

August 22, 2005
EN 05-032

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Westinghouse Electric Company, LLC (EA-05-104)
Hematite Fuel Manufacturing Facility
License No. SNM-33
Docket No. 070-00036

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$16,250

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$16,250 will be issued on or about August 25, 2005, to Westinghouse Electric Company, LLC. This action is based on a Severity Level III problem involving the failure to incorporate nuclear criticality safety controls into plant procedures, prior to beginning decommissioning work involving fissile materials, and the failure to determine the mass of fissile material included in items prior to placing the items in storage arrays. Because the Hematite Fuel Manufacturing Facility was the subject of escalated enforcement action within the last 2 years, the staff considered whether credit was warranted for the civil penalty adjustment factors of Identification and Corrective Action. Credit was warranted for the Identification factor because the licensee identified, during a January 2005 internal audit, that nuclear criticality safety controls had not been incorporated into plant procedures and that the mass of fissile material contained in objects had not been determined prior to placing those objects in storage arrays. Credit was not warranted for the Corrective Action factor due to the significant NRC involvement required to ensure that comprehensive corrective actions were implemented to address the deficiencies identified by the licensee. Specifically, NRC inspectors identified that the licensee failed to incorporate a significant number of the nuclear criticality safety controls specified for fissile material operations into procedures and postings. At the time of the NRC finding, the licensee had indicated to the NRC inspectors that all immediate corrective actions necessary to support your resumption of fissile materials operations had been completed.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice	August 25, 2005
Telephone Notification of Licensee	August 25, 2005

The State of Missouri will be notified.

The licensee has 30 days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: A. Hayes, OE, 301-415-3121 C. Nolan, OE, 301-415-3360

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OE:ES

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A. Hayes

C. Nolan

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**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**