

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

October 9, 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 NUCLEAR REGULATORY COMMISSION INTEGRATED INSPECTION REPORT NUMBER 70-7003/2013-004

Dear Mr. Penrod:

This letter refers to the inspections conducted during the period from July 1 through September 30, 2013, at the USEC Inc., Lead Cascade Facility in Piketon, OH. The purpose of these inspections was to determine whether activities authorized under the license were conducted safely and in accordance with Nuclear Regulatory Commission (NRC) requirements. The enclosed integrated report presents the results of these inspections were discussed with members of your staff at an exit meeting held on September 13, 2013.

During the inspections, the NRC staff examined activities conducted under your license as they related to public health and safety and to confirm compliance with the Commission's rules and regulations, and with the conditions of your license. Areas examined during the inspections are identified in the enclosed report. Within these areas, the inspections consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of the inspections, no violations of NRC requirements were identified.

In accordance with 10 CFR 2.390 of NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <u>http://www.nrc.gov/reading-rm/adams.html</u>.

Should you have any questions concerning this inspection, please contact Leonard Pitts at (404) 997-4708.

Sincerely,

/RA/

James A. Hickey, Chief Fuel Facility Inspection Branch 2 Division of Fuel Facility Inspection

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

Enclosure:

NRC Inspection Report Number 70-7003/2013-004 w/Attachment: Supplementary Information

cc w/encl: (See page 3)

Should you have any questions concerning this inspection, please contact Leonard Pitts at (404) 997-4708.

Sincerely,

/RA/

James Hickey, Chief Fuel Facility Inspection Branch 2 Division of Fuel Facility Inspection

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

Enclosure:

NRC Inspection Report Number 70-7003/2013-004 w/Attachment: Supplementary Information

cc w/encl: (See page 3)

Distribution w/encl: B. Smith, NMSS O. Siurano-Perez, NMSS

J. Hickey, RII

L. Pitts, RII

X PUBLICLY AVAILABLE

ADAMS: X Yes

□ NON-PUBLICLY AVAILABLE

ACCESSION NUMBER: ML13282A583

□ SENSITIVE X NON-SENSITIVE X SUNSI REVIEW COMPLETE X FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII:DFFI			
SIGNATURE	/RA/	/RA/					
NAME	LPitts	PStartz					
DATE	10/7/2013	102/7/2013	10/ /2013	10/ /2013	10/ /2013	10/ /2013	10/ /2013
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

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S. Penrod

cc w/encl: Dan Rogers General Manager American Centrifuge Plant Operations USEC Inc. Electronic Mail Distribution

Vernon Shanks Regulatory Manager American Centrifuge Plant USEC Inc. Electronic Mail Distribution

R. M. DeVault Manager Regulatory Oversight Department of Energy Electronic Mail Distribution

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U. S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.:	70-7003
Certificate No.:	SNM-7003
Report No.:	70-7003/2013-004
Licensee:	USEC Inc.
Facility:	American Centrifuge Lead Cascade Facility
Location:	Piketon, OH
Dates:	July 1 through September 30, 2013
Inspector:	P. Startz, Fuel Facility Inspector, DFFI
Approved by:	J. Hickey, Chief Fuel Facility Inspection Branch 2 Division of Fuel Facility Inspection

EXECUTIVE SUMMARY

United States Enrichment Corp., Lead Cascade NRC Inspection Report 70-7003/2013-004 July 1 – September 30, 2013

Inspections were conducted by a region-based inspector during normal shifts in the areas of Radiological Controls and Facility Support. The inspector performed a selective examination of licensee activities which were accomplished by direct observation of safety-significant activities and equipment, tours of the facility, interviews and discussions with licensee personnel, and a review of facility records.

Radiological Controls

- The inspector determined that the licensee's activities associated with radioactive waste management were implemented in accordance with the license application and regulatory requirements. (Paragraph A.1)
- The inspector determined the licensee had established and was maintaining an effective program to ensure radiological safety during the receipt, packaging, delivery, and private carriage of licensed radioactive materials. (Paragraph A.2)

Facility Support

• The inspector determined that maintenance and surveillance program activities for items relied on for safety and other safety controls were adequate to assure that items relied on for safety are available and reliable to perform their safety function when needed. (Paragraph B.1)

<u>Attachment</u> Key Points of Contact List of Items Opened, Closed, and Discussed Inspection Procedures Used

REPORT DETAILS

Summary of Plant Status

The licensee continued the planned installation and evaluation of the research, development and demonstration phase of the American Centrifuge Plant.

