



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

December 2, 2010

EA-10-041

Mr. Ron Land  
Site Manager  
AREVA NP Inc.  
2101 Horn Rapids Road  
Richland, WA 99352-0130

**SUBJECT: CONFIRMATORY ORDER (EFFECTIVE IMMEDIATELY)  
[NRC OFFICE OF INVESTIGATION REPORT NO. 2-2009-024]**

Dear Mr. Land:

The enclosed Confirmatory Order (Effective Immediately) is being issued to AREVA NP Inc., (AREVA) as a result of a successful alternative dispute resolution (ADR) session. The enclosed commitments were made by AREVA as part of a settlement agreement regarding two apparent violations associated with the transportation of Class 7 (radioactive) material.

In a letter dated August 10, 2010, the Nuclear Regulatory Commission (NRC) provided AREVA with the results of an investigation completed by the NRC's Office of Investigations (OI). The purpose of the investigation was to determine whether an Advisory Engineer willfully falsified United Kingdom Department for Transportation (DfT) transportation documents which are material to the NRC, and to determine whether an Advisory Engineer willfully failed to follow the requirements to have criticality calculations reviewed and approved. A Factual Summary of the OI investigation was enclosed with our letter, which documented the NRC's conclusion that (1) AREVA failed to comply with the requirements of 10 CFR 71.5(a) and 49 CFR 172.204(a) involving the transportation of Class 7 (radioactive) material, on three separate occasions; and (2) AREVA failed to comply with an administrative procedure associated with the review process for criticality calculations. The NRC's letter of August 10, 2010, preliminarily concluded that both apparent violations were due to deliberate misconduct on the part of the former AREVA employee.

In addition, our letter of August 10, 2010, offered AREVA a choice to either: (1) attend a Predecisional Enforcement Conference; (2) provide a written response; or (3) request ADR with the NRC in an attempt to resolve any disagreement regarding whether violations occurred, the appropriate enforcement action, and the appropriate corrective actions.

In response, AREVA requested ADR in an attempt to resolve the issue. An ADR mediation session was held on October 5, 2010, and a preliminary settlement was reached. The elements of the preliminary agreement were formulated and agreed upon at the mediation session and are documented in the enclosed Confirmatory Order.

As fully discussed in the enclosed Confirmatory Order, AREVA completed and agreed to take a number of actions; including but not limited to: (1) a prompt investigation into the incidents, a root cause analyses and thorough extent of condition review, safety culture and safety conscious work environment initiatives, and process changes; (2) submittal of a Reply to a Notice of Violation, which documents corrective actions and enhancements taken and planned in response to the violation; (3) a subsequent review to determine the effectiveness of corrective actions and enhancements as described in its Reply to a Notice of Violation; and (4) the conduct of an independent safety culture assessment.

In consideration of the above, the NRC agreed to refrain from proposing a civil penalty for all matters discussed in the NRC's letter to AREVA of August 10, 2010. In addition, the NRC and AREVA agreed that the two apparent violations documented in the NRC's letter of August 10, 2010, would be characterized as one violation involving the requirements of 10 CFR 71.5(a), and 49 CFR 172.204(a), associated with the transportation of Class 7 (radioactive) material, on three separate occasions. The violation is cited as an attachment to the Confirmatory Order.

Issuance of the attached Confirmatory Order completes the Agency's enforcement action with respect to AREVA regarding all matters discussed in the NRC's letter to AREVA of August 10, 2010 (EA-10-041). The NRC will conduct subsequent reviews as warranted to confirm the completion of corrective actions and enhancements as documented in the Confirmatory Order.

We have enclosed a Confirmatory Order (Effective Immediately) to memorialize the commitments made as part of the settlement agreement. As evidenced by your signed "Consent and Hearing Waiver Form" (copy enclosed) dated November 15, 2010, you agreed to issuance of this letter and Confirmatory Order.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Order shall be subject to criminal prosecution as set forth in that section. Violation of this Order may also subject the person to civil monetary penalties.

A copy of this letter and its enclosures will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. The NRC will also include this letter, and the attached Confirmatory Order, on its website at [www.nrc.gov](http://www.nrc.gov); select Public Meetings and Involvement, then Enforcement. Your response, if you choose to provide one, will also be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS).

R. Land

3

If you have any questions or comments concerning this letter, please contact Mr. Anthony T. Gody, Director, Division of Fuel Facilities Inspection, at 404-997-4700.

Sincerely,

Luis A. Reyes  
Regional Administrator

Docket No. 70-1257  
License No. SNM-1227

Enclosures:

1. Confirmatory Order
2. Consent and Hearing Waiver Form

cc w/encls:

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If you have any questions or comments concerning this letter, please contact Mr. Anthony T. Gody, Director, Division of Fuel Facilities Inspection, at 404-997-4700.

Sincerely,

**/RA/**  
 Luis A. Reyes  
 Regional Administrator

Docket No. 70-1257  
 License No. SNM-1227

\*see previous concurrence

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Letter to: Ron Land from Luis A. Reyes dated December 2, 2010

Subject: CONFIRMATORY ORDER (EFFECTIVE IMMEDIATELY)  
[NRC OFFICE OF INVESTIGATION REPORT NO. 2-2009-024]

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