

October 14, 2011

Ms. Patricia A. Marida, Chair
Ohio Sierra Club Nuclear Issues Committee
131 North High Street, Suite 605
Columbus, OH 43215-3026

Mr. Lee Blackburn
Ohio Sierra Club Nuclear Issues Committee
131 North High Street, Suite 605
Columbus, OH 43215-3026

SUBJECT: RESPONSE TO OHIO SIERRA CLUB LETTER DATED SEPTEMBER 12, 2011

Dear Ms. Marida and Mr. Blackburn:

This letter responds to your letter dated September 12, 2011. In your letter, you refer to the June 11, 2011, event during which six centrifuges at the USEC Inc. (USEC) American Centrifuge Lead Cascade (Lead Cascade) in Piketon, OH, were damaged as a result of a power failure. In your letter, you also asked questions concerning the related items relied on for safety (IROFS) and if any radioactive material was involved in the event.

On Saturday, June 11, 2011, the Lead Cascade experienced a partial power failure, which led to the failure of the six centrifuges. At the time of the event, some centrifuges were operating on uranium hexafluoride (UF₆) and others were operating without UF₆. The U.S. Nuclear Regulatory Commission (NRC) has confirmed that no release of radioactive materials or contamination occurred. Although under the NRC's regulations in Appendix A to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 70, Reportable Safety Events, the crash of a centrifuge machine is not considered a reportable event, on Monday, June 13, 2011, USEC contacted the NRC by telephone to provide initial notification.

During its investigation of the event, on July 1, 2011, USEC regulatory affairs staff identified two IROFS (i.e., forced air ventilation system and hydrogen monitoring system) that were potentially impacted by the partial power failure. These IROFS are associated with the battery room, which is not directly involved with the operation of the centrifuges, but were impacted by the loss of power event. USEC formally notified the NRC of this impact on that same day, pursuant to 10 CFR Part 70, Appendix A (b)(2), which requires reporting to the NRC, within 24 hours of discovery, of any event that results in the loss or degradation of any IROFS that results in failure to meet the performance requirements in 10 CFR Part 70.61.

On September 12, 2011, the NRC's Region II (RII) staff initiated an inspection of this event. At this time, the inspection is still on-going and the RII staff is waiting for additional information from USEC. The NRC staff plans to return to the site during early November 2011 to complete the inspection. The NRC is evaluating the potential implications of the impacted IROFS, USEC's event reporting, and appropriateness of the corrective actions, among other areas.

With respect to the reportability of the event, the NRC inspectors have preliminarily determined that the notification was not timely because the loss of power to the IROFS had been identified during the course of the licensee's investigation, but the reportability aspect was not identified until the investigation report was completed. At that point, the licensee's regulatory affairs staff responsible for screening issues for reportability identified the IROFS failure and initiated the required notification on July 1, 2011. The inspectors will document the final results of the inspection in a report approximately 30 days after the completion of the inspection.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," 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 the 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>.

If you have any questions about this letter, please contact me at (301) 492-3137, or via e-mail to brian.smith@nrc.gov.

Sincerely,

/RA/

Brian W. Smith, Chief
Uranium Enrichment Branch
Fuel Facility Licensing Directorate
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

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If you have any questions about this letter, please contact me at (301) 492-3137, or via e-mail to brian.smith@nrc.gov.

Sincerely,

/RA/

Brian W. Smith, Chief
 Uranium Enrichment Branch
 Fuel Facility Licensing Directorate
 Division of Fuel Cycle Safety
 and Safeguards
 Office of Nuclear Material Safety
 and Safeguards

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