



Nuclear Fuel Services, Inc.
P.O. Box 337, MS 123
Erwin, TN 37650

(423) 743-9141

E-Mail :<http://www.atnfs.com>

Certified Mail
Return Receipt Required

24G-08-0022
GOV-01-55
ACF-08-0195

July 30, 2008

Mr. Kevin Ramsey, Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555

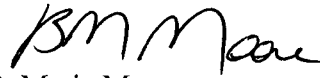
- References:
- (1) Docket No. 70-143; SNM License 124
 - (2) NRC Bulletin 2007-01: Security Officer Attentiveness, dated December 13, 2007
 - (3) NFS Response to NRC Bulletin 2007-01: Security Officer Attentiveness, dated February 8, 2008
 - (4) NRC Request for Additional Information Concerning Security Officer Attentiveness (Bulletin 2007-01), dated June 30, 2008

Subject: **NFS Response to Request for Additional Information
Concerning Security Officer Attentiveness (NRC Bulletin
2007-01) (U)**

Dear Sir:

Nuclear Fuel Services, Inc. (NFS) has reviewed the request for additional information (RAI) referenced above (Reference 4) and is providing the enclosed response. Should you have questions concerning this submittal, please contact Mr. Mike Warren, Security Director, at (423) 743-1731. Please reference our unique document identification number, 24G-08-0022, regarding communications on this matter.

Sincerely,
Nuclear Fuel Services, Inc.



B. Marie Moore
Vice President
Safety and Regulatory

Enclosures

Cc: Regional Administrator
U.S. Nuclear Regulatory Commission
Region II
Atlanta Federal Center
P.O. Box 2257
Atlanta, GA 30011

Stephen Burris
NRC Senior Resident Inspector
Nuclear Fuel Services, Inc

NFS Response to RAIs concerning NRC Bulletin 2007-01

- 1. Describe any licensee processes or programs that are in place to identify problems in climate controlled security areas. What methods are used to track, inspect, and ensure that timely repairs are completed?**

Include the following information in your response:

[A description of how the security areas are maintained including, but not limited to: (1) a discussion of the maintenance and/or preventive maintenance process and programs in place for these security areas including an overview and brief discussion on routine inspection schedules by maintenance personnel; (2) a discussion on the process a security officer can follow to report concerns with the up keep and maintenance of his or her post; and (3) a discussion on the timeliness of repairs and any follow up actions taken by the licensee to ensure the repairs are completed and resolved adequately.]

NFS Response:

NFS stresses the importance of maintaining suitable environmental conditions for all security posts. NFS has in place a plant-wide preventative maintenance program on its HVAC systems that includes monthly filter changes and inspection for identification of potential problems. This plant-wide system incorporates security stations that have HVAC units. For security stations that do not have a dedicated HVAC system, a preventative maintenance program has been established for the heating and cooling units for bi-monthly filter changes and inspections to identify any potential problems.

Problems may be reported by any security officer, supervisor or any other member of the security organization as well as other NFS employees. Problems may be reported directly to a first-line supervisor or electronically through the use of the Problem Identification Resolution & Correction System (PIRCS). Once a problem has been reported, a work request will be written and issued to the responsible work group in accordance with the NFS Work Request Procedure (SOP 392). Each work request is then entered into a database and ranked by a priority of emergency, high or normal. A problem that adversely affects personnel safety or significantly impacts operations will be given emergency priority and will be given precedence over other work requests.

Security officers can follow-up on their concerns by communicating with a member of security supervision. Security supervisors may follow-up or track the progress of a work request by inspections of the area and/or contacting the responsible work group. All work requests must be acknowledged by the initiator upon completion of the work. The NFS Security Operations Manager holds a weekly meeting with maintenance personnel to review and discuss outstanding work requests. Timeliness of repairs and follow up

actions may be discussed during this meeting. If a problem can not be resolved adequately, it can be reported in PIRCS.

