

September 9, 2013

Mr. Stephen A. Toelle, Director
Nuclear Regulatory Affairs
United States Enrichment Corporation
2 Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: ADJUSTMENT TO THE CORE INSPECTION PROGRAM FOR THE PADUCAH
GASEOUS DIFFUSION PLANT AND WITHDRAWAL OF U.S. NUCLEAR
REGULATORY COMMISSIONS RESIDENT INSPECTOR

Dear Mr. Toelle:

By letter dated June 3, 2013, you officially notified the U.S. Nuclear Regulatory Commission (NRC) of the United States Enrichment Corporation's (USEC's) decision to terminate uranium enrichment activities at the Paducah Gaseous Diffusion Plant (PGDP), in accordance with the requirements specified in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 76 (10 CFR 76.66(b)). In your letter, you also informed that USEC expects to continue operations at the site into 2014 in order to manage inventory, continue to meet customer orders, and to meet the turnover requirements of USEC's lease with the U.S. Department of Energy (DOE).

As a result of USEC's decision to cease enrichment activities, the NRC staff performed an evaluation of its inspection program at the PGDP and determined that an adjustment to the NRC's core inspection program for the site was necessary. The NRC staff determined that the current and expected material workload at the site are similar in risk to operations at a uranium conversion facility with additional aspects in the areas of Material Control and Accounting, Security, Information Security, and Criticality Safety. Therefore, the NRC staff determined that maintaining a resident inspector at the site is not recommended. As a result, the NRC will proceed to withdraw the NRC Resident Inspector from PGDP by the end of fiscal year 2013 (no later than September 30, 2013). However, the resident inspector's office infrastructure will remain in place and will be closed as part of the transition plan for plant decertification and transfer to DOE. The enclosure to this letter provides a description of the current core inspection program for a fully operational Gaseous Diffusion Plant (as adjusted per NRC letters dated October 18, 2012 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML12284A329 and March 5, 2013, Accession No. ML13063A227)), the core inspection program for a uranium conversion facility, the proposed adjustment to the core inspection plans as a result of limited operations, and the change in the inspection hours at PGDP, as approved by the NRC.

In accordance to 10 CFR 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 component of NRC's document system. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions regarding this action, please contact Mr. Osiris Siurano-Perez at 301-287-9070, or e-mail Osiris.Siurano-Perez@nrc.gov.

Sincerely,

/RA/ J. Downs for

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

Docket No. 70-7001
Certificate No. GDP-1

Enclosure:
Fuel Facility Inspection Program (Core)

cc: Vernon Shanks, USEC-Paducah

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DATE	09/06/2013	09/06/2013	09/06/2013	09/06/2013	09/09/2013

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FUEL FACILITY INSPECTION PROGRAM (CORE)

Functional Areas	Procedure	GDP Current Program		Uranium Conversion		GDP Proposed Program		Change Hours
		Inspections per year	Hours	Inspections per year	Hours	Inspections per year	Hours	
Fuel Facility Inspection Program (CORE)								
Operations	88020	1	24	2	60	1	24	0
Operations	92702	As Needed		As Needed		As Needed		0
Crit. Safety	88015	2	59.5	N/A	N/A	1	15.5	-44
Crit. Safety	88016	2	68	N/A	N/A	1	16	-52
Crit. Safety	88017	1	0.5	N/A	N/A	1	0.5	0
Fire Protection	88055(A)	1	32	1	32	1	32	0
Fire Protection	88054(T)	1*	21	1*	64	1*	21	0
MC&A	IMC 2683	1	64	N/A	N/A	2	64	0
Physical Protection	PS4/5	1	8	1	24	1	8	0
INFOSEC						No Change	No Change	0
Rad. Prot.	88030	1	32	1	24	1	24	-8
Env. Prot.	88045	1	24	1	24	1	24	0
Waste Mgmt.	88035	1	12	1	12	1	12	0
Transportation	86740(T)	1	16	1	16	1	16	0
Maint./Surv.	88025	1	20	1	24	1	24	+4
Training	88010	1	12	1	12	1	12	0
Emergency Preparedness	88050(P)	1	30	1	30	1	30	0
Emergency Preparedness	88051(D)	1	16	1	32	1	16	0
Mods	88070	1	40	1	40-120	1	10-40	-30 to 0
Mgmt. Org. and Controls	88005	1	16	1	16	1	16	0
Resident Inspection Program								
Plant Operations	88100 (OPNS)	N/A	766	N/A	N/A	0	0	-766
Configuration Control	88101 (CC)	N/A	0	N/A	N/A	0	0	0
Surveillance Operations	88102 (SURV)	N/A	20	N/A	N/A	0	0	-20
Maintenance Observations	88103 (MAINT)	N/A	40	N/A	N/A	0	0	-40
Management Organization and Controls	88105 (MO&C)	N/A	24	N/A	N/A	0	0	-24

* Fraction allocated every year for the triennial fire protection inspection