

April 12, 2011

MEMORANDUM TO: Dennis C. Morey, Acting Chief
Advanced Fuel Cycle, Enrichment
and Uranium Conversion Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

FROM: Breeda Reilly, Senior Project Manager */RA/*
Advanced Fuel Cycle, Enrichment
and Uranium Conversion Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

SUBJECT: APRIL 4, 2011, TELECONFERENCE SUMMARY, AREVA
ENRICHMENT SERVICES'S EAGLE ROCK LICENSE
APPLICATION, CLARIFICATION OF RESPONSES TO
REQUEST FOR ADDITIONAL INFORMATION RESPONSES -
REVISED QUALITY ASSURANCE PROGRAM DESCRIPTION

On April 4, 2011, the U.S. Nuclear Regulatory Commission's staff held a telephone conference call with staff from AREVA Enrichment Services (AES) to discuss AES's responses to the request for additional information (Agencywide Documents Access and Management System, Accession Number ML110690221, dated March 1, 2011). The summary of this call is enclosed and contains no proprietary or classified information.

Docket No. 70-7015

Enclosure:
As stated

cc: Mr. Jim Kay, Licensing Manager
Eagle Rock Enrichment Facility
AREVA Enrichment Services, LLC
400 Donald Lynch Boulevard
Marlborough, MA 07152

CONTACT: Breeda Reilly, NMSS/FCSS
(301) 492-3110

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SUBJECT: APRIL 4, 2011, TELECONFERENCE SUMMARY, AREVA
ENRICHMENT SERVICES EAGLE ROCK LICENSE APPLICATION,
CLARIFICATION OF RESPONSES TO REQUEST FOR ADDITIONAL
INFORMATION RESPONSES - REVISED QUALITY ASSURANCE
PROGRAM DESCRIPTION

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Telephone Conference Call Summary

AREVA Enrichment Services Clarification of Responses to Request for Additional Information Revised Quality Assurance Program Description

DATE AND TIME: 2:30 P.M. (EDT); April 4, 2011

CALL PARTICIPANTS: D. Arroyo, U.S. Nuclear Regulatory Commission (NRC)
J. Downs, NRC
B. Reilly, NRC
G. Harper, AREVA Enrichment Services (AES)
J. Kay, AES
E. Weiner, AES
S. Tyler, AES

During the conference call, the staff discussed issues related to AES's responses to the request for additional information (RAI) concerning Revision 4 of the Quality Assurance Program Description (QAPD) (Agencywide Documents Access and Management System Accession Number ML110690221, dated March 1, 2011).

Participants discussed the RAI responses to QAPD 5, 6, 13, 8, and 3 (Items 2 and 3). NRC's discussion topics, provided to AES prior to the call, are enclosed. Based on the discussion, AES will incorporate applicable information into a revised QAPD.

The NRC staff had no further questions.

**Discussion Topics Related to AREVA Enrichment Services's (AES)
Response to Request for Additional Information (RAI) for Revised
Quality Assurance Program Description (QAPD) (letter dated March 1, 2011)**

RAI Response to QAPD 3:

Item 2:

AES states that, "AES does not intend to verify the agencies. The agency approval process in use by Underwriters Laboratories (UL)/Factory Mutual (FM) to place specific vendors and products in the Fire Protection Equipment Directory and/or the FM Approval Guide are commercial grade and are considered adequate for QA level FP components."

Please clarify if supplier selection will be based, in part, on an evaluation of the supplier's capability to provide the items or services in accordance with the requirements of the sourcing documents. For example, how do the procurement documents verify the supplier has maintained proper storage and handling of items once they have left the manufacturer?

Item 3:

Bullet 3 states: "QAPD, Section 4.0, Procurement Document Control, with the exceptions as noted in Appendix A (as will be modified by this letter which indicates AES will revise Appendix A to indicate this criteria is applicable with the exception of paragraphs 4.2 and 4.3)."

Bullet 14 states: "QAPD, Section 16, Corrective Action, if nonconforming conditions identified as receipt, during installation, or testing indicate corrective actions are required, with the exception of 10 CFR Part 21 reportability as noted in Appendix A."

The language in these bullets regarding exception to reportability should be consistent with the outcome of discussion about the RAI response to QAPD 6.

Bullet 6 states: "QAPD, Appendix A, Section A.2.6 which specifies QA level FP Items shall be receipt inspected."

The language in this bullet should be consistent with the outcome of discussion on Item 2 of the RAI Response to QAPD 3.

RAI Response to QAPD 5:

AES states that, "The QAPD will be modified accordingly to clarify this intent."

Please submit the mark-up pages for the modifications to the QAPD sections listed in this RAI Response (i.e., QAPD Sections 2.4, 3.4, 3.6, 11.5, 17.3, and 17.9)

RAI Response to QAPD 6:

AES states that, "As described above, IROFS 100 is not needed to meet the performance requirements of 10 CFR 70.61 and is only credited to meet the purpose statement in 10 CFR 70.64(b); therefore, IROFS 100 is not a basic component."

- (1) The staff does not agree with the argument that the items relied on for safety (IROFS) for the fire sprinkler system (IROFS 100) is not a basic component. IROFS 100 was utilized in the revised Integrated Safety Analysis Summary tables to meet the performance criteria. Regardless, the staff believes that all IROFS are included in the definition of basic component. Title 10 of the *Code of Federal Regulations* (10 CFR) 70.61 establishes the criteria for identifying IROFS to meet performance requirements, while 10 CFR 70.64 establishes the priority for selecting IROFS (i.e., preference for engineered controls over administrative controls).**

- (2) The staff suggests the need for a refinement of the definition of "basic component" to align it with the requirements of the nuclear power industry for fire protection and enable the direct procurement of basic components from a commercial entity. NRC previously granted AES an exemption for the 10 CFR Part 21 definition for "basic component." Additional language is needed in the definition of "basic component" to address the fire protection IROFS. For sample language, see the approval of LES's license amendment request (Agencywide Documents Access and Management System Accession Number ML103480356):**

When applied to fire protection systems procured for facilities and other activities licensed under 10 CFR Part 70 of the chapter, basic component means a structure, system, or component, or part thereof, that affects their safety function, in which a defect or failure to comply with any applicable regulation in this chapter, order, or license issued by the Commission could create a substantial safety hazard. For fire protection systems designated as items relied on for safety, a basic component may be directly procured from a commercial entity by a Part 70 licensee if: (1) the system, structure or component is manufactured to an established, acceptable national code or standard that includes some independent product endorsements based on qualification testing or periodic testing of selected characteristics of the component; and (2) the acceptability of the item's manufacture, testing, and/or certification has been reviewed and verified by the licensee prior to use as a basic component. Once the acceptability of the item has been verified by the licensee and the item has been designated for use as a basic component, the licensee accepts responsibility for Part 21 reporting.

RAI Response to QAPD 8:

AES states: "If any "Special Processes" become necessary, AES would develop qualified procedures consistent with NFPA code requirements, approved by qualified QA and FP representatives prior to performance."

Please add AES's statement to the QAPD revision.

RAI Response QAPD 13:

This response should be discussed in light of the discussion on the RAI Response to QAPD 6.