a system to find out if there is a problem.

11 MR. TAYLOR: We find they are not doing the
12 discharge test properly on batteries. The state of charge of
13 the batteries are not being maintained and checked in
14 accordance with the programs that are in place. That is what
15 we are finding. So that the capacity of the battery isn't
16 what it ought to be.

17 Nor are the tests being properly conducted to ensure
18 they are okay, so it's a matter of them not implementing --

19 COMMISSIONER ASSELSTINE: They have testing
20 procedures, and they're just not following them.

21 MR. TAYLOR: Right.

22 COMMISSIONER BERNTHAL: My question is, why isn't
23 that something else that's automated? It's obviously
24 automatable. It's just not done.

25 MR. TAYLOR: Maybe we ought to give you some more

1 feedback on that. That's the first time someone's asked me
2 that.

3 COMMISSIONER ASSELSTINE: Could you tell me how many
4 PATs you do each year, you plan to do each year?

5 MR. TAYLOR: Three each year.

6 COMMISSIONER ASSELSTINE: And how many assessment
7 inspections?

8 MR. TAYLOR: Jim, would you like to say how many
9 each year? We haven't really set ourselves a formal target.
10 We're trying to work those between --

11 MR. PARTLOW: We're not in steady state yet. We
12 intend to do more than that. I would think we'll be doing at
13 least a half a dozen of those in addition to our PAT
14 inspections.

15 COMMISSIONER ASSELSTINE: What's the difference
16 between the two of them in terms of scope and coverage?

17 MR. PARTLOW: Primarily in scope. PAT covers six or
18 seven different functional areas.

19 COMMISSIONER ASSELSTINE: It takes a couple of
20 weeks, right?

21 MR. PARTLOW: Yes. Three weeks on site. So far
22 we've honed in just on surveillance operations.

23 MR. TAYLOR: And maintenance.

24 MR. PARTLOW: And maintenance.

25 COMMISSIONER ASSELSTINE: Those are good areas.

1 MR. TAYLOR: I guess the next slide is Slide 10.

2 [Slide.]

3 I think, without spending a great deal of time on
4 this, let's go through some of the things that I think you are
5 aware of with regard to support of operating reactors and our
6 new Operations Center which you've all seen.

7 We've had several reactor exercises, transportation
8 exercises, some on full-scale. The Chairman participated in
9 the transportation exercise. We are doing our appraisals of
10 emergency preparedness exercises at reactors, principally
11 regional with some Headquarters overview.

12 We are proceeding as facilities are completed in the
13 ERF area to go out and make sure that they've got a functional
14 and operational ERF.

15 CHAIRMAN PALLADINO: You say you've done thirty
16 emergency preparedness exercises for power reactors this year?

17 MR. TAYLOR: Yes.

18 CHAIRMAN PALLADINO: What's your target, or what do
19 you see should be required?

20 MR. TAYLOR: Remember, the frequency has changed, so
21 there's a new target. So I'll have to get that for you, sir.
22 Because of the change in frequency.

23 CHAIRMAN PALLADINO: How many do you see being
24 needed in '85? Okay.

25 MR. TAYLOR: We did tell the Commission we're going

1 to take some unique looks on how to do inspections. We had a
2 pilot program in Region III and a pilot program in Region V.
3 We've gotten reports and worked with the regions. We're
4 looking at how to factor that back in.

5 Frankly, we think the increased resident situation
6 is something that is extremely desirable, and we're proceeding
7 with that.

8 We did do our program in Region III where we had
9 just a single resident and performed basically reactive
10 inspections. These were some of the better plants. But we
11 didn't feel we got enough information out of that to really
12 feel secure about running an inspection program across the
13 board like that.

14 The Region's reaction to that and the management
15 reaction was that there just wasn't enough out of the single
16 resident without sending the region teams out occasionally
17 and, you know, just didn't give enough information.

18 COMMISSIONER ASSELSTINE: What do you think about
19 this GAO report on the inspection program?

20 Part of what prompts my question is, so much of
21 their conclusions and findings seem to be based upon the
22 feelings of a fair percentage of our own inspectors.

23 MR. TAYLOR: That was an anonymous survey, and I
24 think some of the write-ups emphasize what we -- that was done
25 about two years ago -- knew to be some of the problems. We

1 think we -- and we told the GAO, and we've been in contact
2 with them -- we think we are addressing each of the major
3 issues or flaws.

4 Frankly, it was gratifying to see such a large
5 percentage of the people, because we had revamped the
6 operating reactor inspection program drastically in the period
7 of 1981 and '82, that we really moved it in the direction of
8 operational safety. I held my breath until the survey was
9 complete, but it did show that. I think a large percentage,
10 so --

11 COMMISSIONER ASSELSTINE: Clearly there were some
12 positive things, like the overall judgment that the program
13 had improved since TMI.

14 MR. TAYLOR: And is effective.

15 COMMISSIONER ASSELSTINE: Some of the weaknesses,
16 particularly the concerns on the part of the inspectors
17 that they didn't have enough time to ensure compliance.

18 MR. TAYLOR: Yes. The additional residents will
19 help to alleviate some of that. There is no question, in a
20 single-unit site that is busy, a single resident has his hands
21 full, he really does.

22 I think some of what we are doing, the introduction
23 of PRA to try some of the things that came up in that report
24 are things we are trying out or had in the mill since the time
25 that the GAO started the survey. So I hope that we can give

1 you a full report on that sometime in the --

2 COMMISSIONER ASSELSTINE: Our comments are due in
3 what? Another month or so?

4 MR. TAYLOR: Jim, when are they due? The GAO
5 comments.

6 MR. PARTLOW: It's within the month.

7 COMMISSIONER ASSELSTINE: Okay.

8 CHAIRMAN PALLADINO: One thing, though. I continue
9 to be impressed with the quality of the resident inspectors.
10 I meet new ones every time I visit.

11 COMMISSIONER ASSELSTINE: Yes. I think that's
12 absolutely right. Although, again, when I met with the
13 residents in one of the regions lately, one of the comments I
14 got was, "You know, you're asking us to do an awful lot of
15 things. Every time there's a problem, that's one more thing
16 you ask us to do. You'd better recognize there are limits to
17 what we can do, and don't overload us. Don't ask us to do too
18 many things."

19 MR. TAYLOR: We're sensitive to trying not to do
20 that. I hate to get residents doing things that I can't tie
21 to the direct operational safety.

22 So although I mentioned they're doing some security
23 looks, that's not going to dominate their lives.

24 COMMISSIONER ASSELSTINE: Then that gets into the
25 training part where most of them felt that they weren't

1 getting the training that they needed. If we're going to ask
2 them to do those kinds of things, we've got to make sure that
3 they get the training they need to do those extra jobs.

4 MR. TAYLOR: Right. I agree. I think some of what
5 we're doing in the Training Center, some of the special
6 courses will help to alleviate that. As we get new people, it
7 gets harder too. They have to go through that whole process.

8 We do have a formal program on how to qualify
9 residents. We have a formal journal type. Each region runs
10 its own program, and we overview it out at Chattanooga.

11 I'll quickly move along and say that basically with
12 regard to operational reactor inspections, you can't tell a
13 lot by inspections -- some are big; some are small -- but the
14 numbers of inspections are running what we would anticipate
15 at this time of year.

16 We are and the regions are continuing to take
17 occasional use teams where they think there's a problem. I
18 think there's a great benefit from the crossflow between team
19 members when you get into a particular problem area. So they
20 are utilizing that, and our program gives them that type of
21 direction.

22 [Slide.]

23 MR. DENTON: Moving next to page 12, you are
24 probably very familiar with the licensing issues. We briefed
25 you just a few weeks ago on all plants.

1 [Slide.]

2 I'd like to mention a word or two about project
3 managers. We have a total of 90 project managers. Two-thirds
4 of them are on operating plants.

5 [Commissioner Asselstine leaves the meeting.]

6 MR. DENTON: We are spending more effort in this
7 area than we had budgeted.

8 If you look at the second bullet, the 42 FTEs, we've
9 spent more than we planned. About twenty of them came from
10 NRR, about \$3 million. Some of the difficult cases are
11 requiring more effort than we had budgeted.

12 CHAIRMAN PALLADINO: Where are the resources coming
13 from? I don't mean in terms of a particular place, but in
14 terms of what is the impact of diverting these resources.

15 MR. DENTON: We only have three broad categories:
16 safety technology, reactor licensing, and operating plants.
17 So they come from operating plants.

18 That's one of the reasons we have to struggle to
19 keep the number of operating plants up all the time. We will
20 spend more resources in one budget area in one quarter and
21 less in the next quarter. So we try to get it so that over a
22 yearly basis, it works out the way we planned. And if we
23 have operating problems, we put more effort into that area.

24 MR. DIRCKS: This has impacted on other programs,
25 too -- plants such as Comanche Peak, which has taken a lot of

1 resources for us to review and stay ahead of the problems down
2 there.

3 For example, we have a very key official from Bob
4 Minogue's operation, Larry Shao, who is one of the key
5 figures in this Comanche Peak review, and we have borrowed
6 Larry now for such a long period of time that Larry is getting
7 concerned about his own position, his own responsibilities
8 back in Research. But Larry does bring unique qualifications
9 to the project.

10 We feel that's a high priority of need right now,
11 and I think Bob is understanding of this.

12 CHAIRMAN PALLADINO: You say this has taken 42
13 people and somewhat over \$4.2 million to mid-year? Do you
14 expect it to be higher for the second half? Lower?

15 [Commissioner Asselstine reenters the meeting.]

16 MR. DENTON: I think so far -- this is the mid-year
17 number. We have expended this much resources. So if we stay
18 on target and we follow our original game plan, we would still
19 end up at the end of the year with this many people and
20 dollars expended above our budget.

