June 21, 2011

Ms. Michelle Moore
Site Manager
AREVA NP, Inc.
Mt. Athos Road Facility
1724 Mount Athos Road
P.O. Box 11646
Lynchburg, VA 24506-1646

SUBJECT: INSPECTION REPORT NO. 70-1201/2011-202

Dear Ms. Moore:

The U.S. Nuclear Regulatory Commission (NRC) conducted a routine announced criticality safety inspection at the facility in Lynchburg, Virginia, on June 15, 2011. The purpose of the inspection was to determine whether activities involving licensed materials were conducted safely and in accordance with NRC requirements. An exit meeting was held on, June 15, 2011. The inspection observations and findings were discussed with members of your staff.

The inspection, which is described in the enclosure, focused on your criticality accident alarm system. The inspection consisted of selective review of related procedures and records, examinations of relevant nuclear criticality accident alarm system equipment, interviews with Nuclear Critically Safety engineers and plant personnel, and facility walkdowns to observe the criticality accident alarm system. Throughout this inspection, observations were discussed with your managers and staff.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390 of NRC's "Rules of Practice," a copy of this letter and the enclosure will be made publicly available in the public electronic reading room of the NRC's Agency-Wide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html.

If you have any questions concerning this report, please contact Thomas Marenchin, at (301) 492-3209.

Sincerely,

/RA/ C. Tripp for

Margie Kotzalas, Acting Chief
Technical Support Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-1201
License No. SNM-1168

Enclosure:
Inspection Report 70-1201/2011-202

cc: Robert Sharkey, Manager
Environmental Health, Safety and Licensing

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U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Docket No.:	70-1201
License No.:	SNM-1168
Report No.:	70-1201/2011-202
Licensee:	AREVA NP, Inc.,
Location:	Lynchburg, VA
Inspection Date:	June 15, 2011
Inspector:	Thomas Marenchin, Criticality Safety Inspector
Approved by:	Patricia A. Silva, Chief Technical Support Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards

Enclosure

EXECUTIVE SUMMARY

AREVA NP, Inc.,
NRC Inspection Report No. 70-1201/2011-202

Introduction

Staff of the U.S. Nuclear Regulatory Commission (NRC) performed a routine and announced nuclear criticality safety (NCS) inspection of the AREVA NP, Inc., (AREVA) Lynchburg, Virginia, facility on June 15, 2011. The inspection focused on your criticality accident alarm system which covers your manufacturing of low-enriched light-water reactor fuel. No violations of NRC requirements were identified during the inspection.

Results

- No safety concerns were identified regarding the licensee criticality accident alarm system.

- No safety concerns were identified during plant walkdowns.

REPORT DETAILS

1.0 Summary of Plant Status

AREVA manufactures light water reactor fuel bundles and control assemblies at its facility near Lynchburg, Virginia. The licensee also operates shops involved in the manufacture and refurbishing of in-core instruments. During the inspection, operations for the manufacturing of light water reactor fuel bundles was shut down.

2.0 Criticality Accident Alarm System (88017)

a. Inspection Scope

Inspector reviewed the licensee analytical basis for adequate implementation of the criticality accident alarm system (CAAS). The inspector reviewed selected aspects of the following documents:

- Drawing PE-1532, "Criticality Detector Locations," Revision 0, dated September 13, 1995
- OCR 2011-009, "Criticality Alarm System Partial Detector Removal," Revision 0, dated June 15, 2011

b. Observations and Findings

The inspector reviewed the licensee's criticality alarm detector placement to determine that the system remained in accordance with license requirements. The inspector observed the locations of all criticality alarm detectors during plant walkdowns. The licensee had taken out of service several detectors that were no longer required to meet license requirements.

c. Conclusions

No safety concerns were identified regarding the licensee criticality accident alarm system.

3.0 Plant Activities (88017)

a. Inspection Scope

The inspector performed plant walkdowns to review activities in progress and to determine whether risk-significant fissile material operations were being conducted safely and in accordance with regulatory requirements. The inspector discussed the activities with NCS staff during the walkdowns.

b. Observations and Findings

The inspector walked down the shipping and receiving areas, the pellet storage vault,

the pellet loading room, the rod loading and bundle assembly areas, and fuel bundle storage areas. The inspector observed that operations and equipment that was previously installed in the facility for the manufacturing of light water reactor fuel bundles has been removed. The criticality accident alarm system was still in place.

c. Conclusions

No safety concerns were identified during plant walkdowns.

4.0 Exit Meeting

The inspector presented the inspection scope and results to members of the licensee's management and staff during an exit meeting on June 15, 2011. The licensee acknowledged and understood the findings as presented.

SUPPLEMENTAL INFORMATION

1.0 List of Items Opened, Closed, and Discussed

Items Opened

None

Items Closed

None

Items Discussed

None

2.0 Inspection Procedures Used

IP 88017	Criticality Accident Alarms

3.0 Key Points of Contact

AREVA NP, Inc.

R. Sharkey	AREVA, Manager, Environmental Health and Safety

NRC

T. Marenchin	Criticality Safety Inspector

All attended the exit meeting on June 15, 2011.

4.0 List of Acronyms and Abbreviations

ADAMS	Agency-Wide Document Access and Management System
AREVA	AREVA NP, Inc. (Licensee)
CAAS	criticality accident alarm system
CSA	Criticality Safety Analysis
EIR	Engineering Information Record
IFI	inspector follow-up item
IP	inspection procedure
IROFS	item relied on for safety
ISA	Integrated Safety Analysis
MAR	Mount Athos Road
NCS	nuclear criticality safety