

December 22, 1996

MEMORANDUM TO: James M. Taylor  
Executive Director for Operations

FROM: Carl J. Paperiello, Director  
Office of Nuclear Material Safety  
and Safeguards

ORIGINAL SIGNED BY  
Malcolm R. Knapp (for)

SUBJECT: FINAL ACTION STATUS REPORT ON THE ACTION PLAN RESULTING FROM  
THE LESSONS LEARNED REPORT AND NMSS REVIEW OF OIG REPORT ON  
SEQUOYAH FUELS CORPORATION NOVEMBER 17, 1992, ACCIDENT

Attached is the 1996 Annual Status Report on the Action Plan resulting from the October 1994 Lessons Learned Report and the NMSS review of the October 1994 OIG report on the Sequoyah Fuels Corporation November 17, 1992, accident. All of the tasks have now been completed and this constitutes our final report on the closeout actions resulting from the lessons learned from the Sequoyah Fuels Corporation accident.

If you have any questions about the information contained in the attached status report, please call Mike Weber at 415-7190.

Attachment: 1996 Annual Status Report

CONTACT: Craig Hrabal, NMSS/FCSS  
415-5424

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JL PROOFED 12/20 FOR CJP

JJones 12/18/96

OFC	FCLB	FCLB	FCSS	NMSS
NAME	CHrabal*/MTAdams*	MWeber*	ETenEyck*	CPaperiello
DATE	12/6/96-12/6/96	12/17/96	12/19/96	12/22/96

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

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1996 ANNUAL STATUS REPORT ON THE  
ACTION PLAN RESULTING FROM THE LESSONS LEARNED REPORT AND NMSS REVIEW OF OIG REPORT ON SEQUOYAH FUELS  
CORPORATION NOVEMBER 17, 1992, ACCIDENT

TASK	REF.	RESPONSIBLE OFFICE	DUE DATE
<p>1. Review the status of emergency plans, including amendments thereto, for fuel cycle facilities to ensure all plans are current.</p> <p>Status - FCLB Project Managers for fuel cycle facilities that are required to have emergency plans have reviewed the plans and found them to be current.</p>	A	NMSS/FCSS	Completed June 1, 1995
<p>2. Encourage fuel cycle licensees to write emergency plans with more clarity and to identify the minimum number of personnel and positions needed to respond during accident conditions, including manning a control room when employed for accident control.</p> <p>Status - FCLB Project Managers have discussed with fuel cycle licensees the importance of writing emergency plans with more clarity and identifying the minimum number of personnel and positions needed to respond during accident conditions.</p>	A	NMSS/FCSS	Completed December 1995
<p>3. Evaluate regional practices to ensure all fuel cycle emergency plans are current.</p> <p>Status - Region II has evaluated its practices for ensuring that fuel cycle emergency plans are current. Region II's review identified that a certain number of the plans filed in its Incident Response Center were not as current as believed. Region II has rectified the situation and the plans are now current. Because of the region's review, they have begun a program to periodically audit the status of fuel facility emergency plans. This program modification will involve the region's project inspectors assuring quarterly that the plans are current.</p> <p>Region III has evaluated its practices for ensuring that fuel cycle emergency plans are current. Updated emergency plans are placed in the regional Incident Response Center when they are received from the licensee.</p> <p>Region IV has evaluated its practices for ensuring that fuel cycle emergency plans are current. An Emergency Response Coordinator Assistant (ERCA) has been assigned to maintain the plans current. Region IV has verified that they are on distribution for any updates to the plan and that the ERCA understands the responsibility for maintaining the plans current.</p> <p>Headquarters will continue to review the status of the fuel cycle emergency plans during the IMPEP reviews.</p>	A	Regions	Completed December 1995

ATTACHMENT

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ACTION PLAN RESULTING FROM THE LESSONS LEARNED REPORT AND NMSS REVIEW OF OIG REPORT ON SEQUOYAH FUELS  
CORPORATION NOVEMBER 17, 1992, ACCIDENT

