



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

May 28, 2009

EA-09-089

Ms. Lisa Price
Chief Executive Officer and Facility Manager
Global Nuclear Fuel - Americas, L.L.C.
P.O. Box 780
Wilmington, NC 28402

**SUBJECT: DISPOSITION OF APPARENT VIOLATION 70-1113/2009-001-01 (NRC
INSPECTION REPORT NO. 70-1113/2009-004)**

Dear Ms. Price:

This refers to an inspection conducted February 23-27, 2009, at the Global Nuclear Fuel – Americas, L.L.C. (GNF-A) Wilmington, NC facility. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. The inspection also included a review of an event identified by your staff involving a degraded safety system. The results of our review, including the identification of an apparent violation involving the degraded condition of the criticality warning system, were documented in NRC Report No. 70-1113/2009-001, dated March 26, 2009. In our cover letter to that report, you were informed that the NRC was considering escalated enforcement action for the apparent violation, and we extended to you the option to attend a pre-decisional enforcement conference to discuss the details of the incident.

On April 30, 2009, a pre-decisional enforcement conference was held in the NRC's Region II office with you and members of your staff. At the conference you: 1) acknowledged the seriousness of the event; 2) acknowledged that a violation occurred as stated in the NRC's inspection report; 3) presented detailed information regarding the root and contributing causes; and 4) presented your corrective actions planned and completed to preclude recurrence. These corrective actions included additional training for GNF-A staff, enhancements to maintenance and emergency procedures, and modifications to the criticality warning system equipment.

Based on the information developed during the inspection and the information provided at the conference, the NRC has determined that a violation of NRC requirements occurred. The circumstances surrounding it were described in detail in NRC Inspection Report No. 70-1113/2009-001. In summary, from December 12-16, 2008, the criticality warning system alarms for the Fuel Manufacturing Facility were in the manual mode and would not have actuated automatically. GNF-A's investigation concluded that the criticality warning system was switched from automatic to manual mode to silence the alarms after a malfunction of the system on December 12, 2008. The criticality warning system was inadvertently left in manual mode until maintenance was performed on the system on December 16, 2008. Upon discovering that the alarm was in manual mode, GNF-A immediately returned the system to automatic mode and implemented corrective actions to prevent recurrence.

The NRC considers the criticality warning system to be important to the safety of workers and the public. In the event of an inadvertent nuclear criticality, the criticality warning system alerts workers to evacuate the facility and minimize radiation exposure during and after the accident. In this case, while the criticality warning system was degraded, the probability of an inadvertent nuclear criticality remained highly unlikely at all times. Therefore, the actual and potential safety significance to workers and the public remained very low.

GNF-A presented additional information regarding the actual risk to workers on-site. In the event of an actuation of the criticality warning system, an alarm is actuated in the continuously manned security station. By procedure, upon receipt of this alarm, security officers signal a potential site emergency, which causes the emergency control center (ECC) to be manned, and upon direction from the ECC, a site evacuation can be manually signaled. Although, somewhat delayed, this evacuation would minimize excessive radiation dose to site workers.

Due to the very low safety significance of the event, the NRC considers this to be a severity level IV violation. This non-repetitive, licensee-identified and corrected violation is being treated as a Non-Cited Violation, consistent with Section VI.A.8 of the NRC Enforcement Policy. If you contest this non-cited violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the Regional Administrator, Region II, and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

For administrative purposes, this letter is issued as a separate NRC Inspection Report, 70-1113/2009-004, and the above non-cited violation is identified as NCV 70-1113/2009-004-01, failure to monitor the criticality warning system while the alarm was silenced. NCV 70-1113/2009-004-01 and apparent violation 70-1113/2009-001-01 are closed.

In accordance with 10 CFR 2.390 of NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agency-Wide Document Access and Management System (ADAMS) on the Internet at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, if you choose to respond, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

/RA/ J. Henson acting for

Joseph W. Shea, Director
Division of Fuel Facility Inspection

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

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