

70-1151



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

June 9, 1997

Westinghouse Electric Corporation  
Commercial Nuclear Fuel Division  
ATTN: Mr. J. A. Fici, Columbia Plant Manager  
P.O. Drawer R  
Columbia, SC 29250

SUBJECT: REPLY TO NOTICE OF VIOLATIONS (NRC INSPECTION REPORT  
NO. 70-1151/96-204)

Dear Mr. Fici:

This refers to your March 21, 1997, reply to a Notice of Violation (NOV) transmitted to you by our letter dated January 23, 1997. In your reply, you denied all four of the cited violations. You also raised a concern about "...this and other recent NRC inspections in terms of interpretational discrepancies between NRC inspectors and Westinghouse personnel regarding license commitments."

By way of background, the factual contents of the inspection report and four cited violations were fully discussed during a February 25, 1997, conference call between Mr. Wilbur L. Goodwin and others of your staff, and Mr. Phil Ting and others of my staff, and Mr. Edward McAlpine of our Region II Office. At that time, your staff acknowledged the accuracy of the information documented in the inspection report and Violations I, II, and IV, and indicated that further information was available to demonstrate compliance with the requirements cited in Violation III. A three-week extension was granted for you to more fully evaluate the NRC's concerns in responding to the Notice. Therefore, the subsequent denial of all four violations following this discussion was unexpected.

After careful consideration of the information provided by you, we have determined, for the reasons given in Attachment 1, that Violations I, II, and IV occurred as stated, and Violation III is withdrawn. We note that Section 2.1.3(c) of your license requires that applicable license conditions be evaluated and communicated to appropriate plant management for incorporation into procedures prior to their required use. It is the NRC's expectation that such procedures clearly document how a license condition is being met without reliance on the informal judgements of individual plant personnel. Furthermore, where written policies or procedures are required by the license, those documents must be developed and approved for use, and be available to the personnel responsible for their implementation. Any assertion that a plant activity meets an explicit license condition must be supported in accordance with Section 2.1.3(c).

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We also note the concern you raised in Appendix B of the Reply about this and other recent NRC inspections in terms of interpretational discrepancies between NRC Inspectors and Westinghouse personnel regarding license commitments. You also indicated that your management was currently in discussions with NRC management in an attempt to resolve this issue. We believe that it would be beneficial to hold a management meeting between yourself and the NRC Headquarters and Region II staffs to ensure a common understanding of your concerns and our expectations. You will be contacted shortly to set up a mutually agreeable date.

I trust that this has been responsive to your concerns.

Sincerely,

(Original signed by)

Elizabeth Q. Ten Eyck, Director  
Division of Fuel Cycle Safety  
and Safeguards, NMSS

Docket No. 70-1151  
License No. SNM-1107

Enclosure: Analysis of Response

cc w/enclosure: A. J. Nardi

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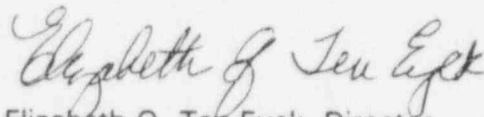
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## ANALYSIS OF WESTINGHOUSE RESPONSE TO NOTICE OF VIOLATIONS

Safety Condition S-1 of License 1107 authorizes the use of licensed materials in accordance with the statements, representations, and conditions in the License Application and Supplements.

### RESTATEMENT OF VIOLATION I

Approved License Application Section 3.6.1, Performance-Based Internal Inspections and Audits, Subsection (b), Formal Audits, states "Cognizant Regulatory Function Engineers conduct monthly formal audits of regulatory program performance. The auditors will have the technical capability, and will be formally directed by Regulatory Compliance management, to find process upsets and procedural inadequacies beyond those surfaced by simple paperwork reviews."

Contrary to the above, the monthly formal audit of the regulatory program performance conducted on December 17, 1996, under the guidance provided in RA-102, Regulatory Compliance Inspections, Revision 7, was inadequate in that process upsets and procedural inadequacies beyond those surfaced by simple paperwork reviews could not have been found since the auditor did not review procedural adequacy or ongoing process operations.

- Summary of Westinghouse Response

The licensee denied the violation stating that management confirmed that the formal monthly inspection practice fulfilled the letter of the license and the intent of management. Licensee review of the inspection reports from November 1995 to January 1997 indicated that the 100 documented violations were, in fact, a mixture of process upsets and procedural violations. The licensee asserts that RA-102 did not specifically use the words "inspections are to look for process upsets and procedural inadequacies." The licensee asserted that the intent of the license commitment was best accomplished, not by actually taking a copy of an operating procedure onto the floor and observing an operation in progress, but by looking for evidence that a procedure was violated, inadequate, or that a process upset occurred. The licensee asserted that the intent of the requirement was to conduct the formal monthly inspections through on-the-floor tours and not simply an in-office paper review.

- NRC Analysis

As documented in Section 4.b.1 of the inspection report, the licensee identified RA-102 as the implementing procedure for conducting formal monthly audits of the regulatory program performance. The licensee stated in the Reply that the procedure did not use the words "the inspectors are to look for process upsets and procedural inadequacies." Further, inspector accompaniment of the licensee auditor during the conduct of the December 1996 audit determined that the audit consisted only of a general plant tour which did not look at the topics of procedural adequacy and ongoing process operations. While other previous audits may have covered these topics, the December 1996 audit did not.

