

INSPECTION REPORT

1. LICENSEE OR CERTIFICATE HOLDER/LOCATION INSPECTED: USEC Inc. 6903 Rockledge Drive Bethesda, MD 20817		2. NRC/REGIONAL OFFICE: U.S. Nuclear Regulatory Commission Region II 245 Peachtree Center Avenue, NE, Suite 1200 Atlanta, GA 30303-1257
REPORT NO: 2010-003	3. DOCKET NUMBER: 70-7003	4. LICENSE OR CERTIFICATE NUMBER: SNM-7003
		5. DATE(S) OF INSPECTION: 8/9-12/2010

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	David Hartland	/RA/	8/27/10

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6. INSPECTOR(S): D.Hartland, O.Lopez, C.Cramer		
7. INSPECTION PROCEDURES USED: 88020, 88050, 55054, 88055		

EXECUTIVE SUMMARY

Summary of Plant Status

- The USEC Inc. Lead Cascade is a gas centrifuge test and demonstration facility that is located in existing buildings on the site of the Portsmouth Gaseous Diffusion Plant (GDP) in Piketon, Ohio. The Portsmouth GDP is operated by United States Enrichment Corporation (USEC), who leases the property from the Department of Energy. The area within Portsmouth that houses the Lead Cascade is subleased from USEC to USEC Inc. During the period of the inspection, centrifuge demonstration operations were in progress.
- This routine, announced inspection was to evaluate the adequacy and performance of the licensee's activities in the areas of operational and fire safety. The inspection involved interviews and discussions with plant personnel, reviews of selected records, and observation of work activities.

Plant Operations (Inspection Procedure 88020)

- The inspectors observed operators place Lead Cascade 3 in operation and perform shifly plant rounds. The inspectors also observed activities related to machine disassembly in the centrifuge test facility. No safety significant issues were identified.
- The inspectors reviewed several of the applicable safety-related controls from the integrated safety analysis. The inspectors noted no deficiencies in their implementation.
- Licensee personnel demonstrated adequate knowledge of process operations, safety controls, and applicable operations procedures for their areas.

Fire Safety (IP 88054 and 88055)

- The inspectors walked down Buildings X-3001 and X-3012 to verify that the licensee was managing and controlling combustible/flammable materials. The inspectors reviewed combustible loading calculations for X-3001 and X-3012. No issues of significance were identified.
- The inspectors reviewed the pre-fire plan for Building X-3001. The inspectors verified that the pre-fire plan contained sufficient information to support the response of the facility's emergency response team. No issues of significance were identified.

EXECUTIVE SUMMARY (Continued)

- The inspectors verified that sprinkler systems were not obstructed, that water supply to the system was readily available with correct valve positioning and pumping capability, and that there was no visual evidence of physical degradation. The inspectors verified that sprinkler systems complied with the design requirements of NFPA 13.
- The inspectors verified that the inspection, testing, and maintenance (ITM) of the sprinkler systems complied with the requirements specified in the license application. No significant issues were identified.
- The inspectors reviewed a sample of fire extinguishers located throughout the facility. The extinguishers sampled were properly rated for the hazards present in the areas. The inspectors determined that both the extinguishers and the fire hose reels sampled were accessible and in adequate material condition.
- The inspectors walked down the X-640 and X-6644 pump houses. The inspectors verified the valve lineup to ensure that adequate water supply was available for the sprinkler systems. The inspectors reviewed the annual fire pump capacity tests for all of the fire pumps. No significant issues were identified.
- The inspectors walked down Buildings X-1007 and X-300 to verify that these facilities had the capability to receive and monitor fire alarm indications. No issues of significance were identified.
- The inspectors reviewed the most recent annual building surveys for Buildings X-3001 and X-3012. The inspectors determined that the licensee adequately performed the annual building surveys and was appropriately tracking findings in its corrective action program. No significant issues were identified.
- The inspectors verified implementation and ITM of items relied on for safety for the feed cart and the battery room. No issues of significance were identified.

Exit Meeting Summary

- The inspection scope and results were summarized on August 12, 2010, with members of the licensee staff. No proprietary information was identified.

Key Points of Contact

<u>Name</u>	<u>Title</u>
T. Sensue	Regulatory Manager
J. Oppy	Manager of Operations Enrichment
G. Workman	Plant Services Manager