



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
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ATLANTA, GEORGIA 30303-8931

June 12, 2002

Global Nuclear Fuels - Americas, L.L.C.
ATTN: Mr. J. D. Fuller, Chief Executive Officer
and Facility Manager
P. O. Box 780
Wilmington, NC 28402

SUBJECT: NRC INSPECTION REPORT NO. 70-1113/2002-03

Dear Mr. Fuller:

This refers to the inspection conducted on May 20-23, 2002, at the General Electric facility. The enclosed report presents the results of this inspection.

During the inspection period, your conduct of activities at the General Electric facility was generally characterized by safety-conscious operations, sound engineering and maintenance practices, and careful radiological work controls.

Within the scope of the inspection, violations or deviations were not identified.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Should you have any questions concerning this letter, please contact us.

Sincerely,

/RA/

David A. Ayres, Chief
Fuel Facilities Branch
Division of Nuclear Materials Safety

Docket No. 70-1113
License No. SNM-1097

Enclosure: NRC Inspection Report

cc w/encl: (See Page 2)

cc w/encl:

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U.S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.: 70-1113

License No.: SNM-1097

Report No.: 70-1113/2002-03

Licensee: Global Nuclear Fuel - Americas, LLC

Facility: General Electric

Location: Wilmington, NC 28402

Dates: May 20-23, 2002

Inspector: A. Gooden, Health Physicist

Accompanying Personnel: O. Lopez, Nuclear Safety Intern

Approved By: D. Ayres, Chief
Fuel Facilities Branch
Division of Nuclear Materials Safety

Enclosure

EXECUTIVE SUMMARY

Global Nuclear Fuel - Americas NRC Inspection Report 70-1113/2002-03

This routine, unannounced inspection involved observation of work activities, a review of selected records, and interviews with plant personnel involving the area of emergency preparedness. The inspection results disclosed the following aspects of the program:

- No reduction in program effectiveness resulted from changes. Changes were considered as enhancements but documentation of audit plans needed to be improved (Paragraph 2.a).
- The annual training program did not include performance-based criteria (e.g., tests, evaluations) to assist the licensee in determining the adequacy of the training. The annual refresher training was primarily a review of the current changes to the Radiological Contingency and Emergency Plan (RC&EP) and emergency procedures (Paragraph 2.c).
- Periodic notification drills demonstrated timely staffing and activation of the Emergency Control Center (ECC) during off-hours and back shifts (Paragraph 2.c).
- The offsite support interface was properly maintained (Paragraph 2.d).
- The critiques following drills and/or actual events provided candid assessments of areas for improving the response (Paragraph 2.e).
- Examples were identified where additional licensee attention was needed to maintain emergency response equipment in a state of operational readiness (Paragraph 2.f).

Attachment:

Persons Contacted

Inspection Procedures

List of Items Opened, Closed, and Discussed

List of Acronyms

REPORT DETAILS

1. Summary of Plant Status

During the period, normal plant operations were observed with powder, pellet, fuel assembly production, and routine maintenance activities.

2. Emergency Preparedness (88050) (F3)

a. Review of Program Changes (F3.01)

(1) Inspection Scope

Changes to the licensee's Radiological Contingency and Emergency Plan (RC&EP), emergency organization, facilities, and equipment were reviewed to assess the impact on the effectiveness of the program. The adequacy of the emergency preparedness audit required by Section 7.5 of the RC&EP was also evaluated.

(2) Observations and Findings

No facility or significant equipment changes had been made. Several enhancements were made to improve lighting at the main staging area. An additional program enhancement was the capability to operate the plant discharge shutdown valve from the Emergency Control Center (ECC) to prevent an offsite release during an emergency. The licensee informed the inspector that RC&EP changes were being considered to address concerns involving the notification time limit following an emergency declaration. A previous proposal was to change the time limit for State/local notification from 15 minutes to 30 minutes.

Based on the audit report and interview with the audit team leader, the independent audit was a performance-based audit of various components of the emergency preparedness program. However, the inspector found that the scope and depth of the audit was poorly documented.

(3) Conclusions

Based on interviews and a review of documentation, no reduction in program effectiveness resulted from program changes. Changes were considered as program enhancements. Documentation of audit plans needed to be improved.

b. Implementing Procedures (F3.02)

(1) Inspection Scope

Select implementing procedures were reviewed to determine if procedures were revised since the last inspection, and the adequacy of procedures in the implementation of the RC&EP.

(2) Observations and Findings

Since the last inspection, all implementing procedures were revised to reflect the increased coordination for communications in the aftermath of the September 11, 2001, World Trade Center incident.

(3) Conclusions

The revised procedures continue to adequately implement the RC&EP.

c. Training and Staffing of Emergency Organization (F3.03)

(1) Inspection Scope

Determine if emergency response training was provided to key emergency response personnel in accordance with Section 7.2 of the RC&EP. Review the adequacy of the licensee's notification system for activation and staffing of the ECC during off-hours.

(2) Observations and Findings

The inspectors observed the annual refresher training provided to members of the onsite emergency organization, and determined that the training met the license commitment, but was lacking in performance-based objectives to ensure that each responder was proficient in Plan implementation and the execution of responsibilities during an emergency. The refresher training primarily provided personnel with a review of the major changes to the RC&EP and emergency procedures. The licensee discussed plans to improve training by conducting more frequent drills which would provide hands-on experience to response personnel. Based on interviews and observations, the licensee's training program met commitments in Section 7.2 of the RC&EP.