21 CHAIRMAN PALLADINO: But you might have more?

22 MR. DIRCKS: Yes.

23 MR. DENTON: We might have more.

24 CHAIRMAN PALLADINO: I'm trying to get a feel for
25 whether the second half is going to go at the same rate, even

1 greater?

2 MR. DIRCKS: We have to emphasize that we keep
3 talking -- this is a no-contingency operation.

4 CHAIRMAN PALLADINO: I understand.

5 MR. DIRCKS: We have gone over the Wolf Creek
6 matter. We have gotten through Waterford. We're working on
7 TMI-1, Diablo, heavily involved in Comanche, and yet that may
8 not be the end of these issues.

9 We have, as you know, some issues with TVA. We are
10 only beginning to get into those issues, and that's probably
11 going to divert more resources.

12 CHAIRMAN PALLADINO: The reason I was interested in
13 this question is, I don't have a good feel for what is
14 suffering as a result of this.

15 MR. DENTON: It's operating reactors.

16 COMMISSIONER ASSELSTINE: That's the problem.

17 CHAIRMAN PALLADINO: I'm not sure exactly what is
18 suffering.

19 MR. DIRCKS: It's the backlog.

20 MR. DENTON: The backlog.

21 MR. DIRCKS: Amendments.

22 MR. DENTON: Amendments. We're down ten percent
23 there. If we had not encountered these problems, we would
24 have put in more effort in operating reactors and we would
25 probably be at the target or above it.

1 We have some flexibility to reassign, and I don't
2 let it cut into operating reactors too far, but each time
3 there's a problem, we have to decide where to put the
4 resources.

5 Operating reactors always get the first priority,
6 but we try to also keep the plants being licensed on schedule,
7 and it's a continuing adjustment every week as to what we will
8 do next.

9 Let me mention TVA just a little bit. We have now
10 talked to some 25 individuals who are employed by TVA about
11 their concerns. I'd say about a third of them have safety or
12 programmatic concerns that they've expressed to us. Most of
13 these individuals want to remain anonymous.

14 We've developed a plan that involves I&E and Region
15 11 to pursue this. We're looking at their employees' concerns
16 program. They've just implemented a new program to be sure
17 they capture or deal with employee concerns. We're looking at
18 how the QA function has performed within the company. They've
19 gone through several organizational changes in that area.

20 We're looking at management control within the
21 company, plant operations and maintenance, enforcement
22 history, the effectiveness of the Nuclear Safety Review Group,
23 and an overall integrated evaluation of all the TVA plants.

24 That activity is underway, taking a lot of
25 resources, and was, I guess, unanticipated at the first of the

1 year.

2 CHAIRMAN PALLADINO: I don't expect, then, your rate
3 of resource diversion is going to change much for the second
4 half of the year.

5 MR. DENTON: We're continuing on operating reactors
6 to do the most important thing. I'm still pushing TMI
7 action items. By the end of this year, I hope to have
8 essentially all the TMI action items complete on all plants.
9 But obviously, if these resources weren't here, they'd be
10 working on operating plants.

11 COMMISSIONER BERNTHAL: Hear me one specific
12 example, if I may, Harold, to see if anything is happening.

13 I was at San Onofre months ago, I guess now, and one
14 of the things that was striking to me was that they had
15 something like, I guess, 75 or 100 license amendments pending,
16 a source of great concern to them, and I can well imagine that
17 it is their judgment that in some cases those might be things
18 even that would affect the fission, if not the safe running of
19 the plant.

20 Has anything happened to that backlog? Where are
21 we? I'm sure there are other cases, but that's one.

22 MR. DENTON: What we've done is try to spend more
23 money more effectively, so we farm out some of these things
24 and get them done by our contractors. About half of our
25 review of operating actions are done now by contract money.

1 We recently sent several hundred more to the
2 regions. We had a meeting with three Regional Administrators
3 and decided they could do more. We've given them those.
4 We've asked each project manager to prioritize the ones that
5 are most important and do it in concert with the utilities, so
6 that we are working concurrently on the ones that are most
7 important.

8 But I don't think we have made great headway on San
9 Onofre.

10 COMMISSIONER BERNTHAL: So if I looked out there
11 tomorrow, I would not see much change from where it was three
12 months ago?

13 MR. DENTON: Not a lot in that plant. But for
14 plants which we think have low SALP ratings and need
15 management attention are the ones we tend to give our
16 attention to, such as we singled out Brunswick a few years
17 ago, doubled the number of project managers on it.

18 So for plants where we seem to be having an impact
19 by not processing faster, we do give attention, but I just
20 don't have the resources to move San Onofre down.

21 MR. DIRCKS: I think it's going to get worse. We
22 have to be honest.

23 COMMISSIONER BERNTHAL: That's really a serious
24 problem, it seems to me.

25 MR. DENTON: Yes, it is.

1 COMMISSIONER BERNTHAL: If we've got to have the
2 people to do that, we ought to be getting the people, it seems
3 to me.

4 COMMISSIONER ASSELSTINE: All I can say is, you
5 should support my recommendations to the Congress.

6 COMMISSIONER BERNTHAL: I supported you on many, as
7 you know.

8 COMMISSIONER ASSELSTINE: That's right. You did.
9 That's true.

10 COMMISSIONER BERNTHAL: And focusing on the plants
11 with poor SALP RATINGS is clearly where the priority lies.
12 But you get the feeling when you talk with people who have put
13 in a hundred license amendments at the NRC, that they can't
14 get turned around, they begin to ask themselves, "Why are we
15 beating our heads against the wall?" It becomes a morale
16 problem and ultimately, I think, a safety problem. Then
17 you're going to get lower SALP ratings.

18 I know it's not your fault. We do have limited
19 resources, but there's --

20 MR. DENTON: I have 63 project managers for the 93
21 plants in operation. Those guys turn out about thirty or more
22 license amendments, including the Sholly process, a year and
23 are running full speed. We're always trying to find a way to
24 do it.

25 MR. DIRCKS: I think that's our problem. Every time

1 you move something to a higher priority issue, something else
2 is going to suffer. Small things, we're trying to cut back in
3 small areas.

4 I'm being called down to the ACRS to say why can't
5 we make more of our people available to more of their
6 out-of-town meetings.

7 I think Harold is under some pressure to cut back,
8 not from the point of view of travel money so much, but just
9 from the staff availability.

10 COMMISSIONER BERNTHAL: You lose time every time you
11 do that.

12 MR. DIRCKS: We lose time, we lose project managers,
13 and we lose reviewers. So we keep trying to get this message
14 across. The thing doesn't have any more give in it. Every
15 time we get something new and novel and nice to do, if we do
16 it, we're going to pull people out and pull resources out of
17 other activities.

18 COMMISSIONER BERNTHAL: Will the fix on the Sholly
19 business help much?

20 MR. DENTON: I think ten or fifteen man-years into
21 the agency.

22 COMMISSIONER BERNTHAL: Well, let's get the
23 Commission to do that.

24 CHAIRMAN PALLADINO: What does it take to do it?

25 MR. DENTON: At the moment, we're operating under

1 your procedures for that. We'll have to propose some change,
2 or you'd have to propose legislation.

3 COMMISSIONER ASSELSTINE: I think it probably takes
4 a change in the rule, doesn't it, at least, to switch to doing
5 the analysis after we get a request for a hearing.

6 CHAIRMAN PALLADINO: Will you check into it and
7 advise us? I agree with my colleagues.

8 COMMISSIONER BERNTHAL: If we have to treat it as an
9 urgent matter, let's just handle the rule.

10 COMMISSIONER ASSELSTINE: Yes. That's fifteen more
11 people.

12 MR. DENTON: Ideally, on operating actions, we
13 should have only a handful of them pending at any given time.
14 If the utility wants to make either a plant-specific change or
15 the Commission wants to make a change in the plant, they
16 should go much faster than we are able to do it. But we
17 prioritize and spend a lot of our time on that.

18 One more item to mention, Beaver Valley, we spent
19 some time getting educated on backfitting policies and meeting
20 with Beaver Valley. I think out of the sixteen items that
21 were in controversy between us now, that we're communicating
22 well. We're down to just four.

23 COMMISSIONER ASSELSTINE: In fact, they postponed on
24 one of those recently, didn't they?

25 MR. DENTON: I expect those four to perhaps get

1 resolved without further meetings. So I think we have made
2 further progress in resolving those areas.

3 That's about all I have on the licensing side.

4 COMMISSIONER ASSELSTINE: Harold, on the TVA
5 employee concerns that you're looking at, do those deal with
6 construction or operation or both, and are they focused on one
7 particular site or their whole program?

8 MR. DENTON: It's some of each. We have some
9 concerns which cut across all plants and operations and some
10 which are particular to Watts Bar.

11 MR. TAYLOR: On the inspection side, each of those
12 problem plants do take a demand, too, from some of the
13 region-based inspection staff as we have assigned people to
14 help in the problem plant areas.

15 We have also tried to use Headquarters people who
16 have construction experience in the appropriate disciplines,
17 as well as contractors, to help out. So we've tried to hold
18 the fort, so we don't lose our entire inspection program at a
19 particular site.

20 Comanche did pull people away from Wolf Creek during
21 periods of construction, and we had to mount a Herculean
22 effort out there to get that inspection program completed
23 before you licensed or before Harold issued the license for
24 that plant, but there is a toll.

25 In the construction area, we are now at two resident

1 inspectors per construction site, which we got through the
2 budget and Congressional guidance. We are continuing our CAT
3 program. A CAT team will start at Clinton next Monday, as the
4 next CAT inspection. As a result of this inspection, the
5 Intervenor has agreed to drop the issue and, I believe, a
6 contention in the hearing, awaiting the results of this
7 inspection. So it has helped in some of the legal aspects of
8 the Clinton licensing process.

9 COMMISSIONER ASSELSTINE: How many CATs are we doing
10 a year, Jim?

11 MR. TAYLOR: We're doing four CATs a year, and we're
12 fairly well on schedule to achieve that.

13 COMMISSIONER ASSELSTINE: So you've done three. If
14 you pick up the fourth, you're ahead of schedule?

15 MR. TAYLOR: A lot of vacations in August.

16 [Slide.]