A. Radiological Controls

- 1. Radioactive Waste Management (IP 88035)
 - a. Inspection Scope and Observations

The inspector evaluated the licensee procedures and quality assurance programs and verified compliance with requirements of 10 CFR Part 20 applicable to low-level radioactive waste form, classification, stabilization, and shipment manifests and tracking.

The inspector reviewed procedures related to radioactive waste. The procedures were clearly written and adequately delineated responsibilities related to radioactive waste management. The operators were familiar with their responsibilities and performed their tasks in accordance with facility procedures.

The inspector reviewed the quality assurance program for radioactive waste management and determined that the licensee was performing the required audits. The findings from these audits would be entered into the licensee's corrective action program for resolution.

The inspector reviewed the licensee's program for classifying low-level radioactive waste. The inspector reviewed the licensee's program for ensuring that waste was properly packaged, stored, periodically inventoried, and maintained. The licensee conducted activities as required by the license application and facility procedures.

The inspector reviewed the licensee's procedures for labeling and tracking radioactive waste shipments. The procedures were adequate to ensure that radioactive waste was properly labeled and specified actions to be taken should the shipments not reach the intended destination in the time specified. Additionally, the inspector reviewed the procedures for placement, inspection, and repackaging of radioactive waste.

The inspector performed walk-downs of selected radioactive material storage areas. It was noted that minimal radiological waste generation had occurred during the previous twelve months. The storage areas had adequate postings to ensure that the proper material was being stored in the area and the material was stored in accordance with the radiological safety requirements. The containers were inspected for proper labeling to reflect their contents and were in good physical condition.

b. Conclusion

No violations of NRC requirements were identified.

2. Transportation of Radioactive Material (IP 86740)

a. Inspection Scope and Observations

The inspector noted that no radioactive shipments had occurred since the previous inspection in 2012. The inspector verified the licensee, through their subcontracted services, had maintained an effective program that ensured radiological safety during the receipt, packaging, delivery, and private carriage of licensed radioactive materials. The inspector also verified transportation activities continued to be maintained in compliance with the applicable transport regulations.

The inspector reviewed audits of the transportation program and determined the licensee was performing periodic audits of the program as required.

b. Conclusion

No violations of NRC requirements were identified.

B. Facility Support

1. Maintenance and Surveillance of Safety Controls (IP 88025)

a. Inspection Scope and Observations

The inspector interviewed technicians and supervisors to evaluate maintenance and surveillance program activities. The inspector verified that items relied on for safety (IROFS) and other safety controls were adequate to assure that IROFS and safety controls were maintained available and reliable to perform their safety function when needed.

The inspector verified that the licensee's work control program had provisions to ensure the adequate pre-job planning and preparation of work packages to support maintenance and surveillance activities. The inspector reviewed maintenance and surveillance work packages for accuracy and to ensure that test packages challenged and verified operability of IROFS and safety controls.

The inspector reviewed maintenance work packages on selected systems and processes and determined that work activities were conducted in accordance with licensee requirements and approved procedures. The inspector verified that post-maintenance testing and calibrations were adequately performed prior to restoring equipment to operational status. Additionally, the inspector verified that completed work packages were adequately reviewed prior to returning equipment to service.

The inspector reviewed the licensee's problem identification and resolution program to verify that performance issues relating to the maintenance and surveillance of IROFS and safety controls were entered into the corrective action program and appropriate corrective actions when necessary were taken.

b. Conclusion

No violations of NRC requirements were identified.

C. <u>Exit Meeting</u>

The inspection scope and results were presented to members of the licensee's staff at various meetings throughout the inspection period and were summarized at the exit meeting conducted on September 13, 2013. No dissenting comments were received from the licensee. Proprietary information was discussed but not included in the report.

SUPPLEMENTARY INFORMATION

1. KEY POINTS OF CONTACT

Name	Title
N. Banks	Environmental Safety and Health
J. Corrado	Regulatory Affairs
M. Ford	Maintenance Management
D. Fosson	Operations Management
S. Fulk	Technical Services Manager
T. Martin	Regulatory Engineer
J. Milo	Regulatory Engineer
S. Perry	Packaging and Transportation
M. Redden	Plant Services
D. Rogers	General Manager
J. Thompson	Radiation Protection
J. Watson	Fire Services Engineer

2. ITEMS OPENED, CLOSED, AND DISCUSSED

None

3. INSPECTION PROCEDURES USED

IP 86740	Transportation Activities
IP 88025	Maintenance and Surveillance of Safety Controls
IP 88035	Radioactive Waste Management