



Global Nuclear Fuel

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January 11, 2010

U. S. Nuclear Regulatory Commission
Division of Fuel Facility Inspection
61 Forsyth St. SW
Suite 23T85
Atlanta, GA 30303-8931
ATTN: Mr. Eugene Cobey

Subject: GNF-A ISA Action Plan

References: 1) NRC License SNM-1097, Docket 70-1113
2) NRC Inspection Report No. 070 -1113/2009-010, November 6, 2009
3) Pre-Decisional Enforcement Conference Meeting, NRC RII Atlanta
December 11, 2009

Dear Mr. Cobey:

This letter is a follow-up to the pre-decisional enforcement conference (PDEC) held on December 11, 2009 concerning NRC Inspection Report No. 070 -1113/2009-010. As we indicated in the conference, GNF-A has developed a proposed action plan to address the issues identified in the Inspection Report involving GNF-A's Integrated Safety Analysis (ISA). GNF-A recommends that the actions be documented in a Confirmatory Action Letter (CAL) as binding commitments. Enclosed with this letter is the proposed GNF-A action plan.

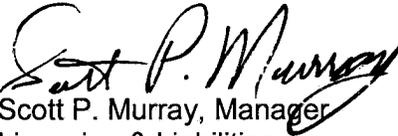
GNF-A recognizes the importance of assuring that our operations are safe while these issues are addressed. In the PDEC, GNF-A addressed the safety of our licensed operations today. As discussed, GNF-A has confirmed current criticality safety analyses and that sufficient controls are in place to meet double contingency for all fissile material processes as required by GNF-A's license. As part of this assessment, GNF-A performed a facility walk-down to verify selected criticality controls are in place, and verified that every Active Engineered Control (AEC) has had a timely functional test performed and is available and reliable as a failsafe shutdown mechanism. With respect to other safety hazards, a review of environmental, fire, and chemical accident sequences in the current Process Hazards Analysis was also completed. Based on that review, GNF-A is confident that adequate safeguards are in place to prevent or mitigate all identified accident sequences to ensure that performance requirements are met.

In addition, GNF-A applies management measures to criticality, chemical, fire, and environmental controls as required by our license regardless of whether they are declared as items relied on for safety (IROFS) to provide reasonable assurance that such controls remain available and reliable. Management measures applied to these controls include change management, configuration control, routine inspections or surveillances, and required maintenance. As explained in the attached action plan, should a condition occur in which criticality controls necessary to meet double contingency are not maintained or available, or should an ISA evaluation identify a condition for which controls necessary to meet performance requirements are not available, GNF-A will shut down affected equipment until necessary controls are available and notify the NRC within 24 hours. GNF-A believes that these proposed actions, in conjunction with the completed reviews, demonstrate there is reasonable assurance that there will be no undue risk to the health and safety of our workers, the public, or the environment while GNF-A's action plan is being implemented.

Attachment 1 sets forth the proposed GNF-A action plan and description of milestones along with a schedule for their completion. GNF-A requests that these proposed actions be documented in a CAL.

GNF-A requests a meeting with NRC staff to review the action plan and address any questions that may exist.

Sincerely,


Scott P. Murray, Manager
Licensing & Liabilities

Attachment 1

SPM 10-001

cc: L. Reyes USNRC Regional Administrator, Region II
D. Rich USNRC Region II
M. Bailey USNRC NMSS HQ
M. Tschiltz USNRC NMSS HQ
M. Baker USNRC NMSS HQ

Attachment 1

GNF-A Proposed Action Plan to Address ISA Issues

1. Should a condition occur in which criticality controls necessary to meet double contingency are not maintained or available, or should an ISA evaluation identify a condition for which controls necessary to meet performance requirements are not available, GNF-A will shut down affected equipment until necessary controls are available and notify the NRC within 24 hours. This commitment will be maintained during the time of the confirmatory action.

In addition, GNF-A commits to maintain and apply management measures to criticality, chemical, fire, and environmental controls in accordance with our license, regardless of whether they are declared as items relied on for safety (IROFS), to provide reasonable assurance that such controls remain available and reliable. Management measures applied to these controls include change management, configuration control, routine inspections or surveillances, and required maintenance.

2. Re-evaluate all current ISA process hazard analyses and revise or develop quantitative risk assessments as necessary to demonstrate that licensed activities meet the performance requirements of 10 CFR 70.61. The re-evaluation will include the following:
 - a. Identify all "bounding assumptions" and "design features" used as assumed baseline conditions for the performance of the process hazard analyses (PHA) and provide justification for the use of those bounding assumptions and design features. GNF-A will review the bounding assumptions and design features with NRC Staff to confirm that use of each assumption is consistent with regulatory requirements.
 - b. Re-evaluate all "S=1" and "UL=0" PHA accident sequences to determine whether they have been properly characterized and analyzed without reliance on any feature, design, or materials controlled by a system of safeguards, IROFS, or management measures. Identify IROFS where necessary in accordance with GNF-A's license.

Individual milestones for completion of Fabrication, DCP, and Balance of Plant reviews will be established. It is proposed that GNF-A hold periodic (e.g., quarterly) updates with NRC to advise the status and progress on the re-evaluation, beginning at the end of February 2010.

3. Re-perform the PHAs associated with a potential large release of reactor offgas (e.g., hydrogen fluoride) to the environment. GNF-A will quantitatively re-examine this potential accident sequence to identify the current safeguards as IROFS as appropriate in accordance with GNF-A's license. This action is targeted for completion by February 26, 2010.

Attachment 1 (continued)

4. Re-perform the PHAs involving a potential UF₆ cylinder release. GNF-A will quantitatively re-examine this potential accident sequence to identify the current safeguards as IROFS as appropriate in accordance with GNF-A's license. This action is targeted for completion by March 26, 2010.
5. Seek a license amendment where necessary to address any changes that GNF-A may wish to make to its license to address issues identified under this action plan.
6. GNF-A will request a temporary exemption from the specific reporting requirements of 10CFR70, Appendix A(b)(1) and (b)(5) and provide a monthly status report to NRC describing the status and results of ISA evaluations and reviews.