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AREA CODE 202
223-9472

March 12, 1985

FEDERAL EXPRESS

Mr. James M. Taylor
Deputy Director
Office of Inspection
and Enforcement
7735 Old Georgetown Road
Bethesda, Maryland 20817

Re: English v. General Electric Company
U. S. Department of Labor
Office of Administrative Law Judge
Case No. 85-ERA-2

Dear Mr. Taylor:

But for a breakdown in our word-processor, you would have had Chapter II on Monday, March 11, 1985.

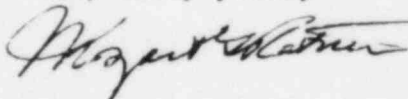
I have just acquired a copy of a memorandum dated March 1, 1985, and apparently circulated on March 5, 1985, from C. M. Vaughan, Manager, Regulatory Compliance, to W. W. McMahon, Manager, Quality Assurance, with copies, among others, to Sheely, number two in command of the Chemet Lab. I have underlined the portions that are of particular interest and significance.

In my opinion, the most damning admission is on Page 12 where Vaughan admits that the Company considers NRC's investigations superficial. One could hardly expect so authoritative a corroboration of our charges in the Petition and Chapters I and II thereof.

I
can't
find
it.

Your immediate action is urgently requested.

Very truly yours,



Mozart G. Ratner

MGR: jw

Enclosure

NUCLEAR FUEL MANUFACTURING DEPARTMENT - QA
Regulatory Compliance

March 1, 1985

cc to Staff

cc: JH Bradberry
CW Doyle
RHD Foleck
FM Maliga
GR Mallett
VL Monroe
WC Peters
LA Sheely
WB Smalley
RL Torres
HF Walker

W. W. McMahon, Manager
Quality Assurance

Subj: MONTHLY OPERATIONS REPORT
FEBRUARY 1985
REGULATORY COMPLIANCE

PROBLEM AREAS

Licensing

- o Increased NRC scrutiny and GE legal activities resulting from employee allegations are increasing the existing heavy workload on the Regulatory Compliance subsection.
- o A small shipment of six UO_2 samples was inadvertently made to an unlicensed facility on 2/21/85 due to a shipping label mix-up. The samples were forwarded to the intended licensee and the incident was reported to the NRC. It is not anticipated that the event will generate a violation.
- o New requirements for completion of DOE/NRC Form-741 went into effect 3/1/85. In order to comply efficiently, computer program modifications will need to be performed. In the interim, the new information will be added manually.

Nuclear Safety Engineering

o Incidents

Nuclear and Environmental Safety personnel (SP Murray and WB Smalley) responded off-hours to an elevated chemical stack release on 1/25/85 caused by a UF_6 leak on GECO line 6. After establishment of an investigation team, the following corrective actions were identified:

Replace the gasket material on a flanged connection of GECO line 6

Specify the (high temperature) gasket material on the PM instructions for the line 6 reactor

Evaluate the need for a sensor (electronic eye) to detect such leaks inside the containment hood

RECEIVED

MAR 5 RECD

L. A. SHEED

Radiation Protection

o UIRS

One UIR initiated when the FMO/FMOX criticality warning system battery charger failed. As a result of the failure, the evacuation alarm sounded and all FMO/FMOX personnel evacuated to the Staging Area.

o Chemet Lab

Increased surveillance of the lab continues, including periodic summary reporting to Lab and Regulatory Compliance staff. This current level of surveillance will be extremely difficult to maintain when UPMP goes not.

o Radiation Protection Support to the Shop

During the initial hot startup phase (4-8 weeks) of UPMP, Technician support for activities outside the main controlled areas (chemical, ceramic, and UPMP) will be extremely limited. New personnel additions to Radiation Protection are just now coming into the unit and these people will not be qualified to perform many technician duties. Areas that may be affected include support for "outside" RWP activities, non-controlled area audits/inspections, equipment releases and routine surveillance of Gadolinia, Shop Support, Chemet, Shipping/Receiving, waste material checks, etc.

o Shop Exposures to Airborne Radiation

Sporadic problems noted with line 1 dewatering centrifuge, line 1 slugger/granulator and the rad waste area (FW 6 only). One rad waste operator lost eight hours time in the controlled area. Most other areas continue to operate with a low incidence of perturbations. (See Attachment 1.)

o Air Sample Counters

The Harshaw air sample counters are again causing operational problems on a routine basis. C&IS continues to try and keep these units operational.

