

INSPECTION REPORT

1. LICENSEE OR CERTIFICATE HOLDER/LOCATION INSPECTED:
AREVA NP, Inc.
Lynchburg Manufacturing Facility
P.O. Box 11646
Lynchburg, VA 24506-1646
REPORT NO: 2009-004

2. NRC/REGIONAL OFFICE:
U.S. Nuclear Regulatory Commission
Region II
61 Forsyth Street, Suite 23T85
Atlanta, GA 30303-8931

3. DOCKET NUMBER:
70-1201

4. LICENSE OR CERTIFICATE NUMBER:
SNM-1168

5. DATE(S) OF INSPECTION:
October 13, 2009 – October 16, 2009

LICENSEE OR CERTIFICATE HOLDER:

The inspection was an examination of the activities conducted under your license or certificate as they relate to safety and/or safeguards and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license or certificate. 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. Reported events reviewed
- 4. 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, to exercise discretion, were satisfied.
Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 5. 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 OR CERTIFICATE HOLDER STATEMENT OF CORRECTIVE ACTIONS FOR ITEM 5, ABOVE

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violation(s) 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 the NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE/CERTIFICATE HOLDER REPRESENTATIVE			
NRC INSPECTOR	Richard Gibson	/RA/	11/9/2009

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6. INSPECTOR(S): Richard Gibson

7. INSPECTION PROCEDURES USED: 88045; 88050

EXECUTIVE SUMMARY

Summary of Plant Status

The AREVA Lynchburg facility fabricates fuel assemblies used in commercial nuclear power reactors. During the inspection period, the plant was shutdown in accordance with the production schedule. This routine, announced inspection included evaluation of the effluent control & environmental protection, and the emergency preparedness programs. The inspection involved observations of work activities, review of selected records, and interviews with plant personnel. The inspection identified the following aspects of the licensee programs as outlined below:

Effluent Control and Environmental Protection (IP 88045)

- The inspector verified that no significant environmental program changes had occurred since the last inspection. The licensee revised the environmental monitoring procedure SL-1270 to be more consistent with workers' performance, and the procedure was more detailed to reduce human errors.
- The inspector verified that the licensee's environmental audit program was performed consistent with the requirements specified in the license application.
- The inspector verified that the environmental sampling and monitoring stations (airborne effluent and ambient air) were appropriately located and adequately maintained.
- The inspector reviewed sample results from the collection and change-out of ambient air filters and radioactive gaseous effluent filters for the uranium process center (UPC) stack, which includes the ventilation from the pellet loading room, the recirculation system, and the evaporator. The inspector determined that the activity was conducted in accordance with the procedure and within the required weekly frequency. All airborne effluents released were well within the limits specified in the license and ALARA limits required by 10 CFR 20.1101.
- The inspector reviewed sample results from environmental samples (e.g., soil, vegetation, surface water, sediment, etc.), and determined that the samples were conducted at the required frequency and were below the specified action levels. The samples were processed off-site by an independent laboratory.

EXECUTIVE SUMMARY (Continued)

- From a review of records and discussions with the licensee, the inspector determined that there was not a liquid effluent stream located in the UPC area, which was the only area where SNM was used. The inspector noted that liquid waste from rod washing in the UPC area was filtered, drained to the evaporator, filtered through a High Efficiency Particulate Air (HEPA) filter, and released through the UPC stack. No findings of significance were identified.
- The inspector reviewed the results of the health physics audit for the environmental program and determined that the program was in compliance with the license requirements. Also, recommendations by the independent auditor were captured in the corrective action program through a condition report.
- The inspector reviewed current calibrations, functional tests, and consistency of uranium analysis data. Airborne effluent monitoring instrumentation and support equipment were maintained and calibrated in accordance with license procedures.
- The inspector walked down several items relied on for safety (IROFS) associated with the ventilation system for the UPC area. The inspector reviewed the procedures and results for the following tests and surveillances: (1) the annual HEPA filter differential pressure alarm switch tests, IROFS VS-1; (2) the annual non-destructive analysis scan for the accumulation of uranium in the ventilation ducting, IROFS VS-2; and (3) the annual visual inspection of the ductwork for the accumulation of SNM in the ventilation system from the down-draft table, IROFS VS-4. The inspector determined that the licensee performed the annual checks in accordance with the procedure and at the required frequency. No findings of significance were identified.