TASK	REF	RESPONSIBLE OFFICE	DUE DATE
<p>4. • Review existing NRC/EPA Memorandum of Understanding and revise, as necessary, to clearly delineate how the respective responsibilities are carried out in emergency situations where the potential threat to offsite residents is from a nonradiological hazard.</p> <p>• Develop implementing procedures from NRC/EPA Memorandum of Understanding that clearly delineate how the respective responsibilities are carried out in emergency situations where the potential threat to offsite residents is from a nonradiological hazard.</p> <p>Status - NRC and EPA representatives had preliminary discussions on their respective responsibilities in emergency conditions involving the potential release of hazardous material at NRC licensed facilities. The agencies agreed in principle that the EPA would have an important role to support the NRC in the event of non-radiological hazards at NRC licensed facilities. Both agencies examined the scope of the existing NRC/EPA MOU and determined that modification is not necessary; the MOU structure and contents are sufficiently broad as to allow the NRC and EPA to work together to address a chemical event at one of NRC's licensees. NRC modified existing Operational Response Procedures to clearly delineate the responsibilities of NRC and EPA when a nonradiological threat exists at one of NRC's licensed facilities, and obtained agreement on the modifications from EPA.</p>	<p>A</p> <p>A</p>	<p>AEOD</p> <p>AEOD</p>	<p>Completed July 17, 1996</p>
<p>5. Revise Manual Chapter 2600 and its associated Inspection Procedures</p> <p>Status - Revised Manual Chapter 2600 was published on April 8, 1996. Applicable inspection procedures will be revised as necessary and updated periodically to reflect changing and anticipated inspection practices and priorities.</p>	B	FCSS/Regions	Completed April 8, 1996
<p>6. Inform fuel cycle and other major materials licensees that timely, accurate public information is expected in an emergency.</p> <p>7. Re-emphasize that the Agency will issue information on its own about incidents if a licensee refuses to do so or issues inadequate, misleading, or false information.</p> <p>8. Develop a procedure to evaluate media response during AITs and IITs.</p> <p>Status - (Tasks 6, 7, and 8) OPA sent a letter, dated October 2, 1995, to every major fuel cycle licensee outlining the NRC's expectations that they will provide timely and accurate information in the event of an emergency, and reminding them that NRC will not hesitate to issue a prompt announcement in such circumstances, especially if the licensee does not. OPA also has developed a procedure for evaluating and documenting a licensee's and the NRC's performance in dealing with emergency information during a given event. AEOD has worked with OPA to incorporate this procedure into the AIT and IIT guidance document. The next revision of the guidance documents on December 31, 1996, will include this procedure.</p>	<p>B</p> <p>B</p> <p>B</p>	<p>OPA</p> <p>OPA</p> <p>OPA</p>	<p>Completed by letter dated October 2, 1995</p>

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TASK	REF.	RESPONSIBLE OFFICE	DUE DATE
<p>9. Verify whether enforcement action could be taken with respect to operability of emergency onsite communications.</p> <p>Status - On May 22, 1995, staff from NMSS, OE, and OGC met to discuss Task #9. The staff concluded that enforcement action can be taken against a licensee if, during an inspection, an NRC inspector determines the licensee does not comply with the emergency onsite communications requirements of the license. In general, licensees have committed to Regulatory Guide 3.67, "Standard Format and Content for Emergency Plans for Fuel Cycle and Materials Facilities," or made an equivalent commitment, which was reviewed and found acceptable by the NRC staff, as an alternative method of meeting the regulatory requirement. If the licensee's commitment has been incorporated by reference into its license, then Regulatory Guide 3.67 or an incorporated alternative method constitutes a regulatory requirement, and failure to comply with the provisions of the regulatory guide or the alternative method would constitute a violation. Otherwise, failure to conform with the regulatory guide or the commitment could only be treated as a deviation under the NRC's Enforcement Policy.</p> <p>Failure of one or more pieces of equipment, particularly where batteries are being relied upon, does not necessarily constitute a violation of the license. Regulatory Guide 3.67, Section 7.6 only states: "A quarterly inventory should be made to ensure all emergency equipment and supplies are intact and in good operating condition..." and "The procedures should include timely corrective actions to be taken when deficiencies are found during these checks." Therefore, if Regulatory Guide 3.67 or an equivalent is referenced in the license, we can hold licensees to quarterly checks and timely corrective actions. NRC inspectors can request records of the quarterly checks to verify compliance with requirements or commitments. They can also check operability of equipment. Whether one or more pieces of emergency equipment being inoperable constitutes a violation would depend upon a consideration of the particular circumstances (e.g., was the inoperability widespread; had the licensee failed to take adequate corrective action when equipment was determined to not be in "good operating condition" during a quarterly check.)</p>	C	FCSS with OE and OGC	Completed May 22, 1995
<p>10. Encourage licensees to incorporate more realistic emergency exercise scenarios to test emergency preparedness of facility.</p> <p>Status - FCLB licensing and regional inspection staff have discussed with fuel cycle licensees the importance of incorporating realistic emergency exercise scenarios to test emergency preparedness of their facility.</p>	B	FCSS/Regions	Completed December 1995
<p>11. Encourage licensees to conduct a systematic evaluation of a facility's process and equipment that identifies hazards and their consequences.</p> <p>Status - Westinghouse Electric Corporation, Babcock &amp; Wilcox Naval Nuclear Fuel Division, Nuclear Fuel Services, and ABB Combustion Engineering-Hematite, have committed to Integrated Safety Analyses (ISAs) as part of their current licenses. Siemens Power Corporation has not committed to performing an ISA, and FCLB has renewed their license for only 5 years. The ISA is a systematic evaluation of the facility's process and equipment that identifies hazards and their consequences. General Electric (GE) will conduct an ISA during the current renewal period. The FCLB Branch Chief has encouraged Babcock &amp; Wilcox Commercial Nuclear Fuel Facility to conduct an ISA.</p>	B	FCSS	Completed November 1996



