



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

December 5, 1996

MEMORANDUM TO: Lawrence C. Shao, Director
Division of Engineering Technology
Office of Nuclear Regulatory Research

THRU: Michael E. Mayfield, Chief *Michael E. Mayfield*
Electrical, Materials and Mechanical Engineering Branch
Division of Engineering Technology, RES

FROM: Deborah A. Jackson, Mechanical Engineer *Deborah A. Jackson*
Electrical, Mechanical and Materials Engineering Branch
Division of Engineering Technology, RES

Shah N. Malik, Senior Materials Engineer *Shah N. Malik*
Electrical, Mechanical and Materials Engineering Branch
Division of Engineering Technology, RES

SUBJECT: HIGHLIGHTS: STEERING COMMITTEE MEETING FOR THE
MIDLAND ANNEALING DEMONSTRATION PROJECT

Meeting Date: November 7, 1996

Location: Offices of MPR Associates, Inc.
320 King Street
Alexandria, VA 22151

Purpose: Project Review Meeting of the Steering Committee for Midland
Reactor Vessel Annealing Demonstration Project (ADP)

Attendees: See Attachment

On November 7, 1996, a meeting was held to review the status of the Midland ADP at the time the "stop work order" was issued by DOE for FY97 work under the project and to discuss possible actions for continuing the project at a later date. The NRC staff attended the meeting as observers.

Highlights of the meeting are as follows:

1. Alex Zarechnak of MPR gave an update on the fabrication and assembly of the annealing electrical heater. The heater was completed except for the installation of the top cover. Hot functional testing of the heater was scheduled to begin on November 18, 1996. On November 22, 1996, the hot functional test of the furnace was completed. The test confirmed the successful operation of the furnace. All internal instrumentation was ordered and installed. The external instrumentation

was not ordered at the time of the stop work order. Due to the shorter lead time, about 3 months, on the external instrumentation, it can be ordered once the project recommences.

Based on DOE instructions, the annealing heater assembly will presently be stored in Russia, even though a number of Steering Committee (SC) members expressed reservations on keeping it stored in Russia due to potential for vandalism and possible deterioration in electrical wiring and connections due to lack of controlled environment at the storage location, should the storage become long term. The DOE/MPR team will have to find a funding source for transportation (after disassembly) and storage of the heater in the U.S., if the team decides to bring the heater from Russia.

2. Bob Steele of MPR briefly discussed the issue of ownership of the annealing heater. The rights of the team members to ownership are a legal issue that will be discussed at a subsequent meeting.
3. Larry Stanek of Framatome Technologies discussed the site preparation at Midland. The objective of the latest site visit was to identify items that need to be cleaned/completed prior to starting the ADP. A letter was sent to Consumers Power, owner of the Midland Plant, to identify these items. The additional instrumentation for the ADP SC and consumable items (e.g., temperature crayons, paint, labels, etc.) had been ordered. The instrumentation order has not been paid, and was canceled after receiving the stop work order, but the consumable items were paid for in full and were of small cost. Consumers Power stated that the vessel will be available until March 31, 1998, provided the ADP is fully funded.
4. Project alternatives/options were discussed among the SC members. The following alternatives/options were discussed:
 - a. Completing the Midland ADP in FY 1997. This would require 100% industry funding for the remaining part of the unfinished project.
 - b. Completing the ADP in FY 1998. The SC, including DOE, would need to initiate funding and contract changes to make this option viable.
 - c. Terminating ADP at the end of 90 days from the day stop work order was issued. This option is the least desirable due to the fact that 77% of the funds are expended.
5. Additional funding discussions will take place with the cost share partners and DOE/Sandia

Future Meetings: To be announced

Attachment: Attendance List

Distribution:

J. Taylor	D. Morrison	T. Speis	F. Miraglia
B. McCabe	J. Strosnider	K. Wichman	M. Mitchell
M. Gamberoni	Branch R/F	PDR	

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OFFICE	EMMEB	EMMEB	SC/EMMEB	CIEMMEB
NAME	D. Jackson *	S. Malik *	E. Hackett	Mayfield
DATE	12/ /96	12/ /96	12/ /96	12/ /96

* See Previous Concurrence

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OFFICE	EMMEB	EMMEB	SC/EMMEB	C/EMMEB
NAME	D. Jackson	S. Malik	E. Hackett	M. Mayfield
DATE	12/14/96	12/04/96	12/03/96	12/1/96

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RES File Code: 1B1

Attachment

Attendance List: November 7, 1996, Midland Steering Committee Meeting

NRC

D. Jackson, RES

S. Malik, RES

DOE

D. Harrison

D. Agarwal

J. Warren

SNL

J. Nakos

MPR

N. Marrone

B. Steele

A. Zarechnak

D. Chapin

Framatome Technologies

L. Stanek

D. Darling

Empire State Electric Energy Research Co.

B. Monti

J. Burger

EPRI

S. Rosinski

TVA

D. Couch

GPU Nuclear

H. Shipman