

August 1, 2011

Mr. Scott P. Murray, Manager
Licensing and Liabilities, COE
Global Nuclear Fuel - Americas, LLC
Castle Hayne Road
Wilmington, NC 28401

SUBJECT: APPROVAL OF INTEGRATED SAFETY ANALYSIS ACTION PLAN INTERIM
MILESTONE EXTENSION

Dear Mr. Murray:

This refers to your letters SPM-11-028, dated July 23, 2011; and SPM-11-031, dated July 28, 2011, which notified the U.S. Nuclear Regulatory Commission (NRC) of potential impacts to the Integrated Safety Analysis (ISA) Action Plan's interim milestones. The letters referenced the 30-day report on completion of Conversion milestones, which also transmitted the revised ISA Action Plan schedule, following the April 27, 2011, public meeting on the same subject.

The impact of the ongoing work on the Criticality Warning System presented a reasonable justification for delay in completion of the Fabrication milestone. A 30-day extension for completion of the evaluation of the Fabrication area is approved.

The requirements of Condition S-4 of Materials License SNM-1097 remain in effect: Global Nuclear Fuels - America will conduct activities in accordance with the old ISA methodology as each plant area transitions to the new methodology (interim milestones are completed). New types of scenarios which were not evaluated and which do not meet the performance requirements are subject to 24-hour reporting when the Quantitative Risk Analysis determines that the performance requirements were not met.

It is still our desire to complete the Action Plan tasks before the overall milestone date of March 2012. As described in our letter, dated August 20, 2010, the relevant violations will remain open until a final inspection of the corrective actions and ISA Action Plan items are completed.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records System component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

S. Murray

-2-

If you have any questions regarding this letter, please contact me at (301) 415-6155 or via e-mail to merritt.baker@nrc.gov.

Sincerely,

/RA/

Merritt N. Baker, Senior Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-1113
License No. SNM-1097

If you have any questions regarding this letter, please contact me at (301) 415-6155 or via e-mail to merritt.baker@nrc.gov.

Sincerely,

/RA/

Merritt N. Baker, Senior Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-1113
License No. SNM-1097

DISTRIBUTION:
FCFB r/f

ML Thomas, RII

MSykes, RII

ML112101721

OFFICE	FMB		FMB		FMB	
NAME	MBaker	LAllen		RJohnson		
DATE	08/1/11	08/1/11		08/1/11		

OFFICIAL RECORD COPY