17 Otherwise in construction, I think in terms of our
18 across-the-board effort, we are basically keeping up with the
19 program. A few places we're worried about because of the
20 diversions to the problem plants, but we're trying to keep our
21 eye on being sure we keep up.

22 That's all I have on the construction.

23 COMMISSIONER BERNTHAL: I have to comment, you
24 know, Jim, on your point that we're moving into an era of
25 operations, is not quite true yet. I mean, we are, but the

1 problem, as Harold is acutely aware of, I guess, as we just
2 heard, is that we're also in an era of the largest number of
3 plants we've tried to license at any time in this agency's
4 history in a comparable period of time.

5 MR. TAYLOR: Yes.

6 COMMISSIONER ASSELSTINE: Yes, for one more year.

7 COMMISSIONER BERNTHAL: And here we are, you know,
8 being nickeled and dimed, when we've got that kind -- it's a
9 trillion dollar priority, and I realize the press aren't here
10 to hear it, but I wish the Congress would hear it. We aren't
11 doing this right, that's all.

12 COMMISSIONER ASSELSTINE: It's a point you and I
13 have been making all spring.

14 CHAIRMAN PALLADINO: Are you going to go on to --

15 MR. DENTON: Page 13.

16 [Slide.]

17 Page 13, I think I'll skip over, unless there is
18 some question. The operator licensing program is completely
19 regionalized. We follow the same program John mentioned in
20 auditing that program. I think that's running very well in
21 the field, and that was included in the recent OIA audit. I
22 think there are favorable comments on that program. Let me
23 move to the --

24 CHAIRMAN PALLADINO: Before you do that, let me ask
25 the Commission a couple of questions.

1 We're not quite halfway in the number of slides. We
2 could go until twelve o'clock, if you're interested, but I
3 expect also that we're going to have schedule another meeting
4 to do this job as effectively as we would like to do it.

5 So would you like to go until twelve o'clock and
6 reach a stopping point, maybe after safety issues?

7 COMMISSIONER ASSELSTINE: Sure.

8 CHAIRMAN PALLADINO: Then pick it up.

9 COMMISSIONER ASSELSTINE: That sounds good.

10 MR. DENTON: I'll try to hit the other items on
11 safety issues -- page 14 -- in just ten minutes. I think it
12 might be useful to give you a wrap-up of where the unresolved
13 safety issues stand.

14 We're prioritizing all issues. But the issue comes
15 up about unresolved safety issues.

16 COMMISSIONER ASSELSTINE: Harold, before you do
17 that, you mentioned operator licensing. You said you thought
18 things were going well with the regions.

19 Do you have that same sense of confidence for what
20 we're doing in the requalification area? I get the sense that
21 that's not an area that is going real well or at least needs
22 attention.

23 MR. DENTON: There is a lot of controversy in that
24 area. Operators think we're focusing too heavily on too
25 radical aspects. We thought we had switched to an

1 operational. We have had several meetings. I have met
2 directly with SROs. Hugh Thompson had gone out to meet with
3 them. We promised to revamp that area.

4 Frankly, what I hope we are leading to is to
5 complete our exam bank, based on the job task analysis sort of
6 thing that INPD has put together. Let the training people
7 review our exam bank on sort of a nationwide program to be
8 sure the questions are understandable and clear, so we'll have
9 thousands of questions, then so that when we administer an
10 exam, there will be no doubt but what the question was a good,
11 appropriate question. The utilities wouldn't know what
12 question we're going to ask.

13 People have worried about our disclosing our
14 questions when I have a feeling that if an operator could
15 answer all the thousands of questions in our exam bank, he'd
16 be a well-qualified operator.

17 [Laughter.]

18 So that's the way we are heading in that area. I
19 hope maybe in a year we'll have that area calmed down and will
20 match, then, what INPD is saying is required.

21 COMMISSIONER ASSELSTINE: Exactly. I may be
22 misreading it, but the sense I get from the Crystal River
23 experience recently is that somehow or other, the system isn't
24 communicating right. Either the utilities don't know what it
25 is we're looking for and expect, or disagree with what we're

1 looking for and expect, and that there's a mismatch between
2 what we're doing and what the utilities are doing on their
3 own.

4 MR. DENTON: We've had a lot of meetings on that. I
5 think it is one on which progress is being made. But you've
6 pointed out one where we need to continue to work.

7 [Slide.]

8 On unresolved safety issue, if I can run through
9 them -- it's on page 14 -- steam generator tube integrity, you
10 had approved issuing a letter. We sent a letter out to all
11 licensees April 17th.

12 Systems interaction, A-17, that's one of the
13 three. I think we've got at a staff level a resolution of
14 all unresolved safety issues now but three. So the large list
15 of unresolved safety issues, I think, is something of a
16 misperception. We may not have made it all the way through
17 the process, but we do have a solution.

18 CHAIRMAN PALLADINO: Is effort going on, and how are
19 you doing with regard to implementing the resolutions?

20 I think the question is often asked of us.

21 MR. DENTON: Many of them are resolved without
22 requiring -- you take one that we resolved without requiring
23 an action. But on a few plants, it goes into the licensing
24 action, and we review the licensing action, so they all turn
25 in the licensing actions eventually.

1 The level of resources we're putting into resolving
2 them, we're on target. We're not taking any effort away from
3 this area and not diverting any effort from resolving the
4 issues.

5 CHAIRMAN PALLADINO: I don't think I got an answer
6 to my question.

7 Is somebody giving attention to making sure that
8 they are implemented after you do all of this hard work
9 and get them resolved, because if they are really unresolved
10 safety problems, then when they are resolved, they cease to be
11 problems?

12 MR. DENTON: Yes.

13 CHAIRMAN PALLADINO: But in order for them to cease
14 to be problems, somebody has to do something about it.

15 I'm not saying it's necessarily your job, but
16 somewhere in the agency --

17 MR. DIRCKS: I think Harold is saying that the final
18 result will be the amendment into the license, and the
19 requirement is passed on to the licensee, and then the I&E
20 program will pick up.

21 CHAIRMAN PALLADINO: I can't generalize, but some of
22 them may take hardware changes, somebody making sure that
23 these people are doing the hardware changes.

24 MR. DENTON: Yes.

25 COMMISSIONER ASSELTINE: Procedures.

1 CHAIRMAN PALLADINO: I just don't have a good feel
2 for that.

3 MR. DENTON: GAO faulted us when they reviewed this
4 area for not having a good tracking system in it, and we
5 committed to doing it. So we will follow all the way through
6 to be sure that it doesn't get swept in with the other
7 thousands of things, but rather that it really gets
8 implemented and inspected.

9 On the inspected side, I don't think we committed
10 to inspect the resolution, the actual one, because inspection
11 is an audit process, and GAO had recommended that we actually
12 inspect the implementation of every resolution, and I don't
13 think I&E had the resources to commit to do that when we
14 responded to that report. You would select the ones that you
15 want to check the implementation on.

16 MR. TAYLOR: We may pick up on that in part of our
17 outage program work, too, when we get to a plan on that
18 program, which we've started.

19 CHAIRMAN PALLADINO: I'd be interested in a little
20 more detail -- not now -- on our implementation process.

21 MR. DENTON: We'll get some examples.

22 CHAIRMAN PALLADINO: And maybe either have a
23 separate briefing on it, or maybe a brief paper on what your
24 plans are.

25 MR. ROE: Let's just include that in our next

1 quarterly PPG report to you and highlight that.

2 MR. DENTON: I mentioned steam generator tube
3 integrity, A-17 systems interaction, and I expect a CRGR
4 review in August or September. We have finally a substitute
5 piece of work in that area that we're going to propose.

6 A-40, seismic design, every time we march up that
7 hill, a little new science develops. I think we'll go to CRGR
8 soon on that. There was just an earthquake in Chile fairly
9 recently where they had a lot of strong motion earthquakes
10 very near a fault. So that's a fertile --

11 CHAIRMAN PALLADINO: Where was this?

12 MR. DENTON: Chile. And we're getting those
13 records. And we have so few instruments near major faults
14 that that information deserves a look.

15 A-43, the containment emergency sup, we met with
16 CRGR several times. We think we now have a resolution. We'll
17 be meeting with CRGR in July on A-43.

18 Station blackout, that's a very important issue.
19 The more I look at it, the more I find that if you do have --
20 if you can maintain AC power in the plant, there's an awful
21 lot you can do. That's a vital area.

22 COMMISSIONER ASSELSTINE: The converse is also true.

23 MR. DENTON: It sure is. It makes the batteries
24 more important. That's one reason we're looking at batteries
25 also.

1 We forwarded a proposed rulemaking package to the
2 Commission. We have just got the Utility Group's submittal of
3 their views on this topic, and we have committed to send down
4 to the Commission a report, after we have read what the
5 industry --

6 CHAIRMAN PALLADINO: I concur on this business of
7 needing AC power. I've maintained for several decades
8 now, as long as you've got power at the site, you can handle
9 almost any accident, but, boy, you're in trouble if you don't
10 have power at the site.

11 MR. DENTON: A-45 is one of the three that we have
12 been struggling with, shutdown decay heat removal. We now
13 have preliminary reports from our consultants for two plants.
14 We expect reports on the other five plants fairly early.

15 What they're finding is, there are ways to improve
16 heat removal from plants; however, these tend to be very
17 costly, large improvements in plants, and A-45 may be one that
18 we don't resolve in '85. It looks more like early '86,
19 because of the differences in design between 2-loop, 3-loop
20 plants, and within plants. But we're making progress. We are
21 meeting with the ACRS on the two plants that we have looked at
22 in detail.

