

March 1, 2016

Mr. Robert Johnson
Branch Chief, Fuel Manufacturing Branch, NMSS
HQ, U.S. Nuclear Regulatory Commission
One White Flint North, 11555 Rockville Pike
Rockville, MD 20852-2738

Subject: Natural Phenomena Hazards at Fuel Cycle Facilities, re: Nuclear Fuel Services, Inc., Special Nuclear Material License, SNM-124, Docket 07000143

References: (See Page 4)

Dear Mr. Johnson:

We were appalled after reading the Non-Concurrence by the Nuclear Fuel Services, Inc. (NFS) Project Manager regarding the Natural Phenomena Hazards. We agree with your directive to the Project Manager to send a formal letter. You were absolutely correct, and we are glad it was finally done on February 8, 2016. Any directive to NFS should always be in writing whether it has already been discussed on the phone or not. And further, the NRC should always require a response in writing from the licensee, and make it public on ADAMS.

However, this brings up yet another issue and that is, according to the NRC News Release October 6, 2011, these Natural Phenomena Hazard inspections were supposed to be **completed by September 30, 2012**. Talk about kicking the can down the road!

Now, here we are five years later and from what we are able to piece together by all the references in this letter, this requirement is impossible to achieve without tremendous rebuilding and retrofitting some of these plants. And certainly Nuclear Fuel Services, Inc. (NFS) would be no exception given their age.

NRC Generic Letter 2015-01: Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities, **June 22, 2015**, reference "c" of this letter, states that "**...the NRC staff was unable to validate that the facilities were in compliance with their licensing basis for NPH (Natural Phenomena Hazards)**". The inspections found that many operating fuel cycle facilities lacked facility design information, and there were significant variations in

Page 2 – Letter to Robert Johnson, NRC, subject: Natural Phenomena Hazards at Fuel Cycle Facilities, March 1, 2016

the level of detail and rigor in the facility ISAs, that the assumptions used in developing the safety analysis were not clearly described and that some supporting analyses were limited or missing.” So, it is quite obvious that these are potential nuclear accidents waiting to happen, because of natural phenomena.

It is totally unacceptable, but unfortunately not unusual, that the NRC has allowed this to drag on so long. I specifically recall discussing this issue at more than one NRC public meeting in Erwin, Tennessee in the past five years.

Of course, we all know it is very doubtful that Nuclear Fuel Services, Inc., (NFS), Erwin, Tennessee, can truthfully answer most of these questions positively, since they are now 59 years old, the buildings are old, lack facility design information, and have an “as built” configuration, which is always quick to be addressed in NRC inspection reports.

It is doubtful that NFS, or the people who live nearby, could survive any of the Natural Phenomena Hazards – earthquakes, tornados, winds, floods....not to mention sinkholes. And, there are three huge sinkholes within a stone’s throw of NFS at Bradshaw Woods and Love Chapel School, which have appeared in the past three years. In addition, and as the NRC so well knows but choses to ignore, NFS has a long history of radioactive material releases into the environment, loss of material, and an abysmal safety record and lack of safety culture.

The old PU area (former Building 234) has a tent over the area and has had for years. It is good to see that the NRC finally called it what it really is --“a tent”-- in the most recent Integrated Inspection Report, (ML16020A275).

NRC Generic Letter 2015-01, June 22, 2015, states that “...many operating fuel cycle facilities regulated under 10 CFR Part 70 that are located in the central and eastern United States were built between 1950 and 1990.” Certainly Nuclear Fuel Services, Inc. (NFS) is one of them – and probably the oldest -- built in 1957.

The fact that this Natural Phenomena Hazards requirement has been allowed to drag on all these years shows that the NRC has total disregard for the safety and security of the public and, for us, the people of Erwin and surrounding communities. Therefore, it is not surprising that we see letters to the editor of the Erwin Record, such as the one published on February 3, 2016. (**Enclosure 1**).