Enclosure

The assertion that the formal audit requirement can be met by merely looking for evidence of a procedure violation or process upset rather than by actually taking a copy of an operating procedure onto the floor and observing an operation in progress is unacceptable. The requirement is for a formal monthly audit of all aspects of regulatory program performance and is not limited to items that result in self-identifying events. The existing license requirements for event investigation and reporting already provide sufficient coverage of this topic and are clearly not redundant to the audit requirements which are intended to serve as a management tool to assure that the facility's regulatory performance is meeting expectations. The violation stands as written.

## RESTATEMENT OF VIOLATION II

Approved License Application Section 3.6.2, Facility Management Self-Assessment, states "The Plant Manager will document CFFF policy on the purpose and objectives of self-assessment to Component Managers, including aggressive demand for quality assessment performance."

Contrary to the above, as of December 20, 1996, no written policy documented the purpose and objectives of the facility management self-assessment program.

- Summary of Westinghouse Response

The licensee denied the violation, stating that "During this inspection, Westinghouse Columbia Plant personnel could not locate the letter which implemented Section 3.6.2 of the license. Since then, the letter dated January 15, 1992, from R.H. Koga, Columbia Plant Manager at the time, has been found and is attached hereto." The licensee asserts that this missing letter provides the comprehensive guidance to assure proper internal reporting of events and NRC notification of unusual occurrences. The licensee noted that "the letter also expanded the internal procedure 'requiring immediate internal reporting of ALL safety-significant events involving inability to follow a procedure, or a process upset.'" The licensee further noted that comprehensive training was administered to management, supervision, and operators. The training was provided to all Component Managers who are currently designated as Regulatory Compliance Committee members. The current Plant Manager formally reaffirmed and updated the policy in a letter dated January 17, 1997. A detailed review of the Application's commitments with respect to "Audits and Self-Assessments" was distributed to cognizant Regulatory management and professional on January 29, 1997.

- NRC Analysis

The licensee acknowledged that the Policy Statement could not be located during the course of the NRC inspection. The failure to keep a documented Policy required by the license available to the personnel responsible for implementing that Policy is considered the equivalent of not having the documented Policy. Therefore, the violation stands as written.

### RESTATEMENT OF VIOLATION III

Approved License Application Section 3.6.2 also states that "On a semi-annual basis the following parameters will be summarized and trended by the Regulatory Component: A summary of items documented in the performance-based reporting process; ...The summaries and trends will be formally reviewed by the RCC [Regulatory Compliance Committee]..."

Contrary to the above, during 1996, the Regulatory Component did not adequately summarize and trend the items documented in the performance-based reporting system, and the RCC did not adequately review the summaries and trends. Specifically, RCC minutes for 1996 indicated that the only trending of items consisted of the total number of reports broken down by one of four general process area and did not include emerging problems, declining performance areas, or root cause analysis.

- Summary of Westinghouse Response

The licensee denied the violation, stating that the license requires only that, on a semi-annual basis, "A summary of items documented in the performance-based reporting process" be formally reviewed by the RCC. The licensee asserts that review of the records of the RCC meetings held during 1996 indicate that the summaries were developed and reviewed by the RCC. The licensee also asserted that trend analyses, an activity beyond the License commitment, were also performed by the RCC. Relevant data were first reported in the ALARA Report for the six month period ending December 31, 1995. A "Self-Assessment of Regulatory Performance" item was formally added at the February 15, 1996, meeting, and subsequently reviewed in the April 18, August 15, and November 21, 1996, RCC meetings. In addition, formal Product & Process Improvement Teams routinely reviewed Redbook items and have identified significant issues and trends. The RCC also conducted a review of the apparent violation and decided that the reporting process described in this response provided the RCC with sufficient information for assessment of this program.

- NRC Analysis

Since the license requires only that "A summary of items documented in the performance-based reporting process" be formally reviewed by the RCC, and the licensee has chosen not to include a trend review of items documented in the "performance-based" reporting process in the license, the violation is withdrawn.

### RESTATEMENT OF VIOLATION IV

Approved License Application Section 6.1.2, Inspections & Audits, states that "This program incorporates process, procedure, and program reviews as tools to evaluate the effectiveness of the criticality safety program. All such inspections and audits will be conducted and documented in accordance with a written procedure." It further states that "Process reviews include inspections and audits of the conduct of operations within the facility and will be conducted on an annual frequency."

Contrary to the above, between the date of license renewal and December 20, 1996, the process review inspections and audits were not conducted and documented in accordance with a written procedure in that no written procedures had been developed and/or implemented by the licensee.

- Summary of Westinghouse Response

The licensee denied the violation stating that the process reviews were conducted in accordance with a written procedure. The licensee noted that a formal document was developed in 1994 entitled "Guidelines for Preparing a Criticality Safety Evaluation (Including Resource Estimates)." The licensee asserted that "It is the expressed intent of Westinghouse Columbia Plant Management that the CSEs constitute the process reviews to which we committed in the license. Further, beyond 1997, it is our intent that the Integrated Safety Assessments (ISAs)... will constitute the process reviews for the period 1998-2000." Process reviews also take place by two other means, the configuration control program, governed by Procedure TA-500, and other process reviews as directed by Management.

- NRC Analysis

As of the date of the inspection, the licensee had not established an approved procedure outlining how process reviews would be conducted for facility operations on an annual frequency. Further, the licensee's stated intent of what would constitute such annual reviews in the future had either not been formalized prior to the inspection or was not provided to the inspectors when requested. In particular, the "Guidelines for Preparing a Criticality Safety Evaluation (Including Resource Estimates)" was not provided to the inspectors by the responsible licensee representatives, nor was it identified at either the exit meeting or the February 25, 1997, conference call as the procedure intended to meet the license requirement. Therefore, the violation stands as written.