The frequency of equipment breakdown is beginning to become a manpower drain to both the Radiation Protection and C&IS units. The first Tenneco replacement system has been assembled, but not put into production due to some technical problems. Maintenance problems with the Harshaws plus the technical problem with the Tenneco replacement prototype have been elevated to Regulatory staff and C&IS management.

March 1, 1985

Environmental Protection

o Failure to Sample Potable Water for Coliform Bacteria

State drinking water regulations require that the plant potable water supply be sampled quarterly and that the sample be analyzed for coliform bacteria. The analytical result must be reported to the State by the 10th of the following month.

The required sample was not collected during the fourth quarter 1984 as a result of it being erroneously dropped from a sampling schedule.

We have notified the State of the missed sample and we have posted a notice to this effect on the official bulletin boards as a notification to the consumers, e.g. employees. We are not expecting any adverse reaction from the State since it is a single miss and measurement values routinely confirm that the water meets standards.

Emergency Preparedness and Security

o Criticality Alarms

Criticality alarms on 1/20/85 and 2/4/85 were traced to problems with the batteries and or equipment. These problems were corrected.

o Radio Transmitter

The radio transmitter at the lagoon failed to operate during a routine test of the criticality system. An outside service

agent was called in and identified the problem as a transmitter problem. It has been replaced with a spare while the original transmitter is being repaired.

o Automobile Stickers

Thirty-six metric employees were terminated and the vehicle identification stickers were not obtained upon their final departure. Alternative methods for contractor checkout are being explored to prevent this type of incident from occurring again.

Document Control Center

o Overdue Section Administrative Routines

- A review of SARs overdue for reissue has revealed several SARs are long overdue with no action taken by the responsible Sections to move these documents. ✓
- Overdue documents strain the efficiency of the SAR and P/R system. Coordination and processing of documents are level-loaded and require overtime if documents are allowed to pile up. ✓
- Sections with a high volume of overdue SARs have been contacted through their Section's SAR Coordinator or secretary. In an attempt to avoid level-loading problems, some SARs have been put into the Coordinator cycle one month early.

o Mail Cart

The mail cart is currently at Site Maintenance for repair. The cart malfunctioned on February 20th and, at the writing of this report, Site Maintenance personnel have informed DCC that it will take at least one more additional week to make repairs. They have been working diligently on the problem however, repairs cannot be completed until an ordered part is received. Because the mail is so crucial, imagine a day without mail service, DCC has been borrowing any available equipment (primarily Facility Engineering's van) so that the mail schedules can be met. This creates transportation hardships for the units from whom we have borrowed the equipment, consumes extra time, and makes a difficult and tightly scheduled job even more difficult.

March 1, 1985

o Furniture Storage

Reduction in personnel, relocation of employees, and office renovations have resulted in an excess of furniture for storage. Much of the furniture will be relocated following the furniture forecast. However, during the interim, the sea van which was purchased for storage, is filled to capacity and some furniture is being stored in empty offices.

SIGNIFICANT ACCOMPLISHMENTS

Licensing

- o UPMP operation was authorized by the NRC on 2/26/85. The project is now approved for "hot" startup once in-house requirements are satisfied. ✓
- o The NRC published a favorable report of the environmental impact of UPMP in the Federal Register on 2/21/85.
- o On 2/20/85, NFMD submitted a completed Design Information Questionnaire to the NRC as required pursuant to the NFMD notification on 12/27/84 of selection for participation in the IAEA Protocol Agreement. A cursory review of the document by the NRC prior to transmittal to the IAEA proved satisfactory. NFMD can expect a visit from IAEA and NRC personnel in March to begin negotiations for a Facility Attachment which will identify specific commitments between NFMD and the IAEA for reporting purposes.

Nuclear Safety Engineering

o Closure of Chemet Lab Potential Noncompliances

Four Potential Noncompliances for the Chemet Lab from Nuclear Safety audits from as far back as 1982 were closed this month. Two meetings will be held FW-9 with Chemet Lab personnel to review new nuclear safety requirements related to the PNC closures. This completes a significant effort which has stretched out for over a year and a half. ✓

o Facility Change Requests

Listed below is a table of Facility Change Requests which were analyzed and approved for operation in addition to the primary emphasis given to support the UPMP project:

In Queue/Analysis 1/1/85	85
Submitted for Analysis	16
Analysis Completed	22
Cancelled FCRs	3
In Queue/Analysis 2/26/85	76
Analysis Not Required	18
Approved for Operation	23

The following significant FCRs were completed since the beginning of the year:

FCR 82.015	Fabricate and install dip tube cleaning facility
FCR 82.104	Eliminate use of skids in the 421 warehouse
FCR 83.166	Replace LEM tanks shell water with polyethylene panels
FCR 83.290	Relocate line #5 and #6 inertial filters
FCR 84.002	Automated bundle assembly machine
FCR 85.035	<u>Operate UNH conversion under EET-153</u>

o UPMP

NSE has completed analyses required to allow the UPMP Lab to use limited quantities of uranium for continued testing and debugging of ICAPS. The lab preoperational audit and hot startup is planned for FW-9.

A compromise solution to the major radiological concern over ASMU contamination potential has been reached.

NSE approval was given for installation of the conveyor through GECO for the transport of hard scrap and sludge to UPMP.

All major nuclear safety issues for the startup of the UPMP waste stream processes have apparently been resolved. Nuclear safety analyses and reviews (based on NSE understanding of current controls) are on schedule for the FW-14 startup of the UPMP waste stream processes. A schedule of major NSE work tasks is shown in Attachment 2.

Radiation Protection

- o 80% of Radiation Protection volunteered and attended introductory PC DOS classes arranged for through Systems. In addition, several Technicians have completed advanced training offered at CFTI.
- o Programming of the Radiation Protection PC for use as a backup for REMTRAC reports continues at a reasonable pace.

March 1, 1985

- o With the help of Chemical Operations, NSE, and C&IS units, Radiation Protection was able to perform backup continuous monitoring for several hours during the repair of the building criticality warning system. This allowed the shop to operate in a normal mode. Without this support, many shop activities probably would have had to be shut down during the period.
- o Annual exchange of all hot area (approximately 280) air sampler flow gauges was completed this month. This activity, while time consuming, was accomplished on schedule. Radiation Protection currently provides all the support for this activity and our continued ability and responsibility to accomplish this task will be examined in the near future.

Environmental Protection

- o Incinerator Residue Burial at Barnwell

Chem-Nuclear Systems, Inc. has advised us that our method for packaging incinerator residue for burial at Barnwell has been approved. We are at the point now where we can commit the resources to begin burial of residues.

Emergency Preparedness and Security

W. W. McMahon
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o Vehicle and Package Search

Searches of vehicles and packages have resulted in identification of contraband illegally being brought into the GE site. Specifically, two cameras have been discovered in vendors vehicle and alcoholic beverages in a contractor's site truck.

o Drill

A table top confrontation exercise was conducted 2/22/85. A restructuring of the organization was identified as a result of recent LOWs, restructuring and transfer of personnel. The sounding of the confrontation signal provided a valuable experience to the team and organization.

Document Control Center

o P/P Manual Survey

A new P/P distribution sheet has been updated to reflect the current organizational title changes.

o QA&CS P/P Distribution Update

A request from QA&CS to update all P/Ps which require "QCE-Systems (3) A32" to be added to the standard distribution has been completed. This project involved 69 documents. The project was completed without additional overtime.

o New P/P Binders

New inserts for P/P binders were needed due to the recent Department title change. The new original has been designed and the art work was completed by Art Davis and returned to DCC 2/25/85. The new inserts will be available, along with new binders, for each P/P manual holder in about 4-6 weeks.

o New Microfilming System

The new automated microfilming system purchased from Kodak has been received, installed, and debugged. The system addresses microfilmed records allowing them to be indexed for efficient and accurate retrieval. The current project status is identified below:

- DCC is now filming records using the new camera. Several reels have been completed.

- The micro-image reader/printer terminals have been set up in each of the responsible Quality Assurance unit's area (Fuel Chemical QC, Equipment Quality Control, and Fuel Component Quality Control).
- QA personnel have been trained to use the system.
- Lynn Pratt has completed the programming allowing the information to be indexed.

The success of the system is now basically up to the responsible QA unit. Each unit should begin using the system to index their records, both new records which are currently being filmed utilizing the address capabilities and retrofitting their old records (the system allows retrofitting through manual blipping or a unique odometer address feature) as necessary to ensure efficient and accurate retrieval.

o Microfilm Quality Improvement

DCC has installed a digital densitometer and new NBS certified density standard which provides more accurate microfilm density reading. This action provides better quality checks of completed microfilmed records.

o Automated Document Control Distribution - Time Savings

The automated document control distribution listing capabilities have been further enhanced during the month.