2. **What is the level of management involvement, who do not have direct responsibility for the security program (including executive and corporate management), in conducting behavior observations of security personnel.**

Include the following information in your response:

[A description of any processes in place for licensee and/or contract management, who work day to day at the site, or visit the site on a routine basis from a corporate office, or other applicable offsite location, for conducting behavior observations of security personnel while on duty at their assigned posts. Examples should include, but are not limited to, a discussion of random or scheduled observations conducted by licensee and/or contract management, such as the Plant Operations Shift Managers or other Plant Operations Shift Supervisors, Plant Maintenance Supervisors (licensee and contractor), or Quality Assurance Supervisors, etc. The discussion should include whether these random or scheduled observations are proceduralized and the required or recommended level of licensee and/or contract management involvement.]

NFS Response:

NFS has plant superintendents that represent management presence during off-shifts & weekends. The plant superintendents have unescorted access to all areas inside the protected area and conduct random observations of personnel and posts throughout their shift. Should they identify a potential problem, they would immediately notify a member of the NFS security department and take appropriate corrective actions. Individuals who supervise employees with unescorted access into the Material Access Area (MAA) have been trained in the Behavior Observation Program (BOP). These individuals may identify any potential problems or concerns that they observe. Problems and/or observations may be identified through face-to-face contact with an individual, the individual's supervisor or through the PIRCS system.

NFS has also established a formalized self-assessment program that includes a Management-By-Walking-Around program activity whereby members of Senior Management conduct formalized observations of different operational disciplines. The security department is included in this program and is observed at least once every 12 weeks. This program is owned by the Executive Vice-President/General Manager who is responsible for ensuring the program's objectives are being achieved.

As part of a license condition, the NFS Quality Assurance department conducts an independent audit of the security program on an annual basis. Any observations or findings that are revealed during the audit are reported to the Chief Executive Officer.

- 3. Are security personnel provided opportunities to participate in any personnel surveys regarding the work environment? If so, what is the frequency of the surveys, the average participation rate of security personnel as compared to the general site average, and the process for providing feedback and addressing the results from the survey?**

NFS Response:

Security personnel have been provided the opportunity to participate in personnel surveys regarding their work environment. In a recent survey conducted by the Safety Culture Board of Advisors (SCuBA) team, the security participation rate was 76.2%. NFS has recently purchased software that will allow us to create and distribute surveys specifically for security personnel. The frequency of these surveys has not yet been established; however, feedback may also be provided at quarterly meetings with security personnel.

- 4. How is the licensee's policy regarding site employee attentiveness and/or inattentiveness communicated to personnel, both licensee and contractor, and at what frequency?**

NFS Response:

The security officer attentiveness policy is an approved policy that has been distributed to all security personnel for review and acknowledgement in the NFS training and qualification system. Should the policy need to be updated, the policy will be revised and distributed for review and acknowledgment.

5. **Describe the process for employees to file reports through the site corrective action program (CAP). Can employees file CAP reports without prior supervisory/management review or approval?**

Include the following information in your response:

[Describe the process for employees to file reports through the CAP. Discuss the supervisor/management review and/or approval process including, but not limited to: (1) does a supervisor/manager have the authority to reject a report before entering it into the corrective action program without additional management review and approval; and, (2) does a supervisor/manager have the authority to modify the report before such report has been entered into the CAP?]

NFS Response:

Any employees or contractor may input events or employee identified safety items into PIRCS, as necessary and does not require supervisor or management approval. After the PIRCS item has been submitted it goes through an "initial screening" process by a plant superintendent or designated alternate. The purpose of the initial screening is to determine if an investigation is needed and to assign the investigation to the appropriate person or department. The initial screener does have the authority to delete the event even if the event has been entered in error or is redundant of an event already entered. However, all events will undergo final screening by the Screening Committee.

The Screening Committee is comprised of individuals in various disciplines including general safety, criticality safety, engineering and an integrated safety analysis representative. Additional representation may be present as requested. The screening process involves: reviewing each reported problem, determining if the already-specified disposition is adequate, assigning risk types and levels to each problem, and assigning corrective actions and or assigning investigations as needed.

