



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

March 4, 2016

Mr. Adam Hilton  
Plant Manager  
Fuel Manufacturing Operations  
Global Nuclear Fuel – Americas, L.L.C.  
P.O. Box 780, Mail Code J20  
Wilmington, NC 28402

**SUBJECT: GLOBAL NUCLEAR FUEL-AMERICAS PROGRAM ADJUSTMENT REVIEW  
(NUCLEAR REGULATORY COMMISSION INSPECTION REPORT 70-  
1113/2016-001)**

Dear Mr. Hilton:

The Nuclear Regulatory Commission (NRC) Region II and Headquarters staff completed a program adjustment review of the Global Nuclear Fuel – Americas (GNF-A) fabrication facility's performance in conducting NRC licensed activities. In accordance with Inspection Manual Chapter 2604, "Licensee Performance Review," the program adjustment review provides an opportunity for adjustments to the inspection program to reflect emergent performance issues that may reveal themselves during the normal 24-month performance assessment period.

This review covered the period January 1 through December 31, 2015. The performance of GNF-A was evaluated in the following areas: Safety Operations, Radiological Controls, Facility Support, and Other Areas. This letter provides the results of our review and constitutes the basis for establishing the NRC oversight program for your facility. The details regarding the Safeguards portion of the review are documented in a separate letter marked "Official Use Only" due to the sensitive nature of the information.

Overall, the staff determined that GNF-A has continued to conduct its activities safely and securely, while protecting public health and the environment. Based on our review of activities covering the period January 1 through December 31, 2015, no program adjustment is needed for the following areas: Safety Operations, Radiological Controls, Facility Support, and Other Areas. Therefore, the NRC will conduct the core inspection program for a Category III Fuel Facility as described in NRC Inspection Manual Chapter 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the period of January 1, 2016 to December 31, 2016.

Unresolved items (URIs) were opened during the conduct of Temporary Instruction (TI) 2600/015, "Evaluation of Licensee Strategies for the Prevention and/or Mitigation of Emergencies at Fuel Facilities" (ADAMS Accession No. ML12286A284.) The NRC issued Generic Letter (GL) 2015-01: "Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities" (ADAMS Accession No. ML14328A029) to request that licensees submit information to demonstrate compliance with regulatory requirements regarding the treatment of natural phenomena events in the facilities' integrated safety assessments. GNF-A submitted this information on January 29, 2016 and NRC HQ is evaluating the response. Additional NRC

inspections, beyond the core inspection hours, may be warranted to support the review of licensees' activities in response to NRC GL 2015-01. The inspections will be conducted in accordance with TI 2600/016, "Inspection of Activities Associated with NRC Generic Letter 2015-01" (ADAMS Accession No. ML15317A506.) The inspection results from the implementation of this TI will be used to follow up with previously identified URIs regarding the treatment of NPH events, and to inform the closure process of NRC GL 2015-01.

In accordance with 10 CFR Part 2.390 of NRC's "Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room, or from the NRC's Agencywide Documents Access and Management System (ADAMS), which is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>.

Please refer questions and comments regarding your program adjustment review to Mr. Eric Michel, Chief, Projects Branch 2, by telephone at 404-997-4555.

Sincerely,

*/RA/*

Mark Lesser, Director  
Division of Fuel Facility Inspection

Docket No. 70-1113  
License No. SNM-1097

cc:  
Scott Murray, Manager  
Facility Licensing  
Global Nuclear Fuels – Americas, L.L.C.  
Electronic Mail Distribution

W. Lee Cox, III, Chief  
North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Radiation Protection Section  
Electronic Mail Distribution

inspections, beyond the core inspection hours, may be warranted to support the review of licensees' activities in response to NRC GL 2015-01. The inspections will be conducted in accordance with TI 2600/016, "Inspection of Activities Associated with NRC Generic Letter 2015-01" (ADAMS Accession No. ML15317A506.) The inspection results from the implementation of this TI will be used to follow up with previously identified URIs regarding the treatment of NPH events, and to inform the closure process of NRC GL 2015-01.

In accordance with 10 CFR Part 2.390 of NRC's "Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room, or from the NRC's Agencywide Documents Access and Management System (ADAