



February 2, 2005  
GDP 05-1002

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D.C. 20555-0001

**Paducah Gaseous Diffusion Plant (PGDP)**  
**Docket No. 70-7001, Certificate No. GDP-1**  
**Reply to Inspection Report 70-7001/2004-008: Notice of Violation 2004-008-02**

The subject Inspection Report included a violation with two examples for the plant's failure to comply with "Quality Assurance" related administrative procedures. The plant completed a root cause analysis and initiated an action plan to address the issue. The United States Enrichment Corporation's (USEC) response to NOV 2004-008-02 is provided in Enclosure 1.

If you have any questions regarding this submittal, please contact Stephen R. Cowne at (270) 441-6796.

Sincerely,

R.B. Starkey, Jr.  
General Manager  
Paducah Gaseous Diffusion Plant

Enclosures: As Stated

cc: NRC Regional Administrator, Region II  
NRC Resident Inspector, PGDP

United States Enrichment Corporation  
Paducah Gaseous Diffusion Plant  
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**UNITED STATES ENRICHMENT CORPORATION (USEC)  
REPLY TO NOTICE OF VIOLATION (NOV) 70-7001/2004-008-02**

**Restatement of Violation**

“Technical Safety Requirement 3.9.1 requires, in part, that written procedures shall be prepared, reviewed, approved, and implemented, and maintained to cover activities described in Safety Analysis Report (SAR) Section 6.11.4.1 and listed in Appendix A to SAR Section 6.11.

Appendix A of SAR 6.11 identifies “Quality Assurance” as an activity requiring an administrative procedure.

Procedure CP2-BM-CI1031, ‘Corrective Action Process at PGDP,’ Revision 13, had been approved to implement a portion of Quality Assurance requirements. Step 6.11.9.E of the procedure required that effectiveness reviews be performed for conditions adverse to quality (CAQs) involving TSR violations.

Contrary to the above, on November 23, 2004, in response to questions by the inspectors, it was determined that two CAQS involving TSR violations were closed without performing effectiveness reviews.”

**USEC Response**

**I. Reason for the Violation**

USEC agrees that a violation occurred as a result of inattention to detail when UF<sub>6</sub> Handling personnel submitted for closure two Assessment and Tracking Report (ATR) responses involving Technical Safety Requirement (TSR) violations without performing the required effectiveness reviews. Effectiveness reviews of the corrective actions are required by procedure CP2-BM-CI1031, “Corrective Action Process at PGDP”, step 6.11.9.E, when an ATR has been categorized as a Condition Adverse to Quality (CAQ) as a result of a TSR violation.

At the time the TSR violations were discovered, ATRs were written to document the violations. The ATR screening committee reviewed the ATRs, categorized them as CAQs, and assigned the ATRs to UF<sub>6</sub> Handling personnel to investigate the causes and provide corrective actions to prevent recurrence.

An ATR categorized as a Significant Conditions Adverse to Quality (SCAQ) always requires an effectiveness review. CAQs typically do not. However, TSR violations which have been categorized as CAQs are required to have effectiveness reviews. TSR

violations may be categorized as either a SCAQ or a CAQ depending on the scope and nature of the violation.

The UF<sub>6</sub> Handling group personnel have responded to 590 CAQs over the past two years, none of which required an effectiveness review. Their last response to an ATR involving a TSR violation occurred in December 2002.

Neither the manager who prepared the ATR response nor the manager who reviewed the response for approval remembered that a TSR violation classified as a CAQ required a special action. They did not refer to the Corrective Action Process procedure when they responded to the TSR violations. Procedure CP2-BM-CI1031 is an "Information Use" procedure that is not required to be referred to for every use, but is expected to be followed. As a result and contrary to the procedure, the requirement to include the effectiveness reviews in the ATR responses was overlooked.

## **II. Corrective Actions Taken**

1. On December 2, 2004, the Operations Functional Manager discussed this issue during a staff meeting in which he stressed to Operations Group and Section Managers the requirement to include an effectiveness review on any CAQ that addresses TSR violations, and the expectation that they know they have met the requirements of the Corrective Action Process procedure when addressing an issue using this program.
2. On December 2, 2004, a "lesson's learned" memo was issued from the Regulatory Affairs manager and posted on the Plant's intranet operating experience information area. This memo reminded people that anyone assigned the task of responding to a CAQ ATR written on a TSR violation must ensure that an effectiveness review is the last step of the corrective action plan.
3. On December 1, 2004, ATRC-04-4078B and ATRC-04-3158 were reopened. Effectiveness reviews were performed and completed on December 6, 2004.

## **III. Corrective Actions to be Taken**

No additional actions are planned.

## **IV. Date When Full Compliance Was Achieved**

Full compliance was achieved on December 6, 2004, when the effectiveness reviews were completed on the ATRs and concluded that the corrective actions taken to prevent reoccurrence of the issues were effective.