Regarding Natural Phenomena Hazards and environmental issues, the Erwin Citizens Awareness Network, Inc. has already addressed many of these issues in the past in a letter to the NRC (Peter Habighorst), subject: UF6 Processing at NFS, November 3, 2008 (**Enclosure 2**), and in a letter to the DOE, (William Tobey, NNSA), December 24, 2008, subject: Nuclear Fuel Services' (NFS) proposal to process UF6 in the new CD Line in Erwin, Tennessee (**Enclosure 3**). And these letters were written long **before the sinkholes appeared**.

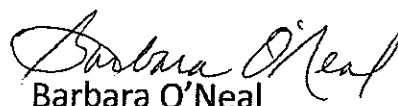
The NRC's February 8, 2016 letter to Nuclear Fuel Services, Inc., (NFS) really says it all:

"Title 10 of the *Code of Federal Regulations* (10 CFR) Paragraph 70.62(c)(1)(iv) requires a licensee to conduct and maintain an integrated safety analysis, that is of appropriate detail for the complexity of the process, that identifies potential accident sequences caused by process deviations or other events internal to the facility and credible external events, including natural phenomena.

10 CFR 70.62(c)(1)(v) requires a licensee to conduct and maintain an integrated safety analysis, that is of appropriate detail for the complexity of the process, that identifies the consequence and the likelihood of occurrence of each potential accident sequence identified pursuant to paragraph (c)(1)(iv) of this section, and the methods used to determine the consequences and likelihoods.

The Code of Federal Regulations **requires** the licensee to comply. If the licensee cannot comply, meet these requirements and provide the necessary safety environment to protect the public and people of Erwin and surrounding communities, then their 25-year license (SNM-124) should be revoked, they should be shut down, and the fuel cycle function moved to Oak Ridge or another secure site. And furthermore, the 59-year-old contaminated- NFS site within the city limits of the Appalachian town of Erwin, Tennessee, should be decommissioned and cleaned up.

Respectfully submitted,


Barbara O'Neal

f/Erwin Citizens Awareness Network, Inc.
barbaraoneal@embarqmail.com

Page 4 – Letter to Robert Johnson, NRC, subject: Natural Phenomena Hazards at Fuel Cycle Facilities, March 1, 2016

Copy Furnished:

Honorable Elijah Cummings, Chairman, Government Oversight Committee, 2471 Rayburn House Office Building, Washington, DC 20515

3 Enclosures:

Recent Letter to Editor, Erwin Record, Feb. 3, 2016

Erwin Citizens Awareness Network (ECAN) Letter to NRC, Nov. 3, 2008

Erwin Citizens Awareness Network (ECAN) Letter to DOE, Dec. 24, 2008

References:

- a. NRC News Release 11-191, NRC to Inspect Fuel Cycle Facilities on Preparations for Natural Disasters, **October 6, 2011**, (ML11279A216)
- b. NRC Inspection Manual, Temporary Instruction 2600/015, Evaluation of Licensee Strategies for the Prevention and/or Mitigation of Emergencies at Fuel Facilities, Issue Date: **9/30/11** (ML111030453).
- c. NRC Generic Letter 2015-01: Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities, **June 22, 2015**, (ML14328A029)
- d. Closure Strategy for Generic Letter 2015-01: Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities, **August 11, 2015**, (ML15195A474)
- e. Summary of Call with Nuclear Fuel Services (NFS) re: Generic Letter Response, **November 10, 2015** (ML15314A707)
- f. Non-Concurrence Process, NRC Form 757, subject as above, including Agreed Upon Summary of Issues, (Dates: **12/15/15, 1/28/16, 2/2/16**), (ML16034A462).
- g. Letter to Nuclear Fuel Services, Inc. (NFS), Request for Supplemental Information Concerning Response to Generic Letter 2015-01, **February 8, 2016**, (ML15348A029).

-end-