



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

September 19, 2007

Mr. Russell B. Starkey, Jr.
Vice President - Operations
United States Enrichment Corporation
Two Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: NRC INSPECTION REPORT NO. 70-7002/2007-004

Dear Mr. Starkey:

This refers to the inspection conducted on August 27-31, 2007, at the Portsmouth Gaseous Diffusion Plant. The purpose of the inspection was to determine whether activities authorized by the certificate were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection on August 31, 2007, the NRC inspector discussed the findings with members of your staff.

As a result of the inspection, the enclosed NRC Form 591FF, Safety Inspection Report, Parts 1 and 3, are being issued. The enclosed form indicates that no violations were identified during the inspection period. Please retain the form in your files. No acknowledgment of this letter is required.

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>.

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

Sincerely,

/RA/

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

Docket No. 70-7002
Certificate No. GDP-2

Enclosure: NRC Form 591FF Parts 1 and 3

cc w/encl: (See page 2)

R. Starkey, Jr.

2

cc w/encl:

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Distribution w/encl:

M. Raddatz, NMSS
J. Henson, RII
D. Hartland, RII
PUBLIC

X PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE X NON-SENSITIVE

ADAMS: X Yes ACCESSION NUMBER: _____

OFFICE	RII:DFFI						
SIGNATURE	DH 9/18/07						
NAME	DHartland						
DATE	9/ /2007	9/ /2007	9/ /2007	9/ /2007	9/ /2007	9/ /2007	9/ /2007
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY

DOCUMENT NAME: C:\FileNet\ML072620447.wpd

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: United States Enrichment Corporation 6903 Rockledge Drive Bethesda, MD 20817		2. NRC/REGIONAL OFFICE U.S. Nuclear Regulatory Commission Region II, Division of Fuel Facilities Inspection 61 Forsyth Street, Suite 23T85 Atlanta, GA 30303	
INSPECTION 70-7002/2007-004			
3. DOCKET NUMBER(S) : 70-7002	4. LICENSEE NUMBER(S): GDP-2	5. DATE(S) OF INSPECTION: 08/27-31/2007	

LICENSEE:
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.

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, NUREG-1600, to exercise discretion, were satisfied.

_____ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective

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			
NRC INSPECTOR	David J. Hartland	/RA	9/19/07

**SAFETY INSPECTION REPORT
AND COMPLIANCE INSPECTION**

1. LICENSEE

2. NRC/REGIONAL OFFICE

**United States Enrichment Corporation
6903 Rockledge Drive
Bethesda, MD 20817**

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

REPORT NUMBER(S): **70-7002/2007-004**

3. DOCKET NUMBER(S):

4. LICENSE NUMBER(S):

5. DATE(S) OF INSPECTION:

70-7002

GDP-2

08/27-31/2007

6. INSPECTOR(S): **David J. Hartland**

7. INSPECTION PROCEDURES USED: 88005 and 88055

SUPPLEMENTAL INSPECTION INFORMATION

Executive Summary

The Portsmouth Gaseous Diffusion Plant had previously discontinued uranium hexafluoride (UF₆) enrichment and is presently processing UF₆ to remove impurities like technetium-99, and conducting other cleanup processes as part of cold shutdown efforts. During the period of the inspection, routine cleanup operations were conducted without incident.

This was a routine, announced inspection that included observations and evaluation of the fire protection and management organization and controls programs. The inspection involved observations of work activities, reviews of selected records, and interviews with plant personnel. The inspection identified the following aspects of the certificatee programs as outlined below:

Fire Protection (IP 88055)

- There had been no significant management or program changes since the last inspection.
- Fire detection and suppression systems and manual firefighting equipment were being properly maintained. Areas inspected included the fire alarm station, fire water pump houses, and process area sprinkler systems. Sprinklers were not obstructed and the water supply to the systems was readily available with correct valve positioning and pumping capacity.
- The process and material storage areas were maintained in accordance with fire safety requirements. Fire hazards were minimized by appropriate housekeeping. The hot work program was being adequately implemented.
- Building surveys for the process areas were being maintained up-to-date.

Executive Summary (continued)

Management Organization and Controls (IP 88005)

- The certificatee's organizational structure, the process for reviewing and approving plant procedures, and the Plant Operations Review Committee membership were in accordance with regulatory requirements.
- The certificatee's internal assessments and audits, as well as the corrective action system, were adequate for detecting and correcting safety concerns and identifying potential adverse trends in regulatory performance.