Emergency Preparedness (IP 88050)

- Since the last inspection conducted in July 2008, there were no major changes to the emergency preparedness program. The inspector reviewed revisions to procedure SL-1308 and determined that the changes were appropriately authorized by management and were adequately communicated to plant personnel.
- The inspector interviewed members of the fire brigade team, reviewed training records and determined that training was adequate to meet license commitments. The fire brigade team members were knowledgeable of their roles and responsibilities as part of the emergency response organization. No findings of significance were identified.
- The inspector walked down the fire brigade equipment and instrumentation, and determined that they were adequately inspected and maintained to ensure proper operations and state of readiness. No findings of significance were identified.
- The inspector visited and walked down the Concord Voluntary Fire Department (offsite first responder) and determined that the facility and equipment were in place and maintained for response when called upon by the licensee. Also, the inspector reviewed the Mutual Aid Agreement between Concord Voluntary Fire Department and the licensee and determined that the agreement was reviewed and discussed annually. The inspector noted that the fire department had a current copy of the licensee's emergency procedures and associated addendums. From an interview with one of the volunteers, the inspector determined that there were approximately 35 volunteers for the Concord site and they were certified as Level 1 and Level 2 firefighters.

EXECUTIVE SUMMARY (Continued)

- The inspector conducted a telephone interview with Mutual Aid Agreement representatives from the Lynchburg General Hospital and the Campbell County Sheriff Office. Each representative indicated that the licensee frequently met with them and that they will provide assistance to the facility when called. Also, the representatives indicated that they were provided adequate opportunities for site-specific training and site familiarization tours. The inspector reviewed the Mutual Aid Agreements between the offsite responders and the licensee and determined that the agreement was reviewed and discussed annually by both parties.
- The inspector reviewed and discussed drills and table top exercises conducted by the licensee since the last inspection. The inspector determined that the results from the drill critiques adequately addressed areas for improvement including the performance of individuals in their emergency response roles. These issues were entered into the licensee's corrective action program through a condition report.

Exit Meeting Summary

- The inspection scope and results were summarized on October 16, 2009, with Ms. Michelle Moore and members of your staff. The inspector asked the licensee staff whether any materials examined during the inspection should be considered proprietary. Although proprietary information was discussed, no proprietary information was identified in this report.

Key Points of Contact

<u>Name</u>	<u>Title</u>
D. Grandemange	Site Manager
E. Miller	Manager, Environment Health & Safety
M. Moore	Manager, Uranium Product Center
T. Blanks	Supervisor, Transportation, Security and Environment
A. Williams	Training
T. Lovelace	Criticality Engineer

List of Items Opened, Closed, Discussed

<u>Item Number</u>	<u>Status</u>	<u>Description</u>
DEV 70-1201/2008-006-01	Closed	<p>Noncompliance with RG 4.16 in Semi-Annual Effluent Reports. Section 9.1 of the license application, Effluent Results Report, states that "the report providing the effluent results will be in accordance with Section 5 of Regulatory Guide 4.16 dated December 1985." The semi-annual effluent reports submitted to the NRC deviated from the guidance in three ways: (1) error estimates were not present in the semi-annual effluent report; (2) a summary of the facility's effluent releases were not present; and (3) a column in the semi-annual effluent report was mislabeled as Derived Air Concentration (DAC) as opposed to Air Effluent Concentration. The values in the column were from the correct column in 10 CFR 20 Appendix B, but were improperly labeled.</p> <p>The inspector reviewed corrective actions given in Condition Report Number 2008-5869 in response to the deviation and Condition Report Number 2008-5876 in response to the air flow rate data not being recorded as indicated by the gauges. The corrective actions included:</p>

EXECUTIVE SUMMARY (Continued)

Item Number

Status

Description

(1) providing the error estimates and summary of effluent releases in the semi-annual effluent report; (2) correcting the column to reflect Air Effluent Concentration in the report; (3) performing a self assessment of the environmental program; (4) the licensee set up a human performance work shop for workers expectation; (5) revising the environmental procedure to be more consistent with the performance of the worker and more detailed to reduce human error; and (6) retraining the technicians responsible for reading the inflow gauges. The inspector verified that the corrective actions had been implemented. This item is closed.