- The system now generates the listing in alpha/numeric order (reduces time required by personnel receiving documents to verify receipt).
- The system allows the DCC Coordinator to update distribution changes at a terminal (previously required programmer assistance).

o AFRDS Changes - Time Savings

The routine for assessing AFRDS information has been revised to eliminate several unnecessary NFMD inputs. The revision requires the DCC to only make two inputs. The revision reduces request time and the possibility of errors.

o Printing Improvement - Cost Reduction

In today's environment of tight budget controls, the DCC is continually looking for ways to reduce operating costs. These efforts have paid off handsomely in the area of printing.

The Lead Reprographics realized substantial amounts of time and material could be saved by converting from metal to paper printing plates. It takes approximately fifteen minutes to photograph, develop, wash, strip, opaque, and expose a metal plate. The same professional quality printing is accomplished with a two-minute develop and exposure routine using a less expensive paper plate.

This innovative approach netted an estimated yearly savings of more than \$3,000.

o Offsite Reprographics Services - Cost Reduction Effort

DCC has been supporting offsite reprographic services with a blanket MR to Copy Cat printing. The purpose of the service was to support occasional large volume duplication and/or reduction of blueprints. However, the cost of this service has risen significantly during recent years to the point that DCC can no longer cost justify the expense.

Therefore, effective February 22, 1985, normal blueprint services will be supplied on site. Arrangements for completion of large requests will require cost justification and handling within the requestor's section.

REGULATORY ISSUES

- o On 2/25/85, LEU Reform was approved by the NRC, separating decreasing material control and accounting requirements for low enriched uranium from requirements for high enriched uranium. The intent of these changes is to emphasize performance instead of prescriptive requirements by allowing LEU licensees to select the most cost-effective ways to satisfy NRC requirements.
- o The NRC Enforcement Policy is currently under review. NFMD submitted comments which essentially agreed with the basic philosophy of the policy to protect public health and safety. Suggestions were offered for improvement of specific workings of the program.
- o A forecast of licensing activities was submitted to the NRC as a result of their annual request. This information provides the agency with the data they need for establishing the NRC workload forecast.
- o NRC Inspections

The first responses to NRC alleged violations and concerns related to Chemet Lab operations are being prepared in order to

meet the 3/1/85 reply deadline requirement. Additional such responses for the lab will be necessary as the other inspection reports are received.

o Incinerator

Incinerator operation continues to be marginal. Recent burns have shown an average of about 34 boxes per burn. The recent adjustments to the measurement system have reduced, but not eliminated, the negative bias. This means that, in most cases, there is more uranium in the incinerator than the measurement system shows. In recent burns this bias has varied from about +5.0 to -16 kgs. (Negative values mean an underestimate of the uranium in the systems.) The average value for recent burns has been about -6 kgs for the primary measurement system, and about -7 kgs for the diverse measurement system.

o HP 9000 Computer

The Hewlett Packard model 9000 computer delivered late last year was installed in NSR in January. Progress is being made in optimizing the configuration of this new system and in porting the radiological assessment, graphics and statistics software from the HP 9845 which it upgraded.

o AIF/NESP 10 CFR 20 Evaluation Published

Copies of the AIF's National Environmental Studies Project report on dosimetry and record keeping implications of the proposed revision to 10 CFR 20 were received this month. The report questions the cost effectiveness and dose reduction aspects of the proposed changes, yet acknowledges the need to incorporate the best available scientific knowledge into the practice of radiation protection. NESP has been an active participant in the task force that has overseen the project, and we believe that the report will provide useful facts and perspectives for the fuel fabrication industry and the commercial electric utilities to make public comment on the proposed changes when appropriate.

o REMTRAC - Offsite Trips

NSI and P/P procedures have been updated to fully implement the REMTRAC controlled version of offsite trips with radiation potential. Manual paperwork and methods have been minimized by eliminating some manually produced forms and by allowing REMTRAC to provide the majority of the required paperwork and exposure limits.

o State Certification of NFMD Chemet Lab Required ✓

North Carolina regulations have been revised to require State certification of owner laboratories that provide data for reports on treated waste discharges.

