

SIEMENS

June 18, 1997

JBE:97:112

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

Gentlemen:

Subject: Reply to a Notice of Violation

Ref: Letter, R.A. Scarano to B.N. Femreite, "NRC Inspection Report 70-1257/97-04 and Notice of Violation" dated May 23, 1997

Below is Siemens Power Corporation's (SPC's) reply to the notice of violation accompanying the referenced letter.

Violation

10 CFR 71.16 (a) issues a general license to any licensee of the Commission to transport or deliver to carrier for transport, licensed material in a package the design of which has been approved in a foreign national competent authority certificate that has been revalidated by DOT provided that (in part) the licensee complies with the terms and conditions of the certificate and revalidation.

Item a., Section 4, "General Conditions," of Competent Authority Certification Certificate USA/0442/AF-85, Revision 3, dated January 17, 1996, (in effect at the time) required each user of this certificate to maintain this certificate and all documents necessary to properly prepare the package for transportation with the endorsed certificate.

Section A.1.1, "Fuel Loading," of Chapter IV, Handling Procedures and Maintenance of Packages Including Nuclear Fuel Materials," dated July 1993, approved with the above certificate requires that cushioning materials be used to prevent shifting of contents during transport.

Contrary to the above, on June 3, 1996, the licensee shipped 405 NT-IX shipping packages containing fissile material without installing cushioning material.

This is a Severity Level IV violation (Supplement V).

Siemens Power Corporation

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SPC's Reply

Reason for the Violation

SPC misinterpreted the intent of the handling procedure in Nuclear Fuel Industries' (NFI's) July 1993 Safety Analysis Report (SAR) for the NT-IX shipping package.

The NT-IX is designed to carry, inside its inner container, up to two pails of BWR uranium oxide powder or pellets or up to three pails of PWR powder or pellets. The BWR pails are both taller and smaller in diameter than the PWR pails. The container sketch in the license, whose purpose is to portray a container cut-away likeness, shows the two BWR pail loading with cushioning around and above the pails. In chapter IV of the SAR, which describes the basic handling procedures, it is stated that "...cushioning materials are put in the surrounding and upper surface of the container to receive impact from and to prevent shifting of the content during transport." The requirement for cushioning around the pails clearly applies to the BWR pails because there is ample room to put cushioning there. There is very little room to put cushioning around the larger diameter PWR pails and because NFI's handling procedure for PWR pails does not require cushioning, SPC did not use cushioning for the June 1996 shipment to NFI. With regard to cushioning above PWR pails, SPC again relied on NFI's PWR pail handling procedure and did not use cushioning. It is SPC's and NFI's contention that the vibration analysis in A.4.7 of the SAR addresses lack of cushioning and concludes that, while cushioning may be used, it is not necessary for the package to be used safely.

The NRC inspectors contacted the Research and Special Programs Administration of the U.S. Department of Transportation (DOT) which is responsible for revalidating foreign containers for import/export use in the U.S. The DOT personnel agreed with the NRC's position as opposed to SPC's.

Immediate Correction Actions

At the time of the inspection SPC had 480 NT-IX's packaged with PWR pails for shipment. SPC repackaged all of these NT-IX's with cushioning. The procedure used for the repackaging consisted, on a temporary basis, of the PWR pail procedure and applicable (cushioning-related) portions of the BWR pail procedure as described in the SAR.

Corrective Actions to Avoid Further Violations

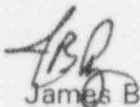
SPC is in the process of revising its procedure for packing the NT-IX for PWR shipments, under revision 3 of the Japanese NT-IX certificate as revalidated by DOT, to include the use of cushioning. A procedure for loading the NT-IX with PWR pails without cushioning was provided by NFI with revision 4 of the Japanese NT-IX certificate and forwarded to DOT on November 12, 1996 with a request for revalidation.

Date of Full Compliance

The procedure for packing shipments of PWR pails with cushioning and the attendant training will be complete by July 15, 1997.

If you have any questions regarding these actions or require more information, please contact me at 509-375-8663.

Very truly yours,



James B. Edgar
Staff Engineer, Licensing

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cc: U.S. Nuclear Regulatory Commission
Regional Administrator, Region IV
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