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APR 26 1985

General Electric Company
ATTN: Mr. Eugene A. Lees, General Manager
Nuclear Fuel Manufacturing Department
P. O. Box 780
Wilmington, NC 28402

Gentlemen:

SUBJECT: MANAGEMENT MEETING (DOCKET NO. 70-1113)

This refers to a meeting conducted in the NRC Region II Office on March 13, 1985 at the request of General Electric Company personnel. This meeting related to the activities authorized by NRC License No. SNM-1097 for the Wilmington Nuclear Fuel Fabrication plant and was attended by members of my staff and W. W. McMahon and C. M. Vaughan of your company.

The subjects discussed at this meeting are described in the enclosed Meeting Summary.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosure will be placed in NRC's Public Document Room unless you notify this office by telephone within ten days of the date of this letter and submit written application to withhold information contained therein within thirty days of the date of the letter. Such application must be consistent with the requirements of 10 CFR 2.790(b)(1).

Should you have any questions concerning this matter, please contact us.

Sincerely,

J. Nelson Grace
Regional Administrator

Enclosure:
Meeting Summary

cc w/encl:
C. M. Vaughan, Manager
Regulatory Compliance

bcc w/o encl: (See page 2)

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ENCLOSURE
MEETING SUMMARY

Licensee: General Electric Company

Facility: Wilmington Nuclear Fuel Fabrication

License No.: SNM-1097

Docket No.: 70-1113

Subject: Discussion of Inspection and Enforcement Issues Relative to Inspection Reports 70-1113/84-17, 70-1113/84-14, and 70-1113/85-01

On March 13, 1985, representatives of General Electric Company met with NRC Region II personnel in Atlanta, Georgia to discuss various aspects of their management systems pertaining to safety and safeguards, how those systems interface with regulatory requirements, and various inspection and enforcement issues. The attendance list is attached as Attachment A to this Summary. The meeting was held at the request of General Electric Company.

The following topics were discussed:

a. Nuclear Fuel Manufacturing Department (NFMD) Organization

The licensee explained the NFMD management organization and how the Quality Assurance (Safety and Safeguards) functions interfaced with Manufacturing and other Departmental Components to assure that regulatory and company safety and safeguards policy commitments were met.

b. Management Tracking Systems

The licensee explained their systems for tracking safety and safeguards concerns, whether they were licensee identified or NRC identified, and their methods for keeping higher management informed of the status of these items.

c. Licensee Action Related to Allegations

The licensee described the actions that were taken pertaining to allegations in accordance with their internal program.

d. Inspection History/Enforcement Criteria

The licensee stated that it was apparent that the number of Severity Level IV violations had increased since 1983. The licensee indicated that this may be due somewhat to increased NRC inspection activity, but inquired if there has been a change in the enforcement policy. The licensee was informed that there has been no recent changes in the policy. The old NRC enforcement criteria was compared with the present NRC enforcement criteria.

e. Inspection Report 70-1113/84-17

The licensee discussed air sampling in the CHEMET Lab. The results of a smoke test they performed indicated that air in the lab moved toward the single air return in the lab. The licensee reviewed the air sample data collected from two additional air samplers which were located in the general flow of air from the lab during a twelve week study and compared the results with the data collected from the permanent sampler. The licensee reviewed the 1979 through 1984 air sampling data from the one air sampler located in the Wet Lab section of the CHEMET Lab and the urinalysis data for CHEMET Lab personnel for 1983 and 1984 and stated that based on these data, workers in the lab did not have measurable uptakes of soluble uranium. The licensee reviewed the results of whole body counts for Lab personnel in 1983 and 1984 and stated that workers in the Lab were not receiving measurable uptakes of insoluble uranium. The licensee also reviewed the 1983 TLD results for Lab personnel which were much lower than the production area workers.

In summary, the licensee stated that air concentration in the Lab did not exceed 25% of the maximum permissible concentrations (MPC) specified in 10 CFR 20. The licensee also stated that they have conservatively provided a personnel monitoring program with continuous air monitoring, urinalysis, whole body counts, TLD and assigned airborne exposure determinations all of which are not required because the air concentrations are less than 25% of MPC. The licensee representatives stated that based on this, they intended to deny the violation that suitable measurements of concentrations of radioactivity in air were not made.