23 A-46, seismic qualification of equipment, we have
24 revised our package on that. I expect CRGR review in June of
25 '85, and this is one where there has been a big industry

1 effort to assist in collecting information on the seismic
2 resistance of equipment.

3 A-47, control systems, this is one of the three that
4 we don't have a resolution at hand on. A lot of technical
5 work is coming together. I expect the CRGR review in the
6 fall.

7 A-48, hydrogen control, we're still doing some
8 work on ice condensers, Mark III containments, and some
9 tests are still going on. But I expect that to work out well.

10 A-49, thermal shock, the final rule is awaiting a
11 Commission decision on that one. I think that one is largely
12 in hand.

13 Finally, one that we have not called a USI, but
14 that's the issue we talked about, the integration of issues.
15 We are continuing to look at ways that we can come up with a
16 way to integrate these remaining issues I talked about into
17 one sort of task. So we're attempting now to consciously
18 think about these remaining ones and a way of integrating
19 them.

20 But in effect, I think we've got a solution on all
21 but the three, and progress is being made on those three.

22 COMMISSIONER BERNTHAL: Harold, I wanted to go back,
23 since we're not going to come close to finishing all this
24 today. I might as well do some while we're here -- a few
25 things right.

1 If we could go back to page 13, I wasn't sure --
2 maybe you brushed over it so quickly I didn't hear it -- but
3 exactly where are we now, then, on GESSAR-2, completion of
4 staff and ACRS review? Is that really going to be done by
5 this summer?

6 And also where do we stand on what I guess you would
7 call a kind of hybrid review, if that's indeed what we're
8 doing with the CESSAR standard plant.

9 [Slide.]

10 MR. DENTON: I think they are both very close. Once
11 the Commission issues a final view on these matters, and I
12 think there's some rewrite, and we're still --

13 MR. DIRCKS: We just got it, I think, a day or two
14 ago. That's your severe accident policy statement.

15 CHAIRMAN ZECH: Where does that stand?

16 MR. DIRCKS: It just arrived about two days ago.

17 COMMISSIONER ZECH: We just have it now.

18 MR. ROE: It incorporates the corrections.

19 [Simultaneous discussion.]

20 CHAIRMAN PALLADINO: It took us longer to get the
21 staff requirements memo than it did for you to give us the
22 response.

23 MR. DENTON: So we'd be prepared to issue, I think,
24 FDAs promptly for the two plants which were standard. And I
25 think for the GESSAR review, we do expect the ACRS review to

1 be wrapped up. I think they just had a meeting and probably
2 another meeting scheduled. I would anticipate, then, we could
3 move ahead on GESSAR.

4 So I would think in the next few months that those
5 reviews would be complete.

6 COMMISSIONER BERNTHAL: Good. I'm pleased to hear
7 that. I would hope at least by now you have an inkling of
8 what the Commission wants, even if we haven't got it on paper.

9 MR. DENTON: I think we do.

10 MR. DIRCKS: We think we got what you wanted.

11 That's why we sent that down.

12 [Laughter.]

13 MR. DENTON: Every effort will take considerable
14 resources when they start rolling. I think I mentioned that
15 to you before.

16 I've covered, then, page 14 and 15 in essence by --

17 CHAIRMAN PALLADINO: I have a couple of questions on
18 15.

19 MR. DENTON: All right.

20 [Slide.]

21 CHAIRMAN PALLADINO: You have completed resolution
22 of four generic issues, and you say you're going to do
23 twelve additional. Is that realistic?

24 MR. DENTON: These are generic issues. These are
25 not --

1 CHAIRMAN PALLADINO: I thought you were going to
2 pass page 15.

3 MR. DENTON: Yes, I think we will complete twelve.
4 These twelve are not the USIs, but these are -- yes, I think
5 that's realistic.

6 CHAIRMAN PALLADINO: Then the four that you did were
7 more difficult? It just seems like half the time is gone, and
8 you're going to do three times as much in the second half as
9 you did in the first half.

10 MR. DENTON: I think they're not all apples. I see
11 no difficulty in completing the twelve. We really budget
12 these to be completed during the year, and when you take a
13 miniature snapshot of it, and I don't see any difficulty in
14 getting these twelve out.

15 COMMISSIONER ZECH: Did you take a look on that same
16 page at the generic issues, the medium priority ones, to see
17 whether some should not be placed in the high category or
18 perhaps even some in the low category? Have you taken another
19 hard look at that?

20 MR. DENTON: Yes, we did. We have not identified a
21 medium priority since March. We are really looking at them.
22 The one that got into the high priority was the pump seal.
23 Remember, we had proposed that as a USI, and the Commission
24 decided to treat that as a high priority, so that one is being
25 treated that way.

1 I think the prioritization we do is now getting wide
2 acceptance. We have talked to the ACRS and the industry about
3 it. We more or less agree now that the high, medium, low can
4 be effectively handled.

5 COMMISSIONER ZECH: But you reviewed the medium ones
6 here. You say you're not going to schedule for resolution
7 after March of '85. None of that category you think should be
8 placed in the high category.

9 MR. DENTON: That's correct.

10 COMMISSIONER ZECH: Or even in the low category?

11 MR. DENTON: That's correct. We looked at them --

12 COMMISSIONER ZECH: Okay, thank you.

13 MR. DENTON: -- and we didn't change them after
14 March.

15 COMMISSIONER ZECH: All right.

16 MR. DENTON: TMI clean-up on page 16, I will just
17 mention what happened yesterday.

18 [Slide.]

19 They succeeded in lifting the plenum assembly. It
20 was uneventful, and the assembly is now underwater in the end
21 of the pool. As far as I can tell, everything went as
22 planned, and there was no unusual equipment malfunction,
23 personnel errors, or overexposure. So I consider that a
24 success.

25 The effort now there will be to clean up the water

1 and taking the assembly out and restart up the water. So
2 there will be a period of the clean-up system running to build
3 a bridge to go over the top of the assembly to the reactor
4 vessel and install lighting, and then later on this summer to
5 begin the clean-up process. So I think yesterday was one more
6 major milestone.

7 COMMISSIONER ZECH: The point you have at the bottom
8 of the page, approximately 95 percent of the radioactivity
9 released from the primary system during accident, shift
10 offsite.

11 That's a very significant matter. I wonder how
12 well known that is. That's very important to know, that 95
13 percent has been removed from that reactor.

14 Has that been widely publicized, or is that
15 recognized or not?

16 MR. DENTON: Probably not very widely. And let me
17 try to --

18 COMMISSIONER ZECH: It's very important.

19 COMMISSIONER ASSELSTINE: That does not include the
20 core.

21 COMMISSIONER ZECH: It means an awful lot to me. Of
22 course it does not mean the core.

23 MR. DENTON: It means the activity that was in the
24 water that was released to the bottom of the containment and
25 to --

1 CHAIRMAN PALLADINO: Primarily that which was in the
2 water.

3 MR. DENTON: Yes.

4 COMMISSIONER ZECH: Clean-up, what they could do.
5 The core is still to come.

6 MR. DENTON: They did recently announce a several
7 months slip in their overall schedule, but I don't see that as
8 a major item with regard to the progress that we are finally
9 making here.

10 COMMISSIONER BERNTHAL: So yesterday they proved
11 that they could get the plenum out without any problem.

12 MR. DENTON: They did lift it out and removed it.
13 They lifted it, and they put it in the bottom of the pool, so
14 I think the radiation levels were quite low in there at the
15 time, and everything performed satisfactorily.

16 MR. ROE: Harold, while you still have the floor,
17 maybe if we could shift to 20 and 21 and see if there's any
18 additional comments you'd like to make our risk assessment
19 activities right now.

20 MR. DENTON: I think we are finding risk assessment
21 a very useful tool in prioritizing our workload.

22 [Slide.]

23 We've had a Branch Chief go out to the region and
24 get their input on how we're prioritizing, so that all the
25 generic issues now are reprioritized, relooked at about every

1 quarter, and that process seems to be a very useful use of
2 PRA. We used Limerick PRA in the course of a proceeding, and
3 I probably should mention Zion.

4 Now that the Commission has acted on Indian Point,
5 Commonwealth Edison is interested in our acting in some manner
6 on the order I issued to them in the same timeframe. So we're
7 putting some attention to how we might conform my actions
8 back in 1980 to today's perception of risk.

9 One area I will mention as a lead-in to Bob, we had
10 anticipated being able to start resolving the severe accident
11 issues in the middle of the summer, based on the coming
12 together of a methodology of how to approach severe accidents.

13 You may recall that IDCORE had proposed several
14 years ago that they would develop a methodology. We would,
15 through our laboratory effort, develop a way to check their
16 methodology. I understand now that we're not going to
17 be or have that methodology in hand, especially for boiling
18 water reactors, for some time longer. That's going to prevent
19 me from really kicking off a review of the IDCORE effort that
20 they had hoped to kick off in the middle of the summer.

21 It appears we are closer together on PWR large
22 containments than we are for boilers. Maybe with that
23 lead-in, I'll --

24 MR. ROE: If we could, let me suggest, Mr. Chairman,
25 we do have two slides, several slides on quality assurance

1 enforcement. I think to meet your time schedule, I would like
2 Jim Taylor to address those, highlight anything in there.

3 COMMISSIONER ASSELSTINE: Would this be a good place
4 to stop?

5 CHAIRMAN PALLADINO: I thought this might be a good
6 place to stop. I just discovered I have had somebody waiting
7 since 11:30.

8 COMMISSIONER ASSELSTINE: Sounds like an excellent
9 place to stop.

10 MR. ROE: When we reconvene, we'll have quality
11 assurance enforcement, and then we'll go into safety research
12 programs.

13 CHAIRMAN PALLADINO: You might take a look at our
14 agenda, so that when we get the agenda planning, we can
15 schedule another meeting.

16 COMMISSIONER ASSELSTINE: These were good
17 presentations.

18 CHAIRMAN PALLADINO: Yes. I think it was a very
19 good discussion also. I think we also have to add something
20 for our additional meetings on Part XX.

