

## GNF-A Comments - NRC LPR (9/2009)

Thank you Mr. Rich, Mr. Reyes, Mr. Virgilio and your NRC associates, for a comprehensive and thorough review of our performance over the past 2 years. On behalf of GNF and all of our team, we concur with the results that you shared with us today.

We are pleased that the NRC's review determined that GNF continued to conduct activities safely and securely, protecting public health and the environment. And we are pleased this conclusion covered the areas of safety operations, safeguards, radiological controls, facility support and special topics.

GNF works closely with the NRC and values the independent reviews that we receive. Over the past 2 years, we have had NRC inspectors on site an average of about 12 weeks a year, as part of our routine and ongoing commitment to work closely with the NRC. These inspections touch all areas of licensed activities and engage many of our employees. We work very hard and make every effort to achieve excellence in our operations, and we take regulatory observations and comments seriously. We regard each inspection as an opportunity to continually improve our performance.

As you indicated, management attention was warranted to improve the identification and implementation of safety controls. Specifically, the Licensee Performance Review noted that the violations that have occurred during the assessment period indicate that there are performance issues with the identification and implementation of safety controls, and indicate that GNF should (i) evaluate any common causes that underlie the regulatory violations, (ii) review the effectiveness of prior corrective actions and (iii) take appropriate actions. GNF is committed to performing this review and will take appropriate actions based on the results of that review. In this regard, I note that my team has already initiated positive, proactive and preventive measures to continually improve these areas. For example, we have issued augmented safety control instructions, guidance and training. In addition, a thorough system-by-system review is being conducted to ensure that requirements are being met and address any common causes or weaknesses that may exist.

We continue to conduct rigorous self-assessments and monitor our performance on a daily basis. We continue to stress procedural compliance and a strong safety culture in all areas of our business. The NRC inspections help to verify that our actions remain in line with the regulatory expectations.

To conclude, we are committed to maintaining safe and compliant operations here in Wilmington. We look forward to working closely with NRC staff as they assess the effectiveness of our actions.

Thank you.

Lisa Price  
GNF-A Chief Executive Officer &  
Facility Manager  
9/1/09