The inspectors interviewed the Emergency Preparedness Manager and examined documentation from the periodic notification drills demonstrating the estimated time of arrival by emergency response personnel to the ECC in the event of an emergency during back shifts and off-hours. No problems were noted. The results indicated that key positions could be filled in a timely manner.

(3) Conclusions

The annual training program did not include performance-based criteria (e.g., tests, evaluations) to assist the licensee in determining the adequacy of the training. The annual refresher training was primarily a review of the current changes to the RC&EP and emergency procedures. Periodic notification drills demonstrated timely staffing and activation of the ECC during off-hours and back shifts.

d. Offsite Support (F3.04)

(1) Inspection Scope

Licensee activities in the areas of training, agreements, and exercises were reviewed to determine if the licensee was periodically involving offsite support groups.

(2) Observations and Findings

Documentation and interviews indicated that the licensee was periodically contacting the offsite support groups to offer training, provide changes to the RC&EP, and other matters of a mutual concern.

(3) Conclusions

The offsite support interface was properly maintained.

e. Drills and Exercises (F3.05)

(1) Inspection Scope

Section 7.3 of the RC&EP required a biennial exercise be performed involving the onsite emergency response organization and many of the offsite support agencies. This area was reviewed for adequacy in testing both onsite and offsite emergency response capability, to assess the degree of challenge posed by scenarios, and verify that primary and alternates to the emergency response organization have participated in a drill and/or exercise.

(2) Observations and Findings

The last exercise was conducted November 14, 2001, and involved both onsite and offsite support organizations. The next biennial exercise will be held in calendar year 2003.

Documentation from drills and actual events during the period September 9, 2001 through May 20, 2002, indicated that the primary and most alternates had participated in response activity. Licensee critiques were effective in the identification of areas for improvement. Items requiring corrective actions were tracked via the plant-wide Regulatory Tracking System (RTS). No problems were noted. RTS was an effective tool for follow up on items identified during both drills and actual events.

(3) Conclusions

Drills and exercises were conducted at the frequency as required by the license. The critiques provided candid assessments of areas for improving the response during drills and/or actual events.

f. Emergency Equipment and Facilities (F3.06)

(1) Inspection Scope

The ECC and equipment were inspected to determine whether the licensee's facilities, emergency response equipment, instrumentation, and supplies were maintained in a state of operational readiness.

(2) Observations and Findings

The inspector reviewed periodic surveillance sheets and observed an inventory and operability check of equipment at the ECC and staging areas. The following observations were made at the ECC: spare mask canisters had exceeded the manufacturer's shelf life (April 2002); no periodic functional test was done on the hi-vol air sampler located inside the ECC; and no periodic maintenance program was in place for the Weather Picture Monitoring System (WPMS). In response to the inspector's observations, the licensee took immediate corrective actions to replace the expired canisters; in light of the WPMS equipment manual not recommending any maintenance, a commitment was made to evaluate the appropriateness of a maintenance program for the WPMS; and a functional test of the hi-vol air sampler would be included during the periodic surveillance.

(3) Conclusions

Several examples were identified where additional licensee attention was needed to maintain emergency response equipment in a state operational readiness.

g. Follow up On Previously Identified Issues (F3.07)

(Open) Inspector Follow up Item (IFI) 70-1113/2001-05-01: Verify the corrective actions to ensure effective access control to incident scene and proper contamination control surveys following potential releases of material.

This item was discussed with the licensee and remains opened.

3. Exit Interview

The inspection scope and results were summarized on May 23, 2002, with those persons indicated in the Attachment. Although proprietary documents and processes were occasionally reviewed during this inspection, the proprietary nature of these documents or processes has been deleted from this report. No dissenting comments were received from the licensee.

ATTACHMENT

1. LIST OF PERSONS CONTACTED

Licensee

- T. Brohaugh, Team Leader, Dry Conversion Project
- *B. Brown, Manager, Fuel Design and Fabrication
- *B. Crate, Manager, Powder Production
- *D. Dowker, Manager, Global Supply Chain
- P. Godwin, Emergency Response Coordinator and Site Fire Chief
- R. Keenan, Team Leader, Dry Conversion Project
- *H. Knight, Manager, Emergency Preparedness and Site Security
- *A. Mabry, Program Manager, Radiation Safety
- G. Mobley, Coordinator, Maintenance
- *R. Pace, Manager, Environmental Projects
- *L. Paulson, Manager, Nuclear Safety
- *J. Reeves, Manager, Site Maintenance
- H. Strickler, Manager, Site Environmental Health and Safety
- *C. Vaughan, Manager, Facility Licensing
- M. Weldrick, Security Supervisor

Other licensee employees contacted included engineers, technicians, production staff, security, and office personnel.

*Attended exit meeting on May 23, 2002

Other Organizations

D. Summers, Director, Emergency Management New Hanover County

2. INSPECTION PROCEDURES USED

IP 88050 Emergency Preparedness

3. LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

<u>Item Number</u>	<u>Status</u>	<u>Description</u>
70-1113/2001-05-01	Open	IFI - Verify the corrective actions to ensure effective access control to incident scene and proper contamination control surveys following potential releases of material (Paragraph 2.g).

4. LIST OF ACRONYMS USED

CFR	Code of Federal Regulation
DCF	Dry Conversion Facility
ECC	Emergency Control Center
IFI	Inspector Follow up Item
RC&EP	Radiological Contingency and Emergency Plan
RTS	Regulatory Tracking System
WPMS	Weather Picture Monitoring System