21 Thank you very much. I think it was very
22 profitable. We stand adjourned.

23 (Whereupon, at 11:55 o'clock, a.m., the Commission
24 meeting was adjourned.)

25

1 CERTIFICATE OF OFFICIAL REPORTER

2
3
4
5 This is to certify that the attached proceedings
6 before the United States Nuclear Regulatory Commission in the
7 matter of: Commission Meeting

8
9 Name of Proceeding: Mid-Year Budget and Program Review

10
11 Docket No.:

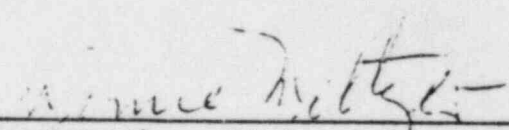
12 Place: Washington, D. C.

13 Date: Thursday, May 16, 1985

14
15 were held as herein appears and that this is the original
16 transcript thereof for the file of the United States Nuclear
17 Regulatory Commission.

18
19 (Signature)

(Typed Name of Reporter)


Mimie Meltzer

20
21
22
23 Ann Riley & Associates, Ltd.
24
25

U.S. NUCLEAR REGULATORY COMMISSION
FY 1985 MIDYEAR RESOURCE AND PROGRAM REVIEW*
BRIEFING TO COMMISSION
MAY 16, 1985

* RESOURCE INFORMATION AS OF MARCH 1985, PROGRAM INFORMATION AS OF APRIL 1985.

NUCLEAR REGULATORY COMMISSION
FY 1985 MIDYEAR RESOURCE AND PROGRAM REVIEW
(\$ IN THOUSANDS)

	<u>AMOUNT</u>
° FY 1985 FUNDS AVAILABLE:	
- FY 1985 APPROPRIATION	\$448,200
- FY 1984 UNOBLIGATED FUNDS CARRIED OVER TO FY 1985	5,699
- OCTOBER 1, 1984 - MARCH 31, 1985 - DEOBLIGATION OF FUNDS OBLIGATED IN PRIOR YEARS	2,111
- DEFICIT REDUCTION ACT RESCISSION	<u>- 4,329</u> ^{1/}
TOTAL	\$451,681
° FY 1985 OBLIGATIONS THRU MARCH 31, 1985	<u>278,253</u>
° PERCENT OBLIGATED	62%

^{1/} THE FORTY-FIVE DAYS ALLOWED FOR CONGRESSIONAL ACTION EXPIRED ON APRIL 24, 1985. CONGRESS DID NOT ACT, AND THE FUNDS HAVE JUST BEEN REAPPORTIONED TO NRC. OMB ADVISES THAT AGENCIES SHOULD NOT INTERPRET THE RELEASE OF THESE FUNDS AS A MANDATE TO SPEND AND HAS INDICATED POTENTIAL CONGRESSIONAL ACTION TO RESCIND THESE FUNDS AT A LATER DATE.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID-YEAR PROGRAM AND BUDGET REVIEW

STAFF UTILIZATION AS OF MARCH 31, 1985
(FULL-TIME EQUIVALENT STAFF YEARS)

	<u>FTE AUTHORIZED</u>	<u>PERCENT USED</u>
NRR	640	49.5
NMSS	297	51.9
IE	242	47.8
RES	230	50.0
REGIONS	1006	50.9
EDO STAFF OFFICES	747	50.4
COMMISSION STAFF OFFICES	<u>329</u>	<u>49.1</u>
	3491	50.2

NUCLEAR REGULATORY COMMISSION
FY 1985 MIDYEAR RESOURCE AND PROGRAM REVIEW

FUNDING REQUIREMENTS AND SOURCES
(\$ IN THOUSANDS)

REQUIREMENTS

SALARIES AND BENEFITS - PAY SHORTFALL \$1,500

ADMINISTRATIVE SUPPORT -
RM - ADP 200

TRAVEL -
REGIONS 102
RES 60
COMM OFFICES 67
EDO OFFICES 28

TOTALS

\$1,957

SOURCES

PROGRAM SUPPORT -

NRR - MINOR UNDERRUNS \$ 200
IE - MINOR UNDERRUNS 155
REGIONS - URANIUM RECOVERY 378
COMM - MINOR UNDERRUNS 19
EDO - MINOR UNDERRUNS 65

ADMINISTRATIVE SUPPORT

REGIONS - REGION I MOVE DELAYED 851
ADM - TELECOM 189

EQUIPMENT

REGIONS - MINOR UNDERRUNS 100

\$1,957

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

TRANSPORTATION, MATERIALS, FUEL CYCLE

° TRANSPORTATION:

- COMPLETED 71 TRANSPORTATION CERTIFICATION CASES VS 110 PLANNED FOR FY 1985.
- CONDUCTED A JOINT HEADQUARTERS/REGION III/STATE INCIDENT EXERCISE UTILIZING THE NEW OPERATIONS CENTER ON APRIL 30, 1985.
- JOINTLY SPONSORING NRC/DOT SPENT NUCLEAR FUEL TRANSPORTATION SEMINAR TO BE HELD IN CHICAGO IN AUGUST 1985.
- CONTINUED REVIEW OF RULE REFORM (MODAL STUDY AND INSTITUTIONAL RELATIONSHIPS STUDY)

° MATERIALS:

- COMPLETED 9 OF THE 15 STANDARD REVIEW PLANS AND COMPANION REGULATORY GUIDES PLANNED FOR FY 1985.
- COMPLETED TRANSFER TO REGIONS OF MATERIALS LICENSING RESPONSIBILITY FOR FEDERAL LICENSES IN APRIL 1985. REGIONS PERFORMING WELL.
- COMPLETED INTERIM NRC RESPONSE COORDINATION PLAN FOR MATERIALS CONTAMINATION INCIDENTS. PUBLISHED LESSONS LEARNED TASK FORCE REPORT. FINAL NRC RESPONSE PLAN TO BE COMPLETED IN JULY 1985.
- EFFECTIVELY HANDLED UNANTICIPATED EVENTS ON CONTAMINATED PIPE FITTINGS FROM TAIWAN AND WELL CASING PIPES FROM BRAZIL.
- PROPOSED REVISIONS TO 10 CFR 35 SUBMITTED TO COMMISSION IN DECEMBER 1984.
- CONTINUED REVIEW OF UPGRADES IN RADIOGRAPHY SAFETY TO BE COMPLETED BY JULY 1986.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

TRANSPORTATION, MATERIALS, FUEL CYCLE
(CONTINUED)

- COMPLETED APPROXIMATELY 2400 NUCLEAR MATERIAL LICENSING CASES VS 5800 PLANNED FOR FY 1985.
 - * - ARRANGED FOR DISPOSITION OF MATERIAL IN THE J.C. HAYNES CASE.
 - INITIAL CAPABILITIES OF MATERIALS LICENSING MANAGEMENT SYSTEM OPERATIONAL.
 - * - RADIOGRAPHY INSPECTIONS HAVE SHIFTED TO MORE ON-SITE OBSERVATION VS PAPERWORK REVIEWS.
 - CONDUCTED APPROXIMATELY 1100 INSPECTIONS OF THE 2300 PLANNED FOR FY 1985.
- ° FUEL CYCLE:
- REMEDIAL ACTIONS AT CONTAMINATED SITES ESSENTIALLY COMPLETE; ONE EXPIRED LICENSE SITE REMAINS.
 - COMPLETED 49 FUEL CYCLE FACILITY LICENSING CASES VS 80 PLANNED FOR FY 1985.
 - * - AS A RESULT OF NRS ERWIN INCIDENT, SPECIAL INSPECTION ATTENTION BEING PAID TO CRITICALITY SAFETY AND BUILD UP OF MATERIALS IN UNSAFE GEOMETRIES.
 - CONDUCTED APPROXIMATELY 47 RADIATION SAFETY INSPECTIONS AT FUEL FACILITIES, COMPARED TO 32 AT THIS TIME LAST YEAR.
 - REVIEWED AND COMMENTED ON DOE PROJECT PLAN AND DESIGN FOR WEST VALLEY HLW SOLIDIFICATION PROJECT.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

MANAGING NUCLEAR WASTE

- * ° STAFF CONCLUDED THAT MOU WITH DOE ON NWPA INTERACTIONS IS NOT NEEDED.
- ° COMMENTED TO DOE ON NINE DRAFT ENVIRONMENTAL ASSESSMENTS AND A PRELIMINARY DRAFT OF THE PROJECT DECISION SCHEDULE.
- ° COMMENTED ON DOE REPORT TO CONGRESS ON ALTERNATIVE APPROACHES TO MANAGE THE CONSTRUCTION AND OPERATION OF ALL CIVILIAN RADIOACTIVE WASTE MANAGEMENT FACILITIES.
- ° PUBLISHED PROPOSED AMENDMENT TO 10 CFR 60 FOR SITE CHARACTERIZATION AND NRC/STATE/ TRIBE INTERACTION.
- ° ANPRM ON DEFINITION OF HLW TO BE COMPLETED IN JUNE 1985.
- ° FINAL RULE 10 CFR 60 ON THE UNSATURATED ZONE SENT TO COMMISSION FOR APPROVAL.
- ° REVIEWING 2 DRY SPENT FUEL LICENSE APPLICATIONS AND 7 TOPICAL REPORTS FOR DRY CASK STORAGE.
- ° MONITORING DOE DEVELOPMENT OF MRS PROPOSAL; ANTICIPATE DOE FORMAL PROPOSAL SUBMITTAL TO CONGRESS IN JANUARY 1986.
- * ° APPRISED COMMISSION OF REGULATORY IMPLICATIONS OF POTENTIAL RESTRICTED ACCESS TO LLW DISPOSAL SITES AND RECOMMENDED SPECIFIC ACTION (SECY 85-83).

