

August 31, 2012  
REL:12:040



U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
11555 Rockville Pike  
One White Flint North  
Rockville, MD 20852

**Subject:** Completion of Independent Safety Culture Assessment per NRC  
Confirmatory Order EA-10-041

Ref. 1. Letter, LA Reyes to R Land; "Confirmatory Order (Effective Immediately) (NRC Office of Investigation Report No. 2-2009-024)"; December 2, 2010.

Ref. 2. Letter, VM McCree to R Link, "Proposed Revision of Scope for Safety Culture Assessment Required by Confirmatory Order EA-10-041, Docket No. 70-1257, License No. SNM-1227; January 19, 2012.

Via the Reference 1 letter, the NRC conveyed Confirmatory Order EA-10-041 to AREVA NP Inc. (AREVA). The order resulted from an alternative dispute resolution (ADR) session addressing issues involving several instances of willful misconduct by an AREVA Advisory Engineer. Paragraph 3c. in Section III of the Order calls for the conduct of an independent safety culture assessment as a follow-up to AREVA's investigation and corrective actions related to this event, as follows:

"No later than June 30, 2012, AREVA will conduct an independent (i.e. outside the global AREVA organization), safety culture assessment in accordance with an accepted nuclear industry standard. The assessment will include AREVA's Richland, Washington facility, its Erwin, Tennessee facility, and its Lynchburg, Virginia facility. Corrective actions and enhancements, and a schedule for implementation, will be developed in response to the results of the assessment, and provided to the NRC within three months of completion of this effort."

The independent safety culture assessment was contracted to Center for Executive Solutions (CES), an independent management consulting firm based in Sunnyvale, California. CES was selected on a competitive basis based on its proposed assessment methodology; its extensive experience in conducting similar assessments, particularly within the nuclear industry; and the breadth of experience of its team members, including individuals with past executive/management-level experience in the nuclear power reactor and nuclear fuel fabrication environments. It should be noted that the NRC approved, via Reference 2, AREVA's request to limit the coverage of the assessment to the Richland facility and the Engineering activities located at the Old Forest Road, Lynchburg, VA offices. This was in recognition of AREVA's discontinuation of operations at its Mount Athos Road (Lynchburg) manufacturing facility (SNM License 1168) and its shutdown and ongoing transfer to Richland of its Erwin, TN special nuclear material operations (operated under NFS SNM License 124).

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The assessment activities were conducted by CES over March and April 2012. The areas assessed were consistent with the eight nuclear safety principles outlined by the Institute for Nuclear Power Operations (INPO). The assessment included document review; a seventy-six (76) item internet-delivered survey of employees; onsite interviews; and observations of workplace conditions, activities, and meetings.

The results of the assessment were conveyed to AREVA in a formal assessment report, as well as by a presentation to AREVA management on June 1, 2012. The Executive Summary of the assessment report provides the overall CES summary of the assessment findings, as follows:

“It is the opinion of the CES team, based on the results from the survey and the interviews, that there is a strong safety culture at all levels at both the Lynchburg and Richland AREVA facilities. The team believes that there are no corrective actions that are mandatory; however, the information collected does indicate that, in the spirit of continuous improvement and increasing employee satisfaction, there are some key areas that merit exploration and which may present important opportunities for improvements.”

Accordingly, the CES team set forth a number of recommendations that they judged could potentially lead to improvements in AREVA’s safety culture. AREVA’s planned actions in response to the recommendations are being managed within its formal corrective action program; the actions and their planned completion dates are provided below.

<b>Action</b>	<b>Planned Completion Date</b>
1. Conduct senior management-led all-hands meetings at HRR (Richland) and OFR (Lynchburg) to communicate the Safety Conscious Work Environment (SCWE) assessment results along with planned AREVA response actions. Make the SCWE assessment report available to employees in a means to control its distribution to within the company.	September 28, 2012
2. Appoint a small management team to return comments to HRR respondents to the SCWE assessment who identified themselves on the survey to provide them with an opportunity to discuss their survey responses, if so desired. Report results to management. (Team members should not include a line manager of the respondent.)	October 31, 2012
3. Appoint a small management team to return comments to OFR respondents to the SCWE assessment who identified themselves on the survey to provide them with an opportunity to discuss their survey responses, if so desired. Report results to management. (Team members should not include a line manager of the respondent.)	October 31, 2012

4. Appoint a small team with participation at site management level to evaluate expressed concerns (extent, validity, causes, etc.) and ideas for improvement (merit, feasibility, etc.) resulting from the SCWE assessment. Team to issue report providing results of evaluation with recommendations for action, as appropriate, for management review/ acceptance.	December 31, 2012
5. Assess the ideas for improvement expressed in interviews and in the narrative responses to the SCWE survey items, evaluating their merit and feasibility to implement. This can be assessed in conjunction with the evaluation of the items of concern under Action 4.	December 31, 2012
6. Evaluate the tension between production and safety that was reported by several interviewees and by some SCWE survey respondents, a tension which allegedly has the potential to compromise safety. Include in this evaluation ongoing strategies underway to combat this perception.	December 31, 2012
7. Review and assess the significance of the 25 survey items which more than 20% of the respondents rated Mildly Agree or lower. This can be assessed in conjunction with Action Nos. 4 and 5.	December 31, 2012
8. Provide an action plan for revitalization of the Employee Concerns Program via a marketing/communication campaign.	October 31, 2012

With this submittal AREVA has completed the last of its actions specifically committed to under Order EA-10-041. Completion of the actions provided above may prompt additional follow-on actions/enhancements aimed at further strengthening of AREVA's safety culture. Any such follow-on actions will also be managed within AREVA's corrective action program.

If you have any questions at this time, please contact me at 509-375-8409.

Very truly yours,



R. E. Link, Manager  
Environmental, Health, Safety, & Licensing

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