An Oversight Committee meets on a regular frequency, normally every 2 weeks, to assess the performance of the corrective action program. The Oversight Committee normally consists of: the General Manager, VP of Safety and Regulatory, VP Fuel Production, VP Human Resources, PIRCS Coordinator and others as determined by the Program Owner.

- 6. Can the employees view the status and disposition of reports directly, or must this information be requested? If yes, please describe the process.**

NFS Response:

Yes, PIRCS makes follow-up status communication to the employee that reported the problem. Everyone who has access to PIRCS is provided with a "standard query" feature that allows the individual to review problems that they have reported or are associated with.

- 7. Are formal assessments of the security program conducted by organizations/individuals that do not have direct responsibility for the security program? If so, provide information about the process, including, but not limited to, the organizations and levels of management involved, the frequency of such activities, and any tracking of how findings are resolved.**

NFS Response:

In addition to the self-assessment and MBWA programs already described above (#2), the Security department is audited on an annual basis by Quality Assurance personnel who report the results of the audit along with recommendations, corrections, and improvements, if any, to the licensee's plant management, and to corporate management at least one level higher than that having responsibility for the day to day plant operations. NFS is routinely inspected by external regulators including the Nuclear Regulatory Commission and the Department of Energy. NRC inspections typically occur on a quarterly basis and DOE inspections are conducted on an annual basis. Findings and/or observations for audits and inspections are normally tracked through PIRCS.

8. **How are self-assessment findings and relevant operating experience information communicated to the security force? Describe those processes including, but not limited to, information such as the criteria by which such information is identified, the frequency of such communications, the responsible department(s) or position(s) for such communications, and the recipients of such communications.**

Include the following in your response:

[Describe the process including, but not limited to: (1) Formal or informal communication methods; (2) procedures that ensure availability of the policy to staff; and, (3) training opportunities for staff to read and understand the policy.]

NFS Response:

Self-assessment findings and other relevant operating information can be communicated informally by face-to-face communications between security officers and security supervisors/managers or formally in written notifications to security personnel. Informal communications may be made as part of day-to-day contact with security personnel or as part of the internal MBWA process used by the security department. Written notifications may be made in procedure format which would require review and acknowledgement in the Training & Qualification system. Other informational type notifications may be made via email using the contract security distribution address or from all employee meetings, normally held on a quarterly basis. As part of the self-assessment process, a monthly report is generated with a working list of items that were identified in individual self assessments for the month.

9. How do you assess the effectiveness of your oversight of contractors and subcontractors?

Include the following in your response:

[Describe the licensee's program for oversight of contractors and subcontractors including, but not limited to: (1) a brief overview and description of the licensee's procedures that describe the oversight process; (2) include a detailed list (bulleted is preferred) of assigned duties for the licensee supervisor(s) or manager(s) responsible for overseeing contractors and subcontractors at the site; (3) include a detailed list (bulleted is preferred) of the assigned duties for the contractor and subcontractor supervisor(s) or manager(s) responsible for overseeing the contractor and subcontractor staff at the site; and, (4) a brief discussion of corporate (management) involvement with the oversight of contractors and subcontractors at the site.]

NFS Response:

All uncleared contractors and subcontractors are required to be escorted by an authorized escort while inside the protected area. Authorized escorts are required to read and acknowledge security and safety procedures describing an escort's duties and responsibilities. These escorts provide oversight to these individuals while working inside the protected area responsibilities include:

- Assuring uncleared personnel are not exposed or allowed access to classified discussions, information, or material/matter.
- Assuring escorted individuals comply with emergency procedures
- Complying with the requirements of the fitness for duty program as described in operating procedures including reporting individuals that may be unfit for duty.

About 85% of uncleared contractors and subcontractors are escorted by security personnel who provide this oversight function. Cleared contractors and subcontractors have a NFS point-of-contact who is responsible for the contractor and subcontractor staff on-site. Any problems or concerns with a contractor or subcontractor may be reported in PIRCS.

Last Page
This page intentionally left blank.

When detached handle this page as UNCLASSIFIED.