



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

March 18, 2013

Mr. Steven R. Penrod, Vice President
Enrichment Operations
USEC Inc.
3930 U.S. 23 South
P.O. Box 628
Piketon, OH 45661

**SUBJECT: USEC INC. LEAD CASCADE FACILITY, LICENSEE PERFORMANCE REVIEW
OF LICENSED ACTIVITIES (NUCLEAR REGULATORY COMMISSION
INSPECTION REPORT 70-7003/2013-001)**

Dear Mr. Penrod:

Managers and staff in our Region II office, the Office of Nuclear Material Safety and Safeguards, and the Office of Nuclear Security and Incident Response, completed a review of the Lead Cascade facility's performance in conducting Nuclear Regulatory Commission (NRC) licensed activities during the period beginning January 1, 2012, and ending December 31, 2012. USEC's Lead Cascades Facility's performance was evaluated in four major areas: Safety Operations, Radiological Controls, Facility Support, and Other Areas. This letter, and its Enclosure, provide the results of our review, and will be used as a basis for establishing the NRC oversight program for your conduct of licensed activities.

The review showed that USEC's Lead Cascade facility continued to conduct its activities safely and securely, while protecting public health and safety and the environment. Based on our current review of activities covering the period January 1, 2012 through December 31, 2012, no Areas Needing Improvement were identified. As a result of your performance during the assessment period, the NRC plans to conduct the core inspection program for a Category 3 Fuel Facility as described in NRC Inspection Manual Chapter 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the period of January 1, 2013 to December 31, 2014.

The results of our review will be discussed with you at your facility during a meeting open to the public on April 25, 2013. During the meeting, we expect you to discuss your view of your performance in the same major areas as the NRC evaluated.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its Enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document 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. Penrod

Questions and comments about NRC's review of USEC Inc.'s performance should be directed to Ms. Lisa Castelli, who can be reached by telephone at 404-997-4419.

Sincerely,

/RA/

Anthony T. Gody, Director
Division of Fuel Facility Inspection

Docket No. 70-7003
License No. SNM-7003

Enclosure:
Licensee Performance Review

cc w/encl: (See page 3)

S. Penrod

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Sincerely,

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Anthony T. Gody, Director
Division of Fuel Facility Inspection

Docket No. 70-7003
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Enclosure:
Licensee Performance Review

cc w/encl: (See page 3)

Distribution w/encl:

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PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE

ADAMS: Yes ACCESSION NUMBER: ML13077A316 SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	NMSS			
SIGNATURE	Via email	/RA/	M. Bailey for			
NAME	L. Pitts	L. Castelli	J. Kinneman			
DATE	3/ 13 /2013	3/ 14 /2013	3/ 18 /2013			
E-MAIL COPY	YES NO	YES NO	YES NO			

OFFICIAL RECORD COPY DOCUMENT NAME: G:\DFFI\FBI\ASSESS LPR\USEC Lead
Cascade\2013 LPR DEVELOPMENT\Lead Cascade LPR Public Letter 2013.docx

S. Penrod

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LICENSEE PERFORMANCE REVIEW FOR LEAD CASCADE
ASSESSMENT PERIOD: January 1 to December 31, 2012

The following is a summary of the performance of USEC's Lead Cascade Facility in the conduct of NRC licensed activities.

PERFORMANCE AREA: SAFETY OPERATIONS

This area is comprised of plant operations, nuclear criticality safety, and fire protection.

Program Areas Needing Improvement

No specific areas needing improvement were identified in Safety Operations.

Planned NRC Inspection Effort

Maintain the core inspection effort in Safety Operations.

PERFORMANCE AREA: RADIOLOGICAL CONTROLS

This area is comprised of radiation protection, environmental protection, waste management, and transportation.

Program Areas Needing Improvement

No specific areas needing improvement were identified in Radiological Controls.

Planned NRC Inspection Effort

Maintain the core inspection effort in Radiological Controls.

PERFORMANCE AREA: FACILITY SUPPORT

This area is comprised of maintenance and surveillance, training, emergency preparedness, management organization and controls, and permanent plant modifications.

Program Areas Needing Improvement

No specific areas needing improvement were identified for Facility Support.

Planned NRC Inspection Effort

Maintain the core inspection effort in Facility Support.

PERFORMANCE AREA: OTHER AREAS

This area is comprised of special issues.

Program Areas Needing Improvement

No specific areas needing improvement were identified for Other Areas.

Planned NRC Inspection Effort

Maintain the core inspection effort in Other Areas.