



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET, SW, SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

September 12, 2006

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

SUBJECT: NRC INSPECTION REPORT NO. 70-1113/2006-006

Dear Mr. Fuller:

This refers to the results of the above-referenced Nuclear Regulatory Commission (NRC) inspection conducted at your Wilmington, North Carolina facility on August 14-17, 2006 and August 21-25, 2006.

As a result of the inspection, the enclosed NRC Form 591FF, SAFETY INSPECTION, is being issued. The enclosed form indicates that no violations were identified during the above described inspection of your licensed activities. Please retain the form in your files. No acknowledgment of this letter is required. However, should you have any questions, we shall be pleased to discuss them with you.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Thank you for your cooperation. If you have any questions, please call me at (404) 562-4731.

Sincerely,

Laura Dudes for /RA/

Jay L. Henson, Chief  
Fuel Facility Inspection Branch 2  
Division of Fuel Facility Inspection

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

Enclosure: NRC Form 591FF Parts 1 and 3

cc w/encl: (See page 2)

J. D. Fuller

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cc w/encl:  
Scott Murray, Manager  
Facility Licensing  
Global Nuclear Fuel - Americas, L.L.C.  
P. O. Box 780, Mail Code J26  
Wilmington, NC 28402

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ADAMS:  Yes    ACCESSION NUMBER: \_\_\_\_\_

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI				
SIGNATURE	/RA/	/RA/					
NAME	MCrespo	DHartland	JPelchat				
DATE	09/11/2006	09/11/2006					
E-MAIL COPY?	NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

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**NRC FORM 591FF PART 1**  
 (11-2005)  
 10 CFR 2.201

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

1. LICENSEE/LOCATION INSPECTED: Global Nuclear Fuels - Americas, L.L.C. P. O. Box 780 Wilmington, NC 28402  REPORT            70-1113/2006-006	2. NRC/REGIONAL OFFICE U.S. Nuclear Regulatory Commission Region II, Division of Fuel Facilities Inspection 61 Forsyth Street, Suite 23T85 Atlanta, GA 30303
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3. DOCKET NUMBER(S) <p style="text-align: center;">70-1113</p>	4. LICENSEE NUMBER(S) <p style="text-align: center;">SNM-1097</p>	5. DATE(S) OF INSPECTION <p style="text-align: center;">August 14-17 &amp; 21-25, 2006</p>
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**LICENSEE:** Global Nuclear Fuels - Americas, L.L.C.

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed. See list of items opened and closed on NRC Form 591FF Part 3.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy to exercise discretion were satisfied.

\_\_\_\_\_ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)

Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE	Not Applicable	Not Applicable	Not Applicable
NRC INSPECTOR	Manuel Crespo, David Hartland		

**SAFETY INSPECTION REPORT  
AND COMPLIANCE INSPECTION**

1. LICENSEE

**Global Nuclear Fuels - Americas, L.L.C.  
P. O. Box 780  
Wilmington, NC 28402**

2. NRC/REGIONAL OFFICE

**U.S. Nuclear Regulatory Commission  
Region II, Division of Fuel Facilities Inspection  
61 Forsyth Street, Suite 23T85  
Atlanta, GA 30303**

REPORT NUMBER(S): **70-1113/2006-006**

3. DOCKET NUMBER(S):

**70-1113**

4. LICENSE NUMBER(S):

**SNM-1097**

5. DATE(S) OF INSPECTION:

**August 14-17 & 21-25, 2006**

6. INSPECTOR(S): Manuel Crespo; David Hartland

7. INSPECTION PROCEDURES USED: 88020; 88050; Temporary Instruction 2600/013

**SUPPLEMENTAL INSPECTION INFORMATION**

**Executive Summary**

The Global Nuclear Fuels Facility fabricates low-enriched uranium fuel for use in commercial reactors. During the period of the inspection, all operations were normal except for the input of recycle material into the Dry Conversion Process. The input of recycle material was in a testing phase to properly calibrate a new safety control.

This was a routine, announced inspection that included observations and evaluation of operations and the emergency preparedness program. The inspection involved observations of work activities, reviews of selected records, and interviews with plant personnel. The inspection identified the following aspects of the licensee programs as outlined below:

**Operations**

- The operators were knowledgeable of their process areas and were trained to recognize which instrument panels were obsolete. The operators also properly communicated concerns and minor issues to management.
- The dew-point monitor interlocks for the dry-scrap recycle area operated properly when tested.
- Operations involving uranium hexafluoride cylinders and the input of recycle material were properly controlled through standard and temporary procedures.
- Change request and configuration control implementation was adequate based on the review of the material accumulation issue in the secondary high efficiency particulate air (HEPA) filters and the implementation of the new recycle material safety controls.

### Operations (Cont.)

- The licensee properly implemented safety audits and surveillances of the hydrofluoric acid (HF) building and HEPA filter system.

### Emergency Preparedness

- Drills and exercises were conducted at the frequency required by the license. However, in response to deficiencies identified during the previous biennial exercise, the licensee had indicated that it would perform quarterly drills during calendar year 2006. The inspectors noted that the first two quarterly drills conducted in 2006 did not address deficiencies regarding poor health physics practices and inadequate environmental assessment, as the drills did not involve a radiological component. The licensee indicated that it intended to perform a drill involving radioactive material during the third quarter of calendar year 2006.
- The independent audit provided an adequate assessment of the state of readiness of the emergency preparedness program.
- Procedures adequately implemented the Radiological Contingency and Emergency Plan (RC&EP).
- Key emergency response personnel were trained in accordance with Section 7.2 of the RC&EP. Communication drills demonstrated that minimum staffing levels for activation and staffing of the Emergency Control Center were accomplished in a timely manner during off-hours and back shifts.
- The offsite support interface was properly maintained.
- Emergency equipment was maintained in a state of readiness.

### Inspector Follow-up Items (IFI):

- *Temporary Instruction 2600/012 : Institutionalizing Concern Regarding Safety Issues Identified in selected Past Generic Communications*  
**IN-89-047, "Potential Problems with Worn or Distorted Hose Clamps on Self-Contained Breathing Apparatus"**: The licensee performed routine inspection of hose clamps as recommended by the information notice. This IN is considered closed.  
**IN-86-024, "Respirators Users Notice: Increase Inspection Frequency for Certain Self-Contained Breathing Apparatus Air Cylinders"** : The licensee did not use the cylinders affected by this information notice. This IN is considered closed
- *Temporary Instruction 2600/013 : Safety Of Uranium Hexafluoride Cylinders at Fuel Cycle Facilities*  
The licensee properly handled cylinders at the facility and tracked their use for re-certification. No issues were noted with the licensee's procedures.