

[REDACTED]

NOTICE OF VIOLATION

Nuclear Fuel Services, Inc.
Erwin, TN

Docket No. 70-143
License No. SNM-124
EA 05-115

During a U.S. Nuclear Regulatory Commission (NRC) inspection from December 13 through 17, 2004, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

Safety Condition No. S-1 of Special Nuclear Material License No. 124 requires that material be used in accordance with the statements, representations, and conditions in the license application dated July 24, 1996, and supplements thereto.

Section 4.1.1 of the license application requires, in part, that "subcriticality shall be evaluated, for each designated safety control, one at a time, assuming that just one control is failed, and all others functional. It shall be assumed that the parameter for the failed control and all uncontrolled nuclear criticality parameters are at their most reactive combination of credible values. Each parameter controlled by a safety control other than the one being evaluated shall be assumed at the most reactive value within its controlled range."

Contrary to the above, on March 9, 2004, Scenario 4.1.7 of 54X-04-0001, "Nuclear Criticality Safety Analysis for Areas [REDACTED] Facility," Revision 0, dated March 9, 2004, failed to evaluate the parameter for the failed control (i.e., introduction of more reactive materials) at both the most reactive system location [REDACTED] and with the parameter for the functional control (reflection) assumed at the most reactive value within its controlled range [REDACTED]. Specifically, the parameter for the failed control was not evaluated at the most reactive system location, but rather it was evaluated at the top [REDACTED] water reflection.

This is a Severity Level IV violation (Supplement VI)

[REDACTED]

[REDACTED]

Enclosure

[REDACTED]

Pursuant to the provisions of 10 CFR 2.201, Nuclear Fuel Services, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with copies to the Regional Administrator, Region II, and the Chief, Technical Support Group, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other actions as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001.

[REDACTED]

Dated at Rockville, Maryland

this 10th day of June 2005

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