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TASK	REF.	RESPONSIBLE OFFICE	DUE DATE
<p>12. Evaluate the accessibility of remote readout equipment in a control room if utilized for mitigating emergency events.</p> <p>Status - Region II's evaluation determined that the control room equipment would be accessible during an emergency for those facilities that have control rooms. Based upon Region III's evaluation of an actual release event at Allied Signal, it was determined that the control room equipment was available and operable as required. Region IV's evaluation determined that Siemens' control room would be accessible during an emergency.</p>	B	Regions	Completed January 1996
<p>13. Ensure licensees have committed to the following in their emergency plans:</p> <ul style="list-style-type: none"> <li>a. offsite response agencies are invited to participate in emergency preparedness drills,</li> <li>b. offsite responders receive emergency response training,</li> <li>c. the supply and accessibility of respiratory equipment for emergencies are adequate,</li> <li>d. quarterly testing of emergency communication equipment is performed,</li> <li>e. verify licensees are complying with the Emergency Planning and Community Right-to-Know Act of 1986.</li> </ul> <p>Status - FCSS licensing and regional inspection staff have reviewed the emergency plans and have found them to contain the five commitments specified for this task.</p>	B	FCSS/Regions	Completed December 1995

BACKGROUND DOCUMENTS: A - Review of AIG Report (February 27, 1995)  
B - Lessons Learned Review (October 27, 1994)  
C - Approval Letter from J. Taylor, EDO (December 8, 1994)

TICKET

DATE RECEIVED: 12/05/96 ORIGINAL DUE DT: 12/31/96 CONTROL NO: 9600465  
FROM: DIVISION DATE: 12/23/96 DOC DT: 12/05/96  
TIME: : COMP DT: / /  
NMSS

TO:

Commission

FOR SIGNATURE OF :

\*\* SPEC \*\*

SECY NO:

ASSIGNED TO:

CONTACT:

FCSS

Hrabal

DESC:

ROUTING:

(WITS 9600062) ANNUAL REPORT TO DEDS ON  
IMPLEMENTATION OF ACTION PLAN REPORT ON LESSONS  
LEARNED REVIEW OF THE SEQUOYAH FUELS CORPORATION  
EVENT OF 11/17/92

Paperiello  
Knapp  
Linehan  
Jacobs-Baynard  
Poland

SPECIAL INSTRUCTIONS OR REMARKS:

SAME AS EDO WITS NUMBER 9600062

Due to NMSS - 12/23/96  
Due to EDO - 12/31/96

*Due Dates*

*FCLB - 12/17/96*

*FCSS - 12/19/96*

*NMSS - 12/23/96*

*EDO - 12/31/96*