



1205 banner hill road ■ erwin, tn 37650 ■ phone 423.743.9141
www.nuclearfuelservices.com

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21G-15-0160
GOV-01-55-04
ACF-15-0233

August 25, 2015

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

References: 1) Docket No. 70-143; SNM License 124
2) NRC Inspection Report No. 70-143/2015-003 and Notice of Violation dated July 28, 2015

Subject: Reply to a Notice of Violation (VIO 70-143/2015-003-01)

Gentlemen:

Pursuant to the requirements of 10 CFR 2.201, Nuclear Fuel Services, Inc. (NFS) hereby submits the attached response to the subject violation identified in the referenced NRC inspection report (Reference 2).

If you or your staff have any questions, require additional information, or wish to discuss this matter further, please contact me at (423) 743-1705, or Mr. Randy Shackelford, Nuclear Safety and Licensing Manager, at (423) 743-2504. Please reference our unique document identification number (21G-15-0160) in any correspondence concerning this letter.

Sincerely,

NUCLEAR FUEL SERVICES, INC.

Richard J. Freudenberger, Director
Safety and Safeguards

ATS/pj

Attachment: NFS Reply to a Notice of Violation (VIO 70-143/2015-003-01)

JED 7
RGM II

cc:

Regional Administrator
U.S. Nuclear Regulatory Commission, Region II
245 Peachtree Center Avenue NE, Suite 1200
Atlanta, GA 30303-1257

Mr. Marvin Sykes
Chief, Projects Branch I
Division of Fuel Facility Inspection
U.S. Nuclear Regulatory Commission, Region II
245 Peachtree Center Avenue NE, Suite 1200
Atlanta, GA 30303-1257

Mr. David Hartland
Project Inspector
U.S. Nuclear Regulatory Commission, Region II
245 Peachtree Center Avenue NE, Suite 1200
Atlanta, GA 30303-1257

Mr. Kevin M. Ramsey, Senior Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
U. S. Nuclear Regulatory Commission
Two White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

Mr. Charles Stancil
Senior Resident Inspector
U. S. Nuclear Regulatory Commission

ATTACHMENT

**NFS Reply to a Notice of Violation
(VIO 70-143/2015-003-01)**

2 pages to follow

Restatement of Violation

During an NRC inspection conducted April 14 through May 26, 2015, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Safety Condition 01 of Special Nuclear Material (SNM) License SNM-124, states, in part, that procedures be established and used in accordance with the statements, representations, and conditions in the application.

Chapter 11 of the NFS license application, Management Measures, Section 11.4, "Procedure Development and Implementation," states, in part, that activities involving the handling of SNM are conducted in accordance with written procedures as defined in Section 11.4.1, "Operating Procedures." Section 11.4.1, Operating Procedures, defines, in part, operating procedures as documents written to authorize the processing of radioactive material; and within these documents, instructions for disposition of radioactive wastes.

Licensee procedure Standard Operating Procedure (SOP) 401-17, Fuel Manufacturing Facility (FMF) Cleaning, Revision 7, contained procedural guidance for handling potentially contaminated waste. The procedure contained guidance on how items are to be rinsed and dried prior to being placed into approved containers to minimize the potential for an unplanned chemical reaction from non-compatible cleaning materials.

Contrary to the above, prior to the event on April 4, 2015, the licensee failed to ensure that procedure SOP 401-17, FMF Cleaning, Revision 7, contained inadequate [*sic*] instructions for disposition of radioactive wastes, specifically for handling radioactive waste contaminated with non-compatible cleaning materials. As a result, an unplanned and uncontrolled chemical reaction occurred within an unoccupied storage area. If a worker(s) had been present in the area at the time of the event, there existed the potential of a radiological or chemical consequence to the worker(s) that would be of low safety significance. The potential safety significance of the event was determined by licensee staff and independently verified by the NRC.

This is a Severity Level IV violation.

The reasons for the violation

The reason for the violation was that non-compatible materials that had not been adequately rinsed and air dried were added to a waste container prior to it being sealed and placed in the storage area. The internal investigation identified the following contributors to the event: a lack of specific guidance in procedures governing cleaning activities in the area, and limited space in which to perform the rinsing/drying activities.

The corrective steps that have been taken and the results achieved

The following corrective actions have been implemented to address the cause of the violation:

1. Procedural requirements and expectations for cleaning and disposal of cleaning materials were reinforced to personnel involved in or supervising those activities. (Reference Operational Toolbox OPR-TB-APR15-02, "Oxidizers and Organics," and email to NFS Employees from the Operations Director, dated 04/08/2015.)
2. SOP 401-17 was revised to provide enhanced guidance and direction to personnel on how to clean and subsequently dispose of material used in process area cleaning activities. (Reference SOP 401-17, "FMF Cleaning," Revision 8, effective 08/03/2015.)

As a result of the Operational Toolbox and the SOP 401-17 revision, plant personnel have demonstrated a greater awareness of the importance of properly handling radioactive waste contaminated with non-compatible cleaning materials.

As an additional enhancement to address the limited space for rinsing/drying activities, a Capital Project/Procurement Request for a Rinse Station was initiated and approved with one purpose being to provide a dedicated location for rinsing waste materials prior to disposal. (Reference IAC-884 and Project JA0411.)

The corrective steps that will be taken to avoid future violations

Based on the actions detailed above including enhancements made to procedures governing the disposal of cleaning materials used in process areas, communication of the event details to plant personnel, and reinforcement of expectations and requirements to operators and supervisors involved in cleaning activities in the process area, no additional corrective steps will be taken.

The date when full compliance will be achieved

Full compliance was achieved on August 3, 2015, when the revised SOP 401-17 procedure was issued and made effective for use in the facility.