An NRC representative stated that this information would be reviewed in more detail in subsequent inspections, but that evaluations of the need for air sampling and bioassay must be performed before an operation begins and periodically re-evaluated as conditions change. Documentation of the evaluations, as well as subsequent re-evaluations, must be maintained to demonstrate compliance.

f. Inspection Report 70-1113/84-14 Violation 3

Failure to follow section 4.2.4.1 of the FNMC Plan.

The licensee indicated that the bias calculations for the material balance period ending August 1984, were performed using appropriate techniques but were not in strict accordance with the FNMC Plan.

g. Inspection Report 70-1113/85-01 Violation 1

Failure to establish and follow a management system which provides for approval of nuclear material control and accounting procedures by the individual with overall responsibility for the material control and accounting function.

The licensee admitted that the two procedures identified in the violation had not been approved as required but denied that the management system was inadequate.

h. NRC Concerns Related to NFMD

NRC management stated that, although the NRC and GE have an overlapping common interest in protecting worker and public health and safety, the NRC does have a distinct role as a regulatory agency. Therefore, the NRC will continue to followup on allegations in accordance with agency policy, will inspect and enforce in accordance with the regulatory requirements, and will transmit our results in inspection reports. As the inspection program is only a sampling of licensee activities, the NRC expects the licensee to clearly establish a basis for each safety activity when it is instituted, and to look at the entire picture as a result of violations, to provide comprehensive corrective actions which address the root causes of the violations, to identify weaknesses and trends.

i. Interface Improvement

The licensee expressed his desires to establish an appropriate interface with NRC Region II to assure that not only were his safety and safeguards programs adequately established, but also that he may adequately address any Region II concerns. Region II stated the NRC's policy is as expressed in the previous paragraph and stated that management meetings of this nature are encouraged, where needed, so that each party may better understand the other's position on enforcement issues and methods of doing business.

John B. Kahle
Fuel Facility Project Manager

Date

Enclosure:
Attachment A - Attendance List

ATTACHMENT A

ATTENDANCE LIST

Attendance at the General Electric - NRC meeting on March 13, 1985, at the NRC Region II office.

General Electric Company

W. W. McMahon, Manager, Quality Assurance
C. M. Vaughan, Manager, Regulatory Compliance

NRC Region II

J. P. Stohr, Director, Division of Radiation Safety and Safeguards (DRSS)
J. M. Puckett, Director, Enforcement and Investigations Coordination Staff
B. W. Jones, Regional Counsel
K. P. Barr, Chief, Nuclear Materials Safety and Safeguards Branch, DRSS
D. M. Collins, Chief, Emergency Preparedness and Radiological Safety Branch, DRSS
E. J. McAlpine, Chief, Material Control and Accountability Section, DRSS
G. R. Jenkins, Chief, Facilities Radiation Protection Section, DRSS
J. B. Kahle, Fuel Facility Project Manager
D. W. Jones, Statistician
C. M. Hosey, Senior Radiation Specialist
B. Uryc, Investigative Coordinator

APR 26 1985

General Electric Company

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bcc w/encl:
Document Control Desk
Safeguards and Materials Program
Branch, EWW-359
Fuel Facility Safeguards Licensing
Branch, 881-SS

bcc w/o encl:
License Fee Management Branch
State of North Carolina

RII
JB Kahle:ht
06/4/85

RII
EJM
EJMcAlpine
04/19/85

RII
KPBarr
08/8/85

RII
GJenkins
03/18/85

RII
DCollins
04/10/85

RII
JPStohr
09/25/85

RII
JPuckett
04/30/85

RII
Blones
09/11/85

RII
JOlshinski
09/1/85

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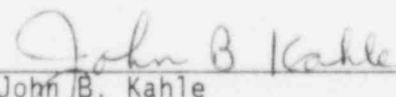
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