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March 30, 2010

AES-O-NRC-10-00317-0

ATTN: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

AREVA Enrichment Services LLC  
Eagle Rock Enrichment Facility  
NRC Docket No: 70-7015

Subject: Notice of Organization Change for the Eagle Rock Enrichment Facility License Application

On April 23, 2009 (Ref. 1), AREVA Enrichment Services LLC (AES) submitted a revised License Application to the U.S. Nuclear Regulatory Commission (NRC) to construct and operate the Eagle Rock Enrichment Facility (EREF) in Bonneville County, Idaho. Section 19.2 of the Quality Assurance Program Description (QAPD) requires AES to notify the NRC of an organization change which affects the QA Program within 30 days of implementation of the organization change. The changes to the EREF Safety Analysis Report (SAR) and the QAPD were implemented on March 4, 2010 and are provided in Enclosure 1. The organization changes maintain alignment with the evolving scope of responsibility to license, design, build and operate the EREF. The changes to the SAR and QAPD do not constitute a reduction in commitment.

The changes provided in Enclosure 1 will be incorporated into the next revision of the License Application. Revision 2 of the license application will be submitted following the incorporation of AES responses to NRC requests for additional information related to Revision 1 of the license application (Ref. 2).

If you have any questions or require additional information, please contact me at 508-573-6554.

Respectfully,

A handwritten signature in cursive script that reads 'J. A. Kay'.

James A. Kay  
Licensing Manager

**AREVA ENRICHMENT SERVICES LLC**

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Enclosure: 1) AES Organization Change, Marked-up Pages for the Safety Analysis Report and the Quality Assurance Program Description

References:

- 1) S. Shakir (AES) Letter to the U.S. Nuclear Regulatory Commission, Revision 1 to License Application for the Eagle Rock Enrichment Facility, dated April 23, 2009.
- 2) J. A. Kay (AES) Letter to the U.S. Nuclear Regulatory Commission, Response to Requests for Additional Information – AREVA Enrichment Services Application for the Eagle Rock Enrichment Facility, dated September 28, 2009.

cc: Breeda Reilly, U.S. NRC Senior Project Manager  
Steve Lemont, U. S. NRC Senior Project Manager

## **AES Organization Change**

### **Marked-up Pages for the Safety Analysis Report and the Quality Assurance Program Description**

## 2.0 ORGANIZATION AND ADMINISTRATION

This chapter describes the management system and administrative procedures for the effective implementation of Health, Safety, and Environmental functions at the Eagle Rock Enrichment Facility (EREF). The chapter presents the organizations responsible for managing the design, construction, operation, and decommissioning of the facility. The key management and supervisory positions and functions are described including the personnel qualifications for each key position at the facility.

Areva Enrichment Services (AES), LLC, a wholly owned subsidiary of Areva NC, has been formed to provide uranium enrichment services for nuclear power plants and to design, construct and operate EREF. The AES policy is to maintain a safe work place for its employees and to assure operational compliance within the terms and conditions of the license and applicable regulations. The AES President has overall responsibility for safety and compliance to this policy. In particular, AES employs the principle of keeping radiation and chemical exposures to employees and the general public as low as reasonably achievable (ALARA).

The facility organization, technical qualifications, procedures, and management controls in this license application are similar to those submitted for Nuclear Regulatory Commission (NRC) review in the LES license application for the National Enrichment Facility (NEF) (LES, 2005). The staff reviewed the NEF plans and commitments and concluded in the Safety Evaluation Report (SER) (NRC, 2005) that they provided reasonable assurance that an acceptable organization, administrative policies, and sufficient competent resources were established or committed, to satisfy the applicant's commitments for the design, construction, and operation of the facility per 10 CFR 30.33, 10 CFR 40.32, 10 CFR 70.22, 10 CFR 70.23, and 10 CFR 70.62(d). (NRC, 2005). The differences between the EREF and NEF organizations reflect AREVA's experience in operating fuel cycle facilities. Although some titles and scope of responsibility have been changed, the functions to be performed remain the same. The key differences in the EREF and NEF organization as described in the license application reviewed by the NRC in the referenced SER are as follows:

- ~~An organization chart is provided for the operations phase. During design and construction, the scope and size of the Vice President Engineering's staff will be consistent with his overall responsibility for the design, construction and startup of the facility. Design~~ Organization charts are provided in the Quality Assurance Program Description (QAPD) for the engineering, procurement and construction (EPC) phase and for the operations phase. During engineering, procurement and construction, the scope and size of the staff reporting to the ~~Vice President Engineering and EPC Project Manager~~ will be consistent with his overall responsibility for the engineering, construction and startup of the facility. Engineering and construction personnel will be integrated into the Operations organization to provide technical support during initial startup of the facility and transition into the operational phase. As the facility nears completion, systems will undergo acceptance testing as required by procedure, followed by turnover from the construction organization to the operations organization. Once operational, the Project Manager will be responsible for the engineering, procurement, construction and startup of any facility modifications and expansion.
- The Quality Assurance Manager and the Safety Review Committee report directly to the AES President rather than the Plant Manager.

Project Director

## 2.1 ORGANIZATIONAL STRUCTURE

The AES organizational structure is described in the following sections. The organizational structure indicates the lines of communication and management control of activities associated with the design engineering, procurement, construction, operation, and decommissioning of the facility.

### 2.1.1 Corporate Functions, Responsibilities, and Authorities

AREVA Enrichment Services (AES), LLC is a Delaware limited liability corporation. It has been formed solely to provide uranium enrichment services for commercial nuclear power plants. AES is a wholly owned subsidiary of AREVA NC Inc. AES is further described in Chapter 1, Section 1.2.

AES is responsible for the design, quality assurance, construction, operation, and decommissioning of the enrichment facility. The AES President has overall responsibility for these functions of the enrichment facility. Reporting to the President during the design engineering, procurement and construction phase are the ~~Vice President Engineering and EPC Project Manager~~, and the Quality Assurance (QA) Manager as shown in Figure A-21-2 of the Quality Assurance Program Description (QAPD). Reporting to the President during the operating phase are the Plant Manager, the QA Manager, and the Safety Review Committee. Figure A-41-1 of the QAPD, Eagle Rock Enrichment Facility Organizational Chart, shows the authority and lines of communication for the operating phase.

Project Director, Plant Operations Manager,

### 2.1.2 ~~Design Engineering, Procurement and Construction Organization~~

AES has contracted Enrichment Technology Company Limited (ETC) to design the core process technology while an architect/engineering firm will be contracted to further specify, design, and build the supporting structures and systems of the facility. AREVA NP conducted the site characterization and performed the Integrated Safety Analysis in support of the license application.

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Project Director

During the construction phase, preparation of construction documents and construction itself are contracted to qualified contractors. The AES ~~Vice President Engineering and EPC Project Manager~~ is responsible for managing the design engineering, construction, initial startup, and procurement activities. A ~~Deputy EPC Project Manager~~ may assist the ~~EPC Project Manager~~ in planning and implementation of the EPC activities. Contractor QA Programs will be reviewed by AES QA and must be approved before work can start.

ETC will design, manufacture, and deliver to the site the centrifuges necessary for facility operation. In addition, ETC is supplying technical assistance and consultation for the facility. ETC has extensive experience in the gas centrifuge uranium enrichment process since it has supplied gas centrifuge technology to both URENCO and AREVA for enrichment plants in Europe and the United States. ETC is also conducting technical reviews of the design activities of the supporting structures and systems as appropriate to ensure that they are in accordance with ETC core process design requirements.

For procurement involving the use of vendors located outside the U.S., AES selects vendors only after a determination that their quality assurance programs meet the AES requirements. Any components supplied to AES are designed to meet applicable domestic industry code requirements or their equivalents as stated by the equipment specifications.

The Plant Operations Manager is responsible for the initial startup of the facility.

Project Director

The Vice President Engineering is responsible for managing the work and contracts with ETC. Also reporting to the Vice President Engineering are the managers for the areas of procurement and construction (system integration), design, licensing, safety systems, and operations (start-up). The lines of communication of key management positions within the design The Vice President Engineering and EPC Project Manager is responsible for managing the work and contracts with ETC. Also reporting to the Vice President Engineering and EPC Project Manager are the individuals responsible for the areas of procurement, construction, engineering and design, licensing, safety systems, and start-up. The lines of communication of key management positions within the engineering, procurement and construction organization are shown in Figure A-21-2 of the QAPD.

planning

Position descriptions of key management personnel in the design-engineering, procurement and construction organization will be accessible to all affected personnel and the NRC.

### 2.1.3 Operating Organization

In addition to design and construction, -preoperational testing and initial start-up, AES has direct responsibility for operation and maintenance of the facility.

The AES president has overall responsibility for the operation of the enrichment facility. He is also responsible for the QA Program. In the discharge of these responsibilities, he directs the activities of the following groups:

- Plant Management
- Quality Assurance
- Safety Review Committee
- Human Resources

The Plant Manager reports to the AES President and is responsible for the operation and maintenance of the EREF. In the discharge of these responsibilities, he directs the activities of the following groups:

- Operations
- Environmental, Health, Safety and Licensing
- Uranium Management
- Training
- Project Management (including Engineering, Procurement, Construction, Startup and the Technology Supplier)

The responsibilities, authorities, and lines of communication of key management positions within the operating organization are discussed in Section 2.2, Key Management Positions.

The QA Manager has the authority and responsibility to contact directly the AES President with any Quality Assurance concerns during operation.

Position descriptions for key management personnel in the operating organization will be accessible to all affected personnel and to the NRC.

## 2.3 ADMINISTRATION

This section summarizes how the activities that are essential for implementation of the management measures and other EHS&L functions are documented in formally approved, written procedures, prepared in compliance with a formal document control program. The mechanism for reporting potentially unsafe conditions or activities to the EHS&L organization and facility management is also summarized. Details of the management measures are provided in Chapter 11, Management Measures.

### 2.3.1 Configuration Management

Configuration management is provided for Items Relied on for Safety (IROFS) throughout facility design, construction, testing, and operation. Configuration management provides the means to establish and maintain a technical baseline for the facility based on clearly defined requirements. During design and construction, the Vice President Engineering and ~~EPC Project Manager~~ <sup>Licensing</sup> has responsibility for configuration management through the design control process. Selected documentation is controlled under the configuration management system in accordance with appropriate QA program required procedures associated with design control, document control, and records management. Design changes to IROFS undergo formal review, including interdisciplinary reviews as appropriate, in accordance with these procedures.

Configuration management provides the means to establish and maintain the essential features of the design basis of IROFS. As the project progresses from design and construction to operation, configuration management is maintained by the facility engineering organization as the overall focus of activities changes.

Additional details on Configuration Management are provided in Chapter 11, Management Measures.

### 2.3.2 Maintenance

The maintenance program will be implemented for the operations phase of the facility. Preventive maintenance activities, surveillance, and performance trending provide reasonable and continuing assurance that IROFS will be available and reliable to perform their safety functions.

The purpose of planned and scheduled maintenance for IROFS is to ensure that the equipment and controls are kept in a condition of readiness to perform the planned and designed functions when required. Appropriate plant management is responsible for ensuring the operational readiness of IROFS under this control. For this reason, the maintenance function is administratively closely coupled to operations. The maintenance organization plans, schedules, tracks, and maintains records for maintenance activities.

Maintenance activities generally fall into the following categories:

- Corrective maintenance
- Preventive maintenance
- Surveillance/monitoring
- Functional testing.

These maintenance categories are discussed in detail in Chapter 11, Management Measures.

## 1.0 INTRODUCTION AND ORGANIZATION

The Quality Assurance Program Description (QAPD) described herein applies to the design, fabrication, testing, operation, and decommissioning of the Eagle Rock Enrichment Facility and meets the requirements of 10 CFR 70.64 (a) (1), "Quality standards and records." The Eagle Rock Enrichment Facility is located in Bonneville County, Idaho. The QAPD is applied as described in Section 2.0 of this QAPD.

### 1.1 ORGANIZATION

- 1.1.1 AREVA Enrichment Services, LLC (AES) maintains overall responsibility for design, refurbishment, construction, start-up, operations, and decommissioning of the Eagle Rock Enrichment Facility.
- 1.1.2 Figure 1-1 of this QAPD shows the site management operating organization for the Eagle Rock Enrichment Facility (EREF).
- 1.1.3 Figure 1-2 of the QAPD shows the engineering, procurement, construction, and initial start-up organization of the EREF.

### 1.2 DESIGN, CONSTRUCTION, START-UP, AND OPERATIONS ORGANIZATION

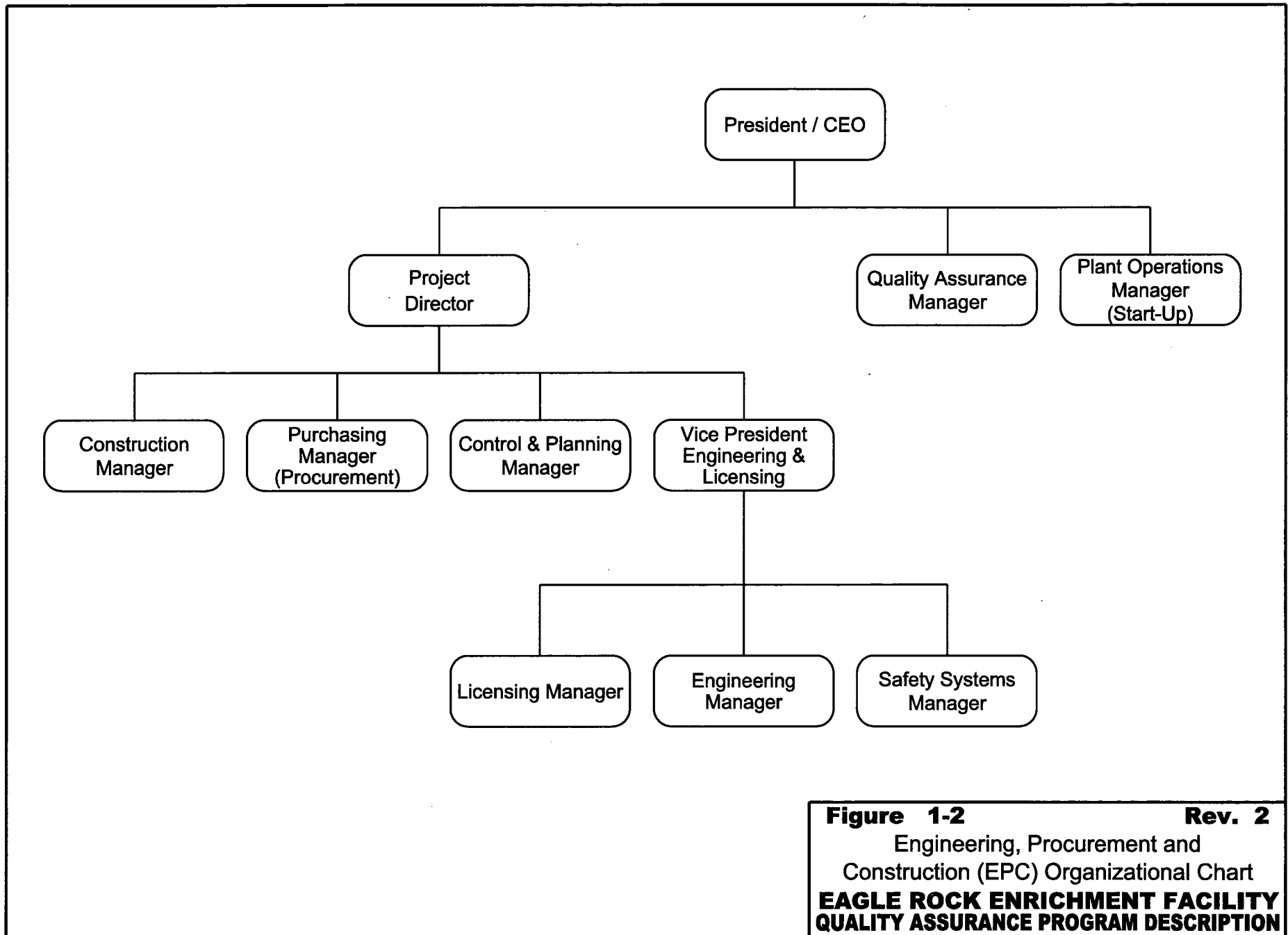
- 1.2.1 The AES President has overall responsibility for the design, construction, start-up, and operation of the Eagle Rock Enrichment Facility.
- 1.2.2 The AES President has overall responsibility for the Quality Assurance (QA) Program and for determining the status, adequacy, and effectiveness of the QAPD.
- 1.2.3 The AES President has designated the ~~Vice President Engineering and Engineering, Procurement and Construction (EPC) Project Manager~~ the responsibility for design, construction, procurement, and initial start-up for the Eagle Rock Enrichment Facility. The QAPD is binding on all AES and contractor personnel involved with the Eagle Rock Enrichment Facility.
- 1.2.4 ~~A Deputy EPC Project Manager may assist the EPC Project Manager in planning and implementation of EPC activities.~~
- 1.2.5 The AES President has designated the Plant Manager the responsibility for operation, maintenance, and associated support activities for the Eagle Rock Enrichment Facility.
- 1.2.6 The QA Manager reports to the AES President and has independent oversight responsibility for implementation of the QAPD. The QA Manager has direct access to the AES President for QA matters.

Project Director

and

The AES President has designated the Plant Operations Manager the responsibility for initial start-up for the EREF.





**Figure 1-2** **Rev. 2**  
Engineering, Procurement and  
Construction (EPC) Organizational Chart  
**EAGLE ROCK ENRICHMENT FACILITY**  
**QUALITY ASSURANCE PROGRAM DESCRIPTION**