The new regulations limit certification requirements to those analysis for specific parameters reported to the State. The new regulations also impose a matrix of requirements that include sample preservation methods, laboratory quality control and criteria for supervisor training, standards of performance on performance evaluation samples, annual permit fees, more rigorous inspection as well as numerous others. ✓

The net impact on NFMD is to impose one more layer of constraint on operations. Existing equipment and procedures will generally meet requirements but will now be subject to State review, approval and a more in-depth inspection than they currently receive. ✓

o Barnwell Closure Activities

A bill calling for closing of the Barnwell site on 1/1/86 has been introduced to the South Carolina House of Representatives. It is anticipated that the bill will pass the House, but will receive more extensive deliberation in the Senate.

This is the first formal action in the South Carolina program to limit wastes going to Barnwell, preferably by motivating the Congress to take favorable action on the regional compacts.

REGULATORY COMPLIANCE OPERATIONS

Nuclear Safety Engineering

o Trips

On 2/22/85 SP Murray traveled to Raleigh, NC for the State Radiation Protection Commission meeting on current radiation protection issues affecting the state. ✓

o Whole Body Counting

NFMD made the whole body counter available on 2/1/85 to four individuals from GE's newly acquired Reuter Stokes Co. of Cleveland, Ohio. They have requested that this become a semi-annual routine as they begin manufacturing GE's in-core neutron detectors. ✓

o Personal Computers - QA Section

WC Peters and GM Bowman are currently interviewing each Unit Manager in the QA Section concerning personal computer uses and needs. Interviews are scheduled to be completed FW-12. Information gathered will be used as input to the development of a Section plan relative to the use of personal computers.

Environmental Protection

o Corporate Environmental Audit

A site environmental conformance appraisal will be conducted by the Corporate Environmental Protection Operation (EPO). These appraisals are conducted periodically at selected facilities (last Wilmington appraisal - 1979).

The appraisal duration will be two and one half days and is planned to start April 25. The product of the appraisal is normally an exit interview the last day followed by a written summary report. It should be noted that highlights from the report are forwarded to Roger Strehlow, Vice President - Fairfield.

Emergency Preparedness and Security

o Security Activities

Routine Work Accomplishments

Truck Passes	1,820
Shipping Notices	394
Material Gate Passes	65
Company Vehicle Entries	654
Contractor Badge Issue	2,127
Temporary Badge Issue	442
GE Irr. Hours Entries	1,727
Vehicle Checks (CAA)	13,378
Vehicle Checks (Main Gate - Others)	887
Traffic Tickets	15
CAA Vehicle-Log (ECC Gate)	7,913
CAA Vehicle Log (South Gate)	5,457
CAA Vehicle Log (FCO Gate)	8
CAA Pedestrian Log	4,372
NFMD Lobby Log	388
AEBG Lobby Log	218

Summary of Incidents

Misc., Doors, Gates, etc. Found Open/Unlocked	35
Alarm Response	5
Theft	2
Lost Badges:	
Picture	61
Non-Picture	8
Safety	4
Equipment Failure	1
Accident (Vehicle)	2
Confrontations	1
Fire	1
Parking Permits/Temporary Parking Permits	78
Miscellaneous	19
al	217

NOTE: Reference "Theft" - Value of Loss:

General Electric	\$300
Contractor(s)	-0-
Personal	60
Total	360

Document Control Center

o P/P Processing Status

The coordination and flow of P/Ps processed through Document Control's Practices and Procedures Technical Typist has remained smooth with all normal communication correspondence coming directly to the Technical Typist. This has increased the efficiency of the P/P system by shortening the turnaround required for document processing through all cycles.

The following P/Ps and SARs were issued this month:

P/Ps	New	0
	Revised	17
SARs	New	1
	Revised	20

o Telephone Cabling for Office Moves

DCC is actively supporting the office relocation currently occurring. Substantial relocation of personnel and services to the Site Warehouse and Site Maintenance buildings created a need for increased telecommunications capabilities in these areas. DCC has contracted the installation of cabling to support these needs. The cabling installation should be complete by the end of FW 13.