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

MANAGING NUCLEAR WASTE
(CONTINUED)

- ° CONTINUING INTERACTION WITH EPA TO DEVELOP ALTERNATE CONCENTRATION LIMITS METHODOLOGY.
- ° FINAL RULE ON NON-RESOURCE CONSERVATION AND RECOVERY ACT REGULATORY CHANGES TO CONFORM TO EPA MILL TAILINGS STANDARDS TO COMMISSION IN MAY 1985.
- ° IMPLEMENTING EPA STANDARDS FOR ALL 14 OF THE EXISTING CONVENTIONAL MILLS.
- ° COMPLETED 61 URANIUM RECOVERY LICENSING CASES VS 95 PLANNED FOR FY 1985.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SAFEGUARDS

- ° COMPLETED 6 REGULATORY EFFECTIVENESS REVIEWS FOR POWER REACTORS VS 18 PLANNED FOR FY 1985, ANNUAL REPORT SUBMITTED TO COMMISSION.
- ° COMPLETED 127 REACTOR SAFEGUARDS LICENSING CASES VS 340 PLANNED FOR FY 1985.
- ° COMPLETED 79 FUEL CYCLE FACILITY SAFEGUARDS LICENSING CASES VS 110 PLANNED FOR FY 1985.
- ° COMPLETED 100 TRANSPORTATION AND EXPORT SAFEGUARDS LICENSING CASES VS 180 PLANNED FOR FY 1985.
- ° COMPLETED SEMI-ANNUAL REVIEW OF THE THREAT ENVIRONMENT. CURRENTLY COORDINATING WITH DOE AND NSC (SECY 85-24).
- ° INITIATED TRAINING PROGRAM TO PROVIDE RESIDENT INSPECTORS WITH MORE INFORMATION FOR SPOTTING POTENTIAL SECURITY DEFICIENCIES.
- ° CONDUCTED 103 SAFEGUARDS INSPECTIONS AT POWER REACTORS, 50 AT FUEL FACILITIES AND 18 AT NON-POWER REACTORS, COMPARED TO 100 AT POWER REACTORS, 48 AT FUEL FACILITIES AND 16 AT NON-POWER REACTORS AT THIS TIME LAST YEAR.

REACTORS IN OPERATION

- ° CURRENTLY 93 POWER REACTORS LICENSED TO OPERATE - 88 FULL POWER LICENSES, 5 LOW POWER LICENSES.
- ° COMPLETED APPROXIMATELY 1200 REACTOR LICENSING ACTIONS THROUGH THE END OF MARCH, 1985 VS 2660 PLANNED FOR FY85 INCLUDING THE REVIEW AND PUBLICATION IN FEDERAL REGISTER OF 476 NOTICES OF "NO SIGNIFICANT HAZARD CONSIDERATION" WHICH RESULTED IN 1 PUBLIC COMMENT AND NO REQUESTS FOR HEARINGS; AND 3 NOTICES OF "SIGNIFICANT HAZARDS" WHICH RESULTED IN NO COMMENTS OR REQUESTS FOR HEARINGS.
- ° LICENSING ACTION INVENTORY PER REACTOR HAS REMAINED RELATIVELY CONSTANT. THE TOTAL INVENTORY HAS INCREASED TO ABOUT 4300.
- * ° PLAN TO INITIATE MODIFIED PILOT INTEGRATED SAFETY ASSESSMENT PROGRAM FOR TWO PLANTS.
- ° RESPONDED SUCCESSFULLY TO UNANTICIPATED OPERATING EVENTS SUCH AS FERMI, FARLEY, SUSQUEHANNA, SEQUOYAH AND MCGUIRE.
- * ° AT MID YEAR, 134 OPERATIONS RESIDENT INSPECTORS ON-SITE.
- ° CONDUCTED PERFORMANCE APPRAISAL TEAM (PAT) INSPECTIONS AT DAVIS-BESSE AND COOPER. NEXT PAT SCHEDULED AT MAINE YANKEE IN MAY.
- * ° IE ASSESSMENT INSPECTIONS IN THE OPERATIONS/SURVEILLANCE AREAS CONDUCTED AT SAN ONOFRE, MCGUIRE AND SUSQUEHANNA.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

REACTORS IN OPERATION

- ° CURRENTLY 93 POWER REACTORS LICENSED TO OPERATE - 88 FULL POWER LICENSES, 5 LOW POWER LICENSES.
- ° COMPLETED APPROXIMATELY 1200 REACTOR LICENSING ACTIONS THROUGH THE END OF MARCH, 1985 VS 2660 PLANNED FOR FY85 INCLUDING THE REVIEW AND PUBLICATION IN FEDERAL REGISTER OF 476 NOTICES OF "NO SIGNIFICANT HAZARD CONSIDERATION" WHICH RESULTED IN 1 PUBLIC COMMENT AND NO REQUESTS FOR HEARINGS; AND 3 NOTICES OF "SIGNIFICANT HAZARDS" WHICH RESULTED IN NO COMMENTS OR REQUESTS FOR HEARINGS.
- ° LICENSING ACTION INVENTORY PER REACTOR HAS REMAINED RELATIVELY CONSTANT. THE TOTAL INVENTORY HAS INCREASED TO ABOUT 4300.
- * ° PLAN TO INITIATE MODIFIED PILOT INTEGRATED SAFETY ASSESSMENT PROGRAM FOR TWO PLANTS.
- ° RESPONDED SUCCESSFULLY TO UNANTICIPATED OPERATING EVENTS SUCH AS FERMI, FARLEY, SUSQUEHANNA, SEQUOYAH AND MCGUIRE.
- * ° AT MID YEAR, 134 OPERATIONS RESIDENT INSPECTORS ON-SITE.
- ° CONDUCTED PERFORMANCE APPRAISAL TEAM (PAT) INSPECTIONS AT DAVIS-BESSE AND COOPER. NEXT PAT SCHEDULED AT MAINE YANKEE IN MAY.
- * ° IE ASSESSMENT INSPECTIONS IN THE OPERATIONS/SURVEILLANCE AREAS CONDUCTED AT SAN ONOFRE, MCGUIRE AND SUSQUEHANNA.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

REACTORS IN OPERATION
(CONTINUED)

° INCIDENT RESPONSE/EMERGENCY PREPAREDNESS:

- NEW OPERATIONS CENTER COMPLETE -- OPERATIONAL FEBRUARY 1985.
- CONDUCTED 3 REACTOR AND 2 TRANSPORTATION EMERGENCY EXERCISES.
- INCIDENT DATA COMMUNICATIONS TEST COMPLETED AT MCGUIRE. PLANNING FOLLOW-ON WITH LA SALLE (COMMONWEALTH EDISON) AND SUSQUEHANNA.
- OBSERVED 30 EMERGENCY PREPAREDNESS EXERCISES FOR POWER REACTORS.
- COMPLETED 3 EMERGENCY RESPONSE FACILITY APPRAISALS, 4 ADDITIONAL APPRAISALS PLANNED IN FY 1985.

* IE REVIEW AND TESTING OF NEW APPROACHES TO ON-SITE INSPECTIONS (EXPANDED RESIDENT COVERAGE, MORE REGION-BASED TEAM ORIENTED INSPECTIONS, AND "REACTIVE ONLY" PROGRAM) HAS BEEN COMPLETED. PRELIMINARY RESULTS INDICATED THAT:

- INCREASE IS NEEDED IN RESIDENT INSPECTOR MANNING OF SINGLE UNIT OPERATING SITES. (LIMITED RESOURCES)
- TEAM INSPECTIONS ARE PARTICULARLY APPROPRIATE FOR DIAGNOSIS OF PROBLEMS.
- "REACTIVE ONLY" INSPECTIONS ARE NOT SUFFICIENT IN EVALUATING UTILITY PERFORMANCE.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

REACTORS IN OPERATION

(CONTINUED)

- ° THROUGH MID YEAR, CONDUCTED APPROXIMATELY 1100 INSPECTIONS FOR REACTORS IN OPERATION, COMPARED TO 920 AT THIS TIME LAST YEAR. NUMBER OF INSPECTIONS PER UNIT REMAINS AT ABOUT THE SAME LEVEL AS IN FY 1984. TEAM (VS INDIVIDUAL) INSPECTIONS ARE NOW FOCUSSED ON ROOT CAUSES FOR DEFICIENCIES. SPECIAL INSPECTION ATTENTION TO CATEGORY 3 SALP AREAS.
- ° AEOD REPORT FOR THE PERIOD JULY-DECEMBER 1984 SUBMITTED TO COMMISSION.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

REACTOR LICENSING

- ° NEW OPERATING LICENSES RESTRICTED UP TO 5% POWER WERE ISSUED TO 8 REACTORS, 3 OF WHICH WERE LATER CONVERTED TO FULL POWER AUTHORIZATIONS. AN ADDITIONAL 3 REACTOR LICENSES WERE CONVERTED TO FULL POWER AUTHORIZATIONS FOR A TOTAL OF 6 DURING MID YEAR FY 1985. ISSUANCE OF POWER LICENSE FOR SHOREHAM DELAYED DUE TO LITIGATION, FULL POWER LICENSING OF LIMERICK DELAYED DUE TO EMERGENCY PREPAREDNESS.
- *
 - SPECIAL TECHNICAL REVIEW GROUPS REVIEWED ALLEGATIONS AT COMANCHE PEAK, WATERFORD AND TRANSAMERICA DELAVAL, INC., DIESEL PROBLEMS.
 - REVIEWING OPERATING LICENSE APPLICATIONS FOR 30 POWER REACTORS.
 - COMMISSION POLICY FOR REVIEWING AND HANDLING LATE FILED ALLEGATIONS ISSUED. NEW ALLEGATION MANAGEMENT SYSTEM IMPLEMENTED.
- ° THROUGH MID YEAR, ABOUT 42 FTE EXPENDED AND \$4.2 MILLION OBLIGATED VS 27 FTE AND \$1.3 MILLION PLANNED TO SUPPORT LICENSING REVIEWS OF DIABLO CANYON 1, WATERFORD, COMANCHE PEAK, WOLF CREEK, TMI-1 RESTART AND TDI DIESEL REVIEWS.
- ° ISSUED NRC/FEMA REVISED MEMORANDUM OF UNDERSTANDING TO FACILITATE HANDLING OF NRC REQUESTS FOR FEMA FINDINGS AND DETERMINATIONS.
- ° AT MID YEAR, AT LEAST TWO RESIDENT INSPECTORS ASSIGNED TO ALL ACTIVE CONSTRUCTION SITES.
- ° CONDUCTED CONSTRUCTION APPRAISAL TEAM (CAT) INSPECTIONS AT SHEARON HARRIS, BRAIDWOOD AND MILLSTONE. NEXT CAT AT CLINTON.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

