



UNITED STATES  
 NUCLEAR REGULATORY COMMISSION  
 REGION II  
 245 PEACHTREE CENTER AVENUE NE, SUITE 1200  
 ATLANTA, GEORGIA 30303-1257

March 2, 2012

(b)(7)(C)

SUBJECT: ALLEGATION REPORT RII-2012-A-0029

Dear (b)(7)(C)

This letter refers to your e-mail to Ms. MaryLynne Thomas, Senior Fuel Facility Inspector with the Nuclear Regulatory Commission (NRC) on February 14, 2012; and subsequent telephone conversations with our staff, including me, on February 15 and 24, 2012. In your e-mail and during your conversations, you expressed concerns related to activities at the Global Nuclear Fuel-Americas facility.

Enclosure 1 to this letter documents your concerns as we understand them. We have initiated actions to evaluate your concerns and will inform you of our findings. If the description of any of your concerns as noted in Enclosure 1 is not accurate, please contact me so that we can assure that your concerns are appropriately described and adequately addressed prior to the completion of our review.

We will complete our review of your event reportability concern, identified as Concern 1 in Enclosure 1, within six months, although complex issues may take longer. You will be informed of the results of our review. In evaluating your concern, the NRC intends to take all reasonable efforts not to disclose your identity to any organization, individual outside the NRC, or the public. It is important to note, particularly if you have raised this issue internally, that individuals can and sometimes do surmise the identity of a person who provides information to the NRC because of the nature of the information or other factors beyond our control. In such cases, our policy is to neither confirm nor deny the individual's assumption.

With regards to your concern related to management's unwillingness to resolve problems identified with the licensing documents, identified as Concern 2 in Enclosure 1, as discussed during our phone conversation on February 24, 2012, we will need additional information from you in order for the NRC to perform an effective review of your concern. You indicated that you are collecting information and will contact us to provide it. You can contact me at the toll free telephone number noted below, or contact me in writing at P.O. Box 845, Atlanta, GA 30301. Please contact me within 30 days of the date you receive this letter. If no additional information is received, we will take no further action regarding this matter at this time.

If a request is filed under the Freedom of Information Act (FOIA) related to your area of concern, the information provided will, to the extent consistent with that act, be purged of names and

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RETURN RECEIPT REQUESTED

Information in this record was deleted  
 in accordance with the Freedom of Information  
 Act, exemptions b7c  
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other potential identifiers. Further, you should be aware you are not considered a confidential source unless confidentiality has been formally granted in writing.

Enclosed with this letter is a brochure entitled "Reporting Safety Concerns to the NRC," which contains information that you may find helpful in understanding our process for review of safety concerns. The brochure contains an important discussion of the identity protection provided by the NRC regarding these matters as well as those circumstances that limit the NRC's ability to protect an alleged's identity.

Thank you for notifying us of your concern. We will advise you when we have completed our review of Concern 1 and we await your contact regarding Concern 2. Should you have any additional questions, or if the NRC can be of further assistance, please call me toll-free at the NRC Safety Hotline at 1-800-695-7403 or you may provide information to me in writing at P. O. Box 56274, Atlanta, GA 30343. You may also communicate with me by electronic mail, if you so choose. However, when doing so, please call me in advance or provide your phone number in your e-mail message so that I can confirm that you are the source of the information. Also, please be advised that the NRC cannot protect the information during transmission on the Internet and there is a possibility that someone could read your response while it is in transit. My e-mail address is [Melanie.Checkle@nrc.gov](mailto:Melanie.Checkle@nrc.gov). Should you prefer to communicate by e-mail, please also respond to the following address: [R2EICSAleg@nrc.gov](mailto:R2EICSAleg@nrc.gov).

Sincerely,



Melanie M. Checkle  
Allegation Coordinator  
Enforcement and Investigation Coordination Staff

Enclosures: As stated

**GLOBAL NUCLEAR FUEL-AMERICAS****FUEL FACILITY****STATEMENT OF CONCERNS**

1. The licensee failed to maintain availability and reliability of a sole IROFS (Item Relied on for Safety), as described in the facility ISA (Integrated Safety Analysis), which was required to meet the performance requirements of 10 CFR 70.61. The provisions of Appendix A to 10 CFR 70 require a one hour report to the NRC in this case. The licensee failed to make the required NRC report as they maintain that the performance requirements were met based on post event calculation and analysis. You disagree with the licensee's analysis and feel that a report should have been made to the NRC for this event.

**Background Information:**

You have previously raised similar concerns with management on the necessity of other NRC reports and feel the concerns were not adequately addressed in the past. Additional staff members (Julie Olivier, Jim Reeves, Bob Crate, Billy Hines, Pat Jenny) also recommended to licensee management that an NRC report should be filed, but again they were overruled. ✓

On February 13, 2012 in the GAD process area, during an enrichment cleanout, rotary valve associated with the GAD pellet press (Sole IROFS 503-16) was removed for cleanout (a routine operation). When the mechanics reinstalled the valve, it did not properly seal (~0130). During normal operations the rotary valve rotates to allow uranium powder to fall from a feed station into the GAD pellet press. The feed tube into the GAD pellet press which is located beneath the rotary valve has level sensors that when activated stop the rotary valve and thus does not feed any additional material into the GAD pellet press feed tube. The accident sequence involves a fire in the press resulting in a criticality from development of unfavorable geometries and introduction of moderator as a result of firefighting activities (sprinkler activation).

At ~0845 on February 13, 2012, operators began to feed material into the feed station before starting the GAD pellet press. Due to the rotary valve not sealing properly, powder was able to flow out of the rotary valve even though the valve was not operating. 43 kgs of material built up below the valve before it was noticed when the operator put the third container of material into the feed station and there was no powder in the feed station. The safe mass limit for spilled material at GNF-A is 36 kgs. The rotary valve is part of Sole IROFS 503-16 for an accident sequence involving a fixed fire in the GAD press area. The IROFS safety function is to prevent the spill of more than a safe mass of UO<sub>2</sub> from the feed tube. Based on the ISA, the IROFS is considered in a fail state if the feed is not stopped when the specified mass limit is reached. Due to the equipment not being in service and thus the rotary valve was not functioning but still allowing powder to pass through, the sole IROFS failed to perform the intended safety function.

GNF-A management stated that even though the sole IROFS had failed to perform the intended safety function they met the performance requirements due to the short duration of the unavailability of the sole IROFS.

You stated that the licensee was taking credit for material building up in the feed tube and the frequency of having a fire. Those pieces were already accounted for in the initiating event frequency and that they are not able to count for it again. You also stated the requirements of Appendix 70 (a)(4) "An event or condition such that no items relied on for safety, as documented in the Integrated Safety Analysis summary, remain available and reliable, in an accident sequence evaluated in the Integrated Safety Analysis, to perform their function." You are concerned that the licensee was reevaluating the event to determine if they were still in compliance with 10 CFR 70.61 instead of evaluating the event against the IROFS as "documented in the ISA summary."

You stated that this was not a safety concern but was a compliance issue. You want to be sure that the NRC had all the facts about the event. You are concerned because you and others brought the issue about not evaluating an event using the current ISA, but rather a determination after the fact to management, and received negative feedback.

2. Management has been made aware of various inconsistencies, inadequacies, and inaccuracies in the licensing documents (LA, ISA, etc.) and has knowingly directed staff not to do anything to resolve them. You also informed management that what is currently described in the licensing documents is not what is actually being done at the facility, but was told that it was okay and directed not to change anything.