W. W. McMahon
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o Telecommunications Cabling Purchasing Negotiations - Cost Reduction Effort

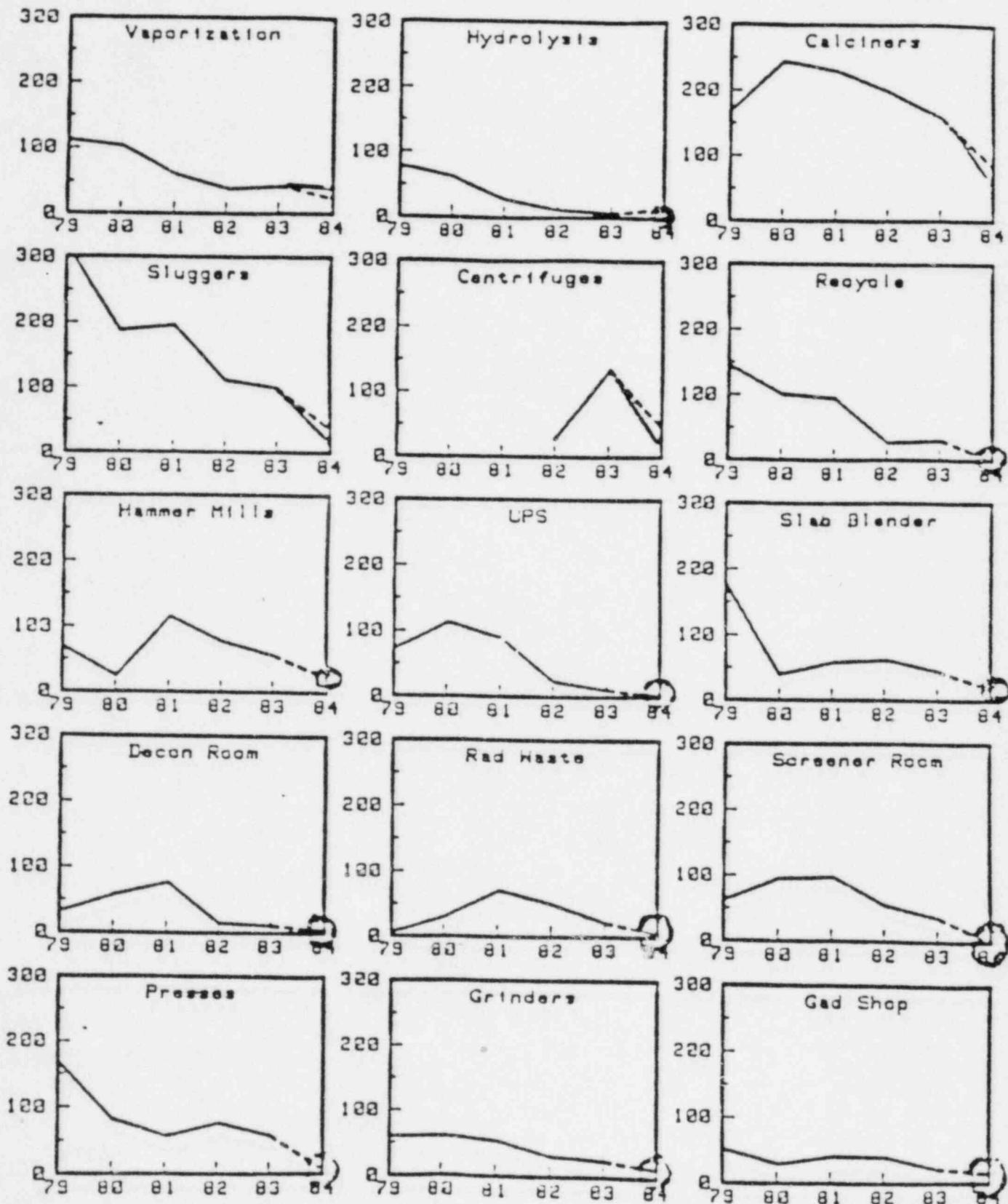
DCC is currently negotiating with Southern Bell (SB) to purchase the existing site telecommunication cabling being leased from SB. A successful purchase would reduce our monthly fixed telephone cost significantly.

C. M. Vaughan

C. M. Vaughan, Manager
Regulatory Compliance
8*292-5656
WILM J-26

/sbm

PERTURBATION TRENDS



— — — = Forecast 1984 values based on trend (1984 was not available at the time)
 O = Forecast + actual trends ended up the same
 — = 1984 actual result

ATTACHMENT 2

UPMP CRITICALITY SAFETY WORK PRIORITIES/SCHEDULE

<u>FISCAL WEEK</u>	<u>ITEM</u>
9	Criticality Safety Analyses (Except SAC) Criteria Design Reviews Nuclear Safety Requirements (Draft)
10	Technical Reports* Criticality Controls Outline NSR/Rs (Draft) SAC Analysis Criteria Report Preoperational Audit Plan
11	Final NSR/Rs
12	Procedures* Criteria Checklists Analysis Reports and Verifications Criteria Technical Documentation*

*As Available from UPMP