REACTOR LICENSING
(CONTINUED)

- ° THROUGH MID YEAR, CONDUCTED APPROXIMATELY 500 INSPECTIONS FOR REACTORS UNDER CONSTRUCTION, COMPARED TO 560 AT THIS TIME LAST YEAR. INSPECTIONS PER UNIT UNDER CONSTRUCTION REMAINS AT ABOUT THE SAME LEVEL AS IN FY 1984.
- ° ADMINISTERED ABOUT 540 EXAMINATIONS TO REACTOR OPERATORS.
- ° GESSAR II SEVERE ACCIDENT FINAL DESIGN APPROVAL IS AWAITING SEVERE ACCIDENT POLICY STATEMENT, AND COMPLETION OF STAFF AND ACRS REVIEWS (EXPECTED MID-1985).
- ° DEVELOPING PROPOSED POLICY AND INDUSTRY REQUIREMENTS FOR RESUMING CONSTRUCTION ACTIVITIES AT A DEFERRED FACILITY.
- ° DRAFT NUCLEAR POWER PLANT LICENSING AND STANDARDIZATION LEGISLATION SENT TO CONGRESS. STAFF DEVELOPING IMPLEMENTATION PROCEDURES.
- ° REVISIONS TO 1978 STANDARDIZATION POLICY UNDERWAY TO REFLECT SEVERE ACCIDENT POLICY.
- ° PUBLISHED PROPOSED POLICY FOR REGULATION OF ADVANCED NUCLEAR POWER PLANTS.
- ° STAFF PARTICIPATED IN MEETINGS WITH DOE, UTILITY, AND INDUSTRY REPRESENTATIVES TO BECOME FAMILIAR WITH CURRENT DESIGN ACTIVITIES IN ADVANCED REACTORS.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SAFETY ISSUES

° UNRESOLVED SAFETY ISSUES:

- FINAL RULE FOR PRESSURIZED THERMAL SHOCK, USI A-49, SENT TO COMMISSION FOR APPROVAL. REGULATORY GUIDE IS UNDER DEVELOPMENT.
- FINAL RESOLUTION FOR USI A-43 PLANNED FOR LATE FY 1985.
- PROPOSED RESOLUTIONS OF USI A-3/4/5 ISSUED FOR PUBLIC COMMENT.
- ISSUANCE OF PROPOSED TECHNICAL RESOLUTION FOR USI'S A-40, A-44, AND A-46 PLANNED FOR LATE FY 1985.
- DEVELOPMENT OF PROPOSED TECHNICAL RESOLUTIONS FOR USI'S A-17, A-45, A-47 AND A-48 IS PROCEEDING. COMPLEXITY OF USI'S A-17, A-45, AND A-47 MAY REQUIRE EXTENDING ISSUANCE OF PROPOSED TECHNICAL RESOLUTION FOR PUBLIC COMMENT BEYOND FY 1985.
- THE ABOVE REPRESENTS ALL ACTIVE USI'S.

° HUMAN FACTORS PROGRAM PLAN:

- IMPLEMENTED COMPUTERIZED EXAMINATION QUESTION BANK FOR USE BY NRC REACTOR OPERATOR LICENSE EXAMINERS.
- MONITORING INDUSTRY IMPLEMENTATION OF ACCREDITATION OF TRAINING.
- PUBLISHED POLICY STATEMENTS ON TRAINING AND QUALIFICATIONS.
- DEVELOPED MAINTENANCE AND SURVEILLANCE PROGRAM PLAN.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SAFETY ISSUES
(CONTINUED)

- ° COMPLETED FINAL TECHNICAL RESOLUTION FOR 4 GENERIC SAFETY ISSUES. TWELVE ADDITIONAL ISSUES ARE PLANNED FOR COMPLETION IN FY 1985.
- ° MEDIUM PRIORITY GENERIC ISSUES IDENTIFIED AFTER MARCH 1985 ARE NOT BEING SCHEDULED FOR RESOLUTION.
- ° MANAGING REGULATORY REQUIREMENTS:
 - CRGR HAS REVIEWED 14 PROPOSED POLICY AND REGULATORY REQUIREMENTS CONCERNING REACTORS.
 - MANAGING PLANT-SPECIFIC BACKFIT REQUIREMENTS FOR OPERATING REACTORS AND OPERATING LICENSE APPLICANTS IN ACCORDANCE WITH COMMISSION GUIDANCE. INITIAL EVALUATION IS SCHEDULED FOR COMPLETION IN EARLY 1985.
 - FINAL REVISION TO APRIL 1984 MANUAL CHAPTER ISSUED IN APRIL 1985 TO IMPROVE THE POLICY AND EFFECTIVENESS OF IMPLEMENTATION.
 - CONDUCTING EIGHT OFFICE LEVEL SEMINARS TO ASSURE STAFF UNDERSTANDING OF HOW TO IMPLEMENT POLICY.
 - PROCEDURES TO CONTROL THE INITIATION OF RULEMAKING HAVE BEEN DEVELOPED AND IMPLEMENTED.
 - SYSTEMATIC PROCEDURES FOR PERFORMING VALUE-IMPACT ASSESSMENTS HAVE BEEN DEVELOPED AND INCORPORATED INTO THE REGULATORY ANALYSIS GUIDELINES.
 - NRR EXAMINING TECH SPECS TO ENSURE THAT THEY ARE FOCUSED ON MATTERS OF HIGH SAFETY SIGNIFICANCE.
 - A REPORT ON TECH SPECS WILL BE ISSUED IN LATE FY 1985 TO PRESENT NEXT STEPS.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SAFETY ISSUES
(CONTINUED)

° COST ANALYSIS SUPPORT:

- PROVIDED COST ANALYSIS SUPPORT FOR 28 ISSUES AND INITIATED FOUR NEW GENERIC COST STUDIES.
- ISSUED GUIDANCE ON COST ESTIMATING METHODS AND DEVELOPMENT OF GENERIC COST ESTIMATES.
- DEVELOPED PROCEDURES TO TRACK ALL REGULATORY IMPACT ANALYSIS ACTIVITIES.

° TMI-2 CLEANUP

- ISSUED 8 SAFETY EVALUATIONS AND APPROVED 344 DETAILED PROCEDURES THAT FACILITATED COMPLETION OF SIGNIFICANT CLEANUP ACTIVITIES.
- CONTINUED REVIEW AND OVERSIGHT OF LICENSEE'S DECONTAMINATION PROGRAM.
- ISSUED SEVERAL LICENSE AMENDMENTS AND EXEMPTIONS TO PROMOTE EXPEDITIOUS REMOVAL OF FUEL FROM SITE.
- TIMELY APPROVAL ALLOWED JACKING REACTOR PRESSURE VESSEL PLENUM UPWARDS ABOUT SEVEN INCHES.
- GENERAL AREA RADIATION LEVELS REDUCED BY A FACTOR OF THREE INSIDE CONTAINMENT; RESULT, LOWER LEVELS OF WORKER RADIATION EXPOSURE.
- MEETINGS WITH DOE ON THE DESIGN OF THE FUEL SHIPPING CASK.
- ONGOING INSPECTION OF OFFSITE SHIPMENTS OF HIGH SPECIFIC ACTIVITY SDS LINERS.
- APPROXIMATELY 95% OF THE RADIOACTIVITY RELEASED FROM PRIMARY SYSTEM DURING ACCIDENT SHIPPED OFFSITE.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

QUALITY ASSURANCE

- ° DEVELOPED QA PROGRAM IMPLEMENTATION PLAN. COMMISSION REVIEWING PLAN AND DISPOSITION OF NUREG-1055 (MAY 1984) RECOMMENDATIONS PROPOSED BY STAFF.
- ° STAFF IMPLEMENTING SEVERAL IMPROVEMENTS IDENTIFIED IN NUREG-1055, SUCH AS:
 - PILOT READINESS REVIEW PROGRAM AT VOGTLE (INTEGRATES LICENSING COMMITMENTS, DESIGN REVIEW, AND CONSTRUCTION INSPECTION),
 - QA FOR HIGH-LEVEL WASTE REPOSITORY AND MONITORED RETRIEVABLE STORAGE FACILITY,
 - STARTED TO DEVELOP INSPECTION PROGRAM WHICH INTEGRATES DESIGN AND CONSTRUCTION INSPECTIONS OF PLANT OUTAGES AND MAJOR MODIFICATIONS,
 - PREPARING FOR POSSIBLE READINESS REVIEW PROGRAM FOR RESTART AT WNP-3.
- * ° VENDOR INSPECTION PROGRAM HAS EMPHASIZED LICENSEE RESPONSIBILITY FOR VENDOR SUPPLIERS THROUGH PLANT INSPECTIONS, ENFORCEMENT ACTIONS AND INFORMATION NOTICES.
- ° PLANT SITE INSPECTIONS HAVE IDENTIFIED INSTANCES IN WHICH SIGNIFICANT VENDOR INFORMATION HAS NOT BEEN CONSIDERED/IMPLEMENTED BY LICENSEES.
- ° COMPLETED 4 SITE INSPECTIONS TO DETERMINE ADEQUACY OF IMPLEMENTATION OF 10 CFR 50.49
 - EQUIPMENT QUALIFICATION RULE.
- ° CONDUCTED INTEGRATED DESIGN INSPECTIONS AT PERRY AND SHEARON HARRIS. CONDUCTING INTEGRATED DESIGN REVIEW AT COMANCHE PEAK IN SUPPORT OF PROJECT DIRECTOR.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

