



May 14, 2013
GDP-13-0014

ATTN: Document Control Desk
Mr. Roy P. Zimmerman
Director, Office of Enforcement
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

**Paducah Gaseous Diffusion Plant (PGDP)
Docket Number 70-7001, Certificate No. GDP-1
Summary of Final Action Taken in Response to NRC Order EA-06-140**

Dear Mr. Zimmerman:

The Nuclear Regulatory Commission's (NRC) letter of August 13, 2009 (Reference), issued confirmatory order EA-06-140 to the United States Enrichment Corporation (USEC). The Confirmatory Order was a result of a successful alternative dispute resolution (ADR) session. Section V of the Confirmatory Order contains commitments made by USEC consistent with agreements reached in the ADR session.

On December 6, 2010, USEC provided a summary (Reference 2) of the actions taken to address the commitments completed in Section V. All actions were closed with the exception of item V.III. This correspondence summarizes the action taken to complete that commitment and the basis for considering it complete.

If you have any questions regarding this review, please contact Vernon Shanks (270) 441-6039. There are no new commitments contained in this submittal.

Sincerely,

Steven R. Penrod
Vice President Enrichment Operations
United States Enrichment Corporation

United States Enrichment Corporation
Paducah Gaseous Diffusion Plant
P.O. Box 1410, Paducah, KY 42002

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Reference: Letter from Cynthia A. Carpenter (NRC) to Robert Van Namen (USEC), Confirmatory Order (EA-06-140), dated August 13, 2009.
Letter from Robert Van Namen (USEC) to Cynthia A. Carpenter (NRC), Letter of Response (GDP 10-0047), dated December 6, 2010.

Enclosure: Summary of Final Action Taken in Response to NRC Order EA-06-140.

cc: L. Castelli, NRC Region II
A. Gody, NRC Region II
D. Hartland, NRC Sr, Resident Inspector, PGDP
J. Kinneman, NRC-HQ
O. Siurano-Perez – NRC-HQ
B. Smith, NRC-HQ

Summary of Final Action Taken in Response to NRC Order EA-06-140

I. Introduction

On August 13, 2009, the Nuclear Regulatory Commission (NRC) issued Confirmatory Order EA-06-140 to USEC. The Confirmatory Order resulted from a successful alternative dispute resolution (ADR) regarding an apparent violation of the 10 CFR 76.7, "Employee Protection" in which USEC was found to have retaliated against a former quality control manager in violation of Section 211 of the Energy Reorganization Act of 1974, as amended (the ERA).

Section V. of the Order required USEC to meet five requirements as corrective actions resulting from the settlement agreement between USEC and the NRC. On December 6, 2010, USEC responded to the NRC's Confirmatory Order (see GDP 10-0047) outlining the actions taken to meet the requirements of EA-06-140. All actions were complete with the exception of V.III., which required,

"No later than three years after the independent assessment performed in paragraph I above, USEC shall perform a second independent assessment of the SCWE at USEC's Paducah site to determine the effectiveness of the SCWE program."

USEC was required to complete the final action to meet the requirements of EA-06-140. The action is listed below, followed by USEC's basis for considering it complete.

"No later than three years after the independent assessment performed in paragraph I above, USEC shall perform a second independent assessment of the SCWE at USEC's Paducah site to determine the effectiveness of the SCWE program."

Actions Taken by USEC

The second independent assessment required, as stated above, was performed during the period of September 2012 – December 2012, with the on-site portion of the assessment conducted at the PGDP during October 8-19, 2012. The Independent SCWE Assessment Team (ISA) issued their final report on December 14, 2012.

The assessment evaluated the effectiveness of the corrective actions taken by USEC in response to the 2009 ISA and the overall effectiveness of the PGDP SCWE program. The site's SCWE program was reviewed against the four "pillars" of a healthy SCWE:

Pillar 1 - Willingness of Site Personnel to Raise Concerns Without Fear of Retaliation

Pillar 2 - Processes for Response to, and Correction of, Problems (primarily the Corrective Action Program (CAP))

Pillar 3 - Alternative Means for Raising Concerns (such as an Employee Concerns Program [ECP])

Pillar 4 - Detection and Prevention of Retaliation and Chilling Effects

Within each Pillar, the ISA Team evaluated PGDP programs, policies, and procedures, as well as the performance of the PGDP, and compared them to nuclear industry best practices.

Assessment Activities Performed

During the 2012 ISA, the Team conducted a variety of assessment activities, including:

- Reviewed programs, procedures, and policies related to SCWE
- Reviewed performance indicator metrics, assessment reports, and inspection reports
- Reviewed SCWE commitments and corrective actions taken since the first assessment in 2009
- Received presentations by PGDP management and observed selected site meetings
- Observed work evolutions and compared them to nuclear industry best practices
- Interviewed more than 150 PGDP personnel including management, supervision, contractors, and working-level/frontline personnel from across the PGDP site organizations
- Reviewed selected plant events and management's response

Based upon these assessment activities the Team developed overall conclusions and results for each of the Four Pillars of SCWE. The team also used these results to recommend seventeen actions to continue to enhance the SCWE. It should be noted that the ISA Team recognized improvements since the 2009 ISA, and observed no areas of decline since that effort. Each recommendation from this ISA was entered into the PGDP corrective action program and assigned to a subject matter expert for evaluation and implementation if warranted.

The team's noted overall conclusions were:

- Personnel are overwhelmingly willing to raise safety concerns without fear of retaliation
- Corrective Action Program (CAP) has continued to ensure that identified safety problems are evaluated and corrected in a timely manner
- PGDP personnel exhibited knowledge of various alternate avenues available for raising issues and concerns
- There continues to be strong awareness that retaliation for raising safety concerns is prohibited
- Recommendations based on industry best practices were submitted by the team for USEC's consideration in the following areas:
 - Increase rigor and improve SCWE strategy, training, and communications
 - Continue planned improvements in the Corrective Action Program and Employee Concerns Program
 - Enhance measurement and monitoring of SCWE effectiveness

A briefing on the results of the 2012 ISA was provided to the NRC on March 6, 2013 and a copy of the final report dated December 14, 2012, was transmitted to the NRC on March 27, 2013, in USEC letter number GDP 13-1015. This action is therefore complete.