

APR 07 2011

LES-11-00053-NRC

Attn: Document Control Desk  
Office of Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

Louisiana Energy Services, LLC  
NRC Docket No. 70-3103

Subject:       Reclassification of Component Defect

Pursuant to 10 CFR 21.21(d)(3)(i), URENCO USA (UUSA) provided initial notification (via facsimile) to the NRC Operations Center on March 24, 2011 of what it perceived to be a "reportable" component defect. UUSA's notification resulted from its evaluation of a defect in turnbuckle collars which were intended to be installed in Cascade 3 that it concluded could create a substantial safety hazard, were the defect to remain uncorrected. The defect was an out of (ISO 965-2) tolerance condition which was discovered in the collars of nineteen (19) M24 turnbuckles and one (1) M48 turnbuckle that were supplied by Mackson Inc.\* (an approved Quality Level-1 vendor/supplier). The defect resulted from the internal threads of the turnbuckle collars being machined by the fabricator to an oversized dimension (resulting in excessive tolerance), as verified by UUSA with "Go-No Go" thread gauges.

The turnbuckle collar defects were initially identified and documented in Condition Reports CR-2011-330 (for the M24 turnbuckles) and CR-2011-385 (for the M48 turnbuckle) on January 28, 2011 and February 3, 2011, respectively. These CRs and associated Nonconformance Reports (NCR-2011-0330 and NCR-2011-0385) were used to document UUSA's rejection of the defective turnbuckle collars. Corrective actions that were implemented included the installation of replacement NQA-1 turnbuckles; and revision of the Receipt Inspection Plan (RIP) for turnbuckles (collar as well as paddle assembly) to include 100 percent verification of thread tolerances.

Subsequent to the above, however, UUSA was informed by Mackson Inc. that as part of its own Part 21 Evaluation it had tested two of the defective turnbuckle collars (one each of the M24 and M48 types) and "determined that the deviation identified would not have caused a substantial safety hazard were they to have been installed and remained uncorrected based on the definitions of 10 CFR 21. The turnbuckles would have performed their intended functions based on the axial load destructive test results being greater than the required axial load requirements." (See below). Certified test reports were provided with Mackson's NCR 2641 which supported the above determination.

The turnbuckle testing configuration consisted of parts machined to match the threads of the respective turnbuckles (M24 X 3 and M48 X 5), inserted into each end of the

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\*Identified, in error, as "OFI Fabrication" (a Mackson subcontractor) in the March 24, 2011 Notification to the NRC

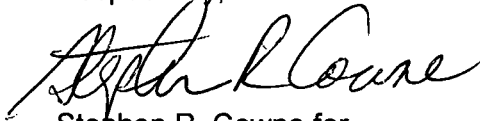
defective collar, and pulled on the tensile testing machine until either the threads broke or the turnbuckle failed. The test results were as follows:

Turnbuckle Type	Required Load lb-f	Failed Load lb-f	Test Result
M24	11,780	107,466	Acceptable
M48	19,761	390,845	Acceptable

Based on the above test results, UUSA has re-classified the defective turnbuckle collars as "not-reportable." Accordingly, the 30-day written notification earlier planned pursuant to 10 CFR 21.21(d)(3)(ii) is obviated.

Should there be any questions concerning this submittal, please contact Wyatt Padgett, UUSA Licensing Manager, at 575-394-5257.

Respectfully,



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