



August 20, 2010
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U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Director, Office of Nuclear Material Safety
and Safeguards
11555 Rockville Pike
One White Flint North
Rockville, MD 20852

Gentlemen:

Subject: Reply to Notices of Violation from NRC Inspection Report 70-1257/2010-202; AREVA NP Inc.; License No. SNM-1227

Ref.: Letter, Sheena Whaley to Chuck Perkins, "U.S. Nuclear Regulatory Commission Inspection Report No. 70-1257/2010-202 and Notice of Violation," dated July 23, 2010.

Attached are AREVA NP's (AREVA's) responses to the two Level IV violations described in the referenced letter.

If you have questions or require further information, please contact me at 509-375-8409.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert Link', written over a horizontal line.

R. E. Link, Manager
Environmental, Health, Safety, & Licensing

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Reply to Notice of Violation
NRC Inspection Report 70-1257 / 2010-202; AREVA NP Inc.
Docket # 70-1257/ License # SNM-1227

Violation 1

The violation as stated in the referenced Notice of Violation (NOV) is as follows:

- 1) Condition S-1 of NRC License No.: SNM-1227 requires, in part, that the licensee use material in accordance with the statements, representations, and conditions in the license application dated October 24, 2006, and supplements dated: December 13, 2006 (License Application and RAI Responses); December 10, 2008; and e-mail from R.E. Link Titled: "Compliance Plan" dated March 5, 2009.

Item 4.4, Written Procedures, of the license application dated December 10, 2008, states, in part, that written and approved procedures shall govern activities involving the handling of radioactive materials.

Section 3.7.1 of licensee's Standard Operating Procedure (SOP) SOP-40181, "Shipping, Receiving & Storage Operations;" Version 3.0, requires, in part, that "Radioactive Material outside a designated radioactive material area must not be left unattended".

Contrary to the above, on June 23, 2010, the licensee left radioactive material unattended in an area outside a designated radioactive material area. Specifically, licensee left unattended two shipping containers of radioactive materials, containers RA-150 and RA-035, containing fuel bundles FBD-253, 254, 235, and 236, in the middle of a road within their facility.

This is a Severity Level IV violation (Supplement IV).

Reason for the Violation

The reason for this violation is that an operator used two loaded shipping containers for blockades while moving containers out of an approved storage area. The temporarily blockaded location was not posted as a radioactive material area (RMA). This requires that the radioactive material not be left unattended. The operator maintained visual contact with the general work area, but left the immediate work area for a break. His location during the break was not close enough for him to maintain positive control over the work area.

Corrective Actions Taken and Results Achieved

- Training was conducted during the team meeting for the organization responsible for the handling and loading of SNM product in shipping containers on June 24th. They reviewed the incident and stressed that ropes with stanchions would have been a better choice for blocking traffic and that the operator should have placed the containers back into an approved storage area before going on break or taken appropriate action to establish a temporary RMA. The pertinent staff is fully aware of the storage and control requirements for loaded shipping containers.

Actions That Will Be Taken To Avoid Further Violations

1. Review and revise as necessary procedures for loaded container movements, including guidance for barricading during movements that require shuffling or noteworthy time to complete.
2. Review and revise SOP's and Standard Work Instructions as necessary to clarify requirements for loaded container storage areas and the use of temporary criticality safety and RMA postings.
3. Review and revise as necessary the applicable EHS&L documents addressing attended/unattended storage of SNM.

Date of Full Compliance

AREVA is in full compliance with the subject radioactive material storage requirements based on the corrective actions already taken. The additional actions to avoid further violations are being managed within AREVA's corrective action program.

Violation 2

The violation as stated in the referenced Notice of Violation (NOV) is as follows:

- 2) Section 74.31(d)(2), *Recordkeeping*, of Title 10 of the Code of Federal Regulations (10 CFR), requires, in part, that licensees maintain adequate safeguards against tampering with and loss of records.

Condition S-1 of NRC License No.: SNM-1257 requires, in part, that the licensee use material in accordance with the statements, representations, and conditions in the license application dated October 24, 2006, and supplements dated: December 13, 2006 (License Application and RAI Responses); December 10, 2008; and e-mail from R.E. Link Titled: "Compliance Plan" dated March 5, 2009.

Item 4.4, Written Procedures, of the license application dated December 10, 2008, states, in part, that written and approved procedures shall govern activities involving the handling of radioactive materials.

Section 4.5 of the licensee's Standard Operating Procedure (SOP) SOP-40324, "Nuclear Inventory Management System (NIMS), Ceramic Operations", Version 7.0, instruct operators to "Exit the system when finished; otherwise someone else can use your profile."

Contrary to the above, as of June 24, 2010, the licensee failed to maintain adequate safeguards against tampering with and loss of records. Specifically:

A. The NIMS application was unable to self-close certain areas of the application with a timer as planned by the NIMS Security Enhancements project, leaving the records vulnerable to tampering or loss, when users did not log out of the application.

B. The NIMS application allowed an user to obtain a barcode printout from

another user which will have the user ID and password, allowing the individual to obtain control of the NIMS application under previously logged in user, when they did not log out of the application.

This is a Severity Level IV violation (Supplement III).

Reason for the Violation

NIMS "Create a Container" program displays a "Label Has Been Printed" popup dialog at the end of the container creation process and does not start the three minute auto-logout timer until the dialog is acknowledged. Not acknowledging the dialog allows the current user to stay logged in indefinitely, at some later time to acknowledge the popup, and then create another container. Operators were using this practice to avoid having to log in each time they created a container. This operational shortcut compromised the three minute auto-logout security feature recently implemented under the NIMS Safety Enhancements initiative. Printing out of one operator's access barcode by a second operator is an example of an inappropriate action relative to system security that is possible if appropriate log-out protocols are not followed.

Corrective Actions Taken and Results Achieved

- Transactions for the workstations found to be affected on the day of the inspection were reviewed and the corresponding workstation operators were interviewed. It was determined that no tampering of records had occurred and all of the transactions were performed by the assigned operators.
- In addition, a plant wide safety communication was distributed to the operating staff which explained the nature and severity of the violation and reaffirmed the expectation of not invoking any shortcuts in NIMS or engaging in any other activity that is not procedurally allowed. Instructions were given to report shortcomings in computer systems or procedures to their supervisor to have them corrected.

Actions That Will Be Taken To Avoid Further Violations

The following additional actions are expected to prevent a repeat of this condition:

1. Review the NIMS programs that include the auto-logout timer and modify them as needed so that the user cannot stay logged in (without activity) longer than the desired idle timeout.
2. Review with Uranium Conversion and Recovery, Ceramics, and Rod and Bundle operators their procedural requirements to log out of NIMS when they leave the station unattended and to not utilize any software "features" to disable the auto-logout behavior of pertinent NIMS programs.
3. Clarify the requirements for appropriate NIMS logout in pertinent Operations procedures.

Date of Full Compliance

AREVA is in full compliance with the pertinent NIMS logout requirements based on the corrective actions already taken. The additional actions to avoid further violations are being managed within AREVA's corrective action program.