QUALITY ASSURANCE
(CONTINUED)

- ° ISSUED INDEPENDENT DESIGN VERIFICATION PROGRAM (IDVP) REPORTS FOR LIMERICK AND CLINTON. IDVP AT HOPE CREEK IS UNDERWAY.
- * ° REVIEWING ENGINEERING ASSURANCE PROGRAMS AT MILLSTONE 3, NINE MILE POINT 2 AND SOUTH TEXAS.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

ENFORCEMENT

- ° PROCESSED 84 ENFORCEMENT CASES.
- ° ISSUED 43 (22 REACTOR, 21 NON-REACTOR) CIVIL PENALTIES TOTALING \$1.3 MILLION. CIVIL PENALTY ACTIONS HAVE BEEN ACCOMPLISHED, ON THE AVERAGE, WITHIN ABOUT 13 WEEKS VS GOAL OF EIGHT WEEKS.
- ° DEVELOPING PROPOSED POLICY ON VENDOR ENFORCEMENT.
- ° ISSUED FINAL IE MC 0400, ENFORCEMENT PROGRAM - GUIDANCE ON IMPLEMENTATION OF ENFORCEMENT POLICY.
- ° DEVELOPING ENFORCEMENT GUIDANCE FOR ACTIONS AGAINST INDIVIDUALS, WHICH IS NOT COVERED IN IE MC 0400. TO BE COMPLETED JULY 1985.
- ° ADVISORY COMMITTEE ON ENFORCEMENT POLICY:
 - FORMED NOVEMBER 1984
 - CONDUCTED 3 MEETINGS AND SCHEDULED 3 ADDITIONAL MEETINGS
 - REPORT SCHEDULED TO BE ISSUED AUGUST 1985.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

RISK ASSESSMENT

- ° TEN GENERIC ISSUES PRIORITIZED.
- ° REVIEWED LICENSEE PRA SUBMITTALS (E.G., SHOREHAM, MILLSTONE 3).
- ° DEVELOPING RISK IMPORTANCE OF BWR GENERIC ISSUES WITH UTILITY FOR LASALLE PRA.
- ° PROGRAMS (RES/IE/REGION 1) UNDERWAY TO APPLY PRA RESULTS TO PRIORITIZE INSPECTION PROGRAMS.
- ° NUREG-1115, CATEGORIZATION OF REACTOR SAFETY ISSUES FROM A RISK PERSPECTIVE (MARCH 1985), PRESENTS METHODS FOR USING PRA INSIGHTS TO AID IN DECISIONMAKING.
- ° ANALYSIS AND EVALUATION OF OPERATING DATA AND COHERENT DATA BASE DEVELOPMENT.
 - CONTINUED TO SCREEN EACH LER AND OTHER PERTINENT EVENT REPORTS TO IDENTIFY THOSE EVENTS OR SITUATIONS THAT WARRANT ADDITIONAL ANALYSIS AND EVALUATION.
 - INITIATED STUDIES ON SCRAM FREQUENCY AND ESF ACTUATIONS.
 - DEVELOPED AND IMPLEMENTED A PROGRAM TO TREND AND DISPLAY SELECTED OPERATIONAL DATA.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

RISK ASSESSMENT

(CONTINUED)

- BASED UPON EVALUATION OF 1984 LERS, A DESCRIPTION OF THE OBSERVED DEFICIENCIES AND GUIDANCE ON HOW TO IMPROVE THE CONTENTS OF LERS ARE UNDER PREPARATION. THESE COMMENTS WILL BE ISSUED TO THE INDUSTRY DURING 1985 AS SUPPLEMENT 2 TO NUREG-1022.
- ISSUED A HANDBOOK ON APPLICATION OF THE ABNORMAL OCCURRENCE CRITERIA AND EXAMPLES IN JANUARY 1985.
- CONTINUED TO IMPLEMENT AN NPRDS EVALUATION PROGRAM AS REQUESTED BY THE COMMISSION.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SAFETY GOALS

° SAFETY GOALS:

- SENSITIVITY STUDIES COMPLETED FOR SAFETY GOAL PARAMETERS.
- IMPLEMENTATION APPROACH DEVELOPED.
- EVALUATION REPORT SUBMITTED TO EDO AND ACRS.
 - INCLUDES SUPPORTING TECHNICAL EVALUATION AND DRAFT POLICY STATEMENT
 - TO BE SUBMITTED TO COMMISSION FOLLOWING EDO REVIEW.

° PRA REFERENCE DOCUMENT:

- NSF PEER REVIEW COMPLETED MARCH 1985
- REPORT ON NSF PEER REVIEW ANTICIPATED TO EDO IN MAY, 1985.

SOURCE TERMS

° CONTRACTOR CALCULATIONS UNDERGOING TECHNICAL REVIEW.

* ° REASSESSMENT OF TECHNICAL BASES:

- APS PEER REVIEW COMPLETED FEBRUARY 1985.
- DRAFT NUREG-0956 ANTICIPATED TO COMMISSION DURING SUMMER 1985.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

SEVERE ACCIDENTS *

- ° REVISED SEVERE ACCIDENT POLICY PAPER TO BE SUBMITTED TO COMMISSION MAY 1985.
- ° A SCHEDULE OF PROPOSED REGULATORY CHANGES RESULTING FROM THE SEVERE ACCIDENT RESEARCH IS BEING PREPARED BY NRR.
- ° IDCOR AND RES ARE MEETING TO RESOLVE 18 SEVERE ACCIDENT ISSUES.
- ° RISK ASSESSMENT FOR THE SIX SOURCE TERM PLANTS AND COST BENEFIT ANALYSES OF POSSIBLE HARDWARE CHANGES DELAYED DUE TO APS REVIEW.
- ° SEVERE ACCIDENT RESEARCH PROGRAM:
 - COMPLETED PBF (SFD 1-4) TEST WITH IRRADIATED FUEL (FEBRUARY 1985).
 - BEGAN LARGE-SCALE CORE-CONCRETE INTERACTION EXPERIMENTS.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

MAJOR RESEARCH PROGRAMS

° THERMAL HYDRAULICS:

- STEAM GENERATOR TEST PROGRAM PRODUCED DATA SIMULATING ACCIDENT CONDITIONS RESULTING FROM STEAM LINE BREAK (WESTINGHOUSE, EPRI AND NRC).
- COMPLETED STEAM LINE-FEED LINE BREAK TEST SERIES ON SEMISCALE.

* ° APPENDIX K

- COMMISSION PAPER AND PROPOSED RULE IN NEAR FINAL FORM.
- WORK ON REGULATORY GUIDE AND REPORT SUMMARIZING SUPPORTING RESEARCH IN PROGRESS.
- TARGET RECOMMENDATION TO COMMISSION IN AUGUST 1985.

° APPENDIX J

- PROPOSED REVISION AND NEW REGULATORY GUIDE CURRENTLY UNDERGOING FINAL REVIEW BY NRC OFFICES.
- REGULATORY PACKAGE COMPLETE AND SCHEDULED FOR CRGR AND ACRS REVIEW JUNE 1985.

NUCLEAR REGULATORY COMMISSION
FY 1985 MID YEAR RESOURCE AND PROGRAM REVIEW

MAJOR RESEARCH PROGRAMS
(CONTINUED)

° SEISMIC

- COMPLETED RESEARCH SHOWING PIPE RUPTURE IS HIGHLY UNLIKELY FOR PWR PRIMARY COOLANT LOOP - DEFINES IMPROVED APPROACH TO PIPE RESTRAINTS.
- COMPUTER CODES DEVELOPED FOR CALCULATING PROBABILISTIC SEISMIC HAZARD CURVES FOR EASTERN U.S. SITES.
- LARGE SCALE SEISMIC TEST WITH GERMANY AT HDR TO VALIDATE SEISMIC PREDICTIVE METHODS AND OBTAIN SEISMIC QUALIFICATION ON EQUIPMENT, TO BE COMPLETED BY FY 1988.
- POSSIBLE COOPERATION WITH JAPAN AT TADOTSU TO EXTEND EXISTING TEST OF PWR LOOP INTO THE INELASTIC RANGE TO VALIDATE SIMPLIFIED, NON-LINEAR PIPING COMPUTER CODES.
- METHODS TO ESTIMATE SEISMIC MARGINS OF OPERATING PLANTS WHOSE DESIGN BASIS EARTHQUAKE MAY BE INCREASED BY RESOLUTION OF CHARLESTON EARTHQUAKE ISSUE.

12/82

TRANSMITTAL TO: ☒

Document Control Desk, 016 Phillips

ADVANCED COPY TO: ☐

The Public Document Room

DATE:

5/21/85

cc: OPS File

FROM:

SECY OPS BRANCH

C&R (Natalie)

Attached are copies of a Commission meeting transcript(s) and related meeting document(s). They are being forwarded for entry on the Daily Accession List and placement in the Public Document Room. No other distribution is requested or required. Existing DCS identification numbers are listed on the individual documents wherever known.

Meeting Title: Mid-Year Budget and Program Review

Meeting Date: 5/16/85 Open ☒ Closed ☐

DCS Copies
(1 of each checked)

Item Description:

Copies
Advanced
To PDR

Original
Document

May
be Dup*

Duplicate
Copy*

1. TRANSCRIPT

1

1

When checked, DCS should send a copy of this transcript to the LPDR for: W/memo graphs

2.

3.

4.

(PDR is advanced one copy of each document, two of each SECY paper.)

*Verify if in DCS, and
Change to "PDR Available."