



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II  
245 PEACHTREE CENTER AVENUE NE, SUITE 1200  
ATLANTA, GEORGIA 30303-1257

August 25, 2010

Mr. Peter J. Miner  
Director  
USEC Inc.  
Regulatory and Quality Assurance  
6903 Rockledge Drive  
Bethesda, Maryland 20817

**SUBJECT: LICENSEE PERFORMANCE REVIEW (LPR) OF LICENSED ACTIVITIES FOR  
THE LEAD CASCADE FACILITY, DOCKET NO. 70-7003**

Dear Mr. Miner:

The NRC Region II and Headquarters staffs completed a review of the Lead Cascade facility inspection results and performance in conducting NRC licensed activities. The review covered the period beginning July 06, 2008, and ending July 10, 2010. The Lead Cascade's performance was evaluated in five major areas: Safety Operations, Safeguards, Radiological Controls, Facility Support, and Special Topics. This letter and the enclosure provide the results of the NRC's review which will be used as a basis for establishing the NRC oversight program for your conduct of licensed activities during the next 24 months.

In the areas evaluated, none were identified as needing improvement. Activities at the Lead Cascade were conducted safely as determined during the review period. Based on the current review, your demonstrated performance to continue and operate the facility safely, and the limited amount of licensed material that you are processing, the NRC will continue to conduct inspections at your facility below the core inspection level for a uranium enrichment facility.

We do intend to revise the existing inspection program to perform material control and accounting inspections. Although your facility possesses a limited amount of special nuclear material, a material control and accounting program is described in your license application. This additional inspection effort will focus on the implementation of those program requirements. Those inspections will also be conducted below the core inspection level for a uranium enrichment facility. We do not intend to conduct routine nuclear criticality safety inspections during the next assessment period due to the amount of special nuclear material being insufficient to support criticality.

The results of our review will be discussed with you at your facility during a meeting open to the public on September 23, 2010. During the meeting, we expect you to discuss your view of your performance in the same major areas as the NRC evaluated.

P. Miner

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice", a copy of this letter, and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions or comments regarding your performance review, please contact me by telephone at 404-997-4731.

Sincerely,

***/RA/ D. Hartland for***

Jay L. Henson, Chief  
Fuel Facility Inspection Branch 2  
Division of Fuel Facility Inspection

Docket No. 70-7003  
License No. SNM-7003

Enclosure: Licensee Performance Review

cc w/encl:  
D. Rogers, Director  
Lead Cascade Construction and Operations - Piketon  
United States Enrichment Corporation  
Electronic Mail Distribution

Terry Sensue, Regulatory Manager  
American Centrifuge Plant  
United States Enrichment Corporation  
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R.M. DeVault, Manager  
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Carol O'Claire  
State Liaison Officer  
Ohio Emergency Management Agency  
Electronic Mail Distribution

Distribution w/encl: (See page 3)

Distribution w/encl:

J. Henson, RII  
D. Hartland, RII  
B. Smith, NMSS  
M. Tschiltz, NMSS

X PUBLICLY AVAILABLE  NON-PUBLICLY AVAILABLE  SENSITIVE  NON-SENSITIVE

ADAMS: X Yes    ACCESSION NUMBER: ML092400346    X SUNSI REVIEW COMPLETE

OFFICE	RII:DFFI	RII:DFFI	RII:DRS	NSIR	NMSS	
SIGNATURE	DH 8/23/10	DH 8/23/10	Via e-mail 8/23	Via e-mail 8/23	Via e-mail 8/23	
NAME	Hartland	Henson	MErnstes	BStapleton	MTschiltz	
DATE	8/ /2010	8/ /2010	8/ /2010	8/ /2010	8/ /2010	8/ /2010
E-MAIL COPY?	YES    NO	YES    NO	YES    NO	YES    NO	YES    NO	YES    NO

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**LICENSEE PERFORMANCE REVIEW FOR LEAD CASCADE  
ASSESSMENT PERIOD: JULY 6, 2008 TO JULY 10, 2010**

The following is a summary of the performance of the Lead Cascade in the conduct of NRC licensed activities.

**PERFORMANCE AREA: SAFETY OPERATIONS**

This area is comprised of nuclear criticality safety, fire safety, and plant operations.

**Program Areas Needing Improvement**

- No specific areas needing improvement were identified in Safety Operations.

**PERFORMANCE AREA: SAFEGUARDS**

This area is comprised of material control and accounting, physical protection, and classified material and information security.

**Program Areas Needing Improvement**

- No specific areas needing improvement were identified in Safeguards.

**PERFORMANCE AREA: RADIOLOGICAL CONTROLS**

This area is comprised of radiation protection, environmental protection, waste management, and transportation.

**Program Areas Needing Improvement**

- No specific areas needing improvement were identified in Radiological Controls.

**PERFORMANCE AREA: FACILITY SUPPORT**

This area is comprised of maintenance and surveillance, training, emergency preparedness, and management organization and controls.

**Program Areas Needing Improvement**

- No specific areas needing improvement were identified for Facility Support.

**PERFORMANCE AREA: SPECIAL TOPICS**

This area is comprised of safety licensing.

**Program Areas Needing Improvement**

- No specific areas needing improvement were identified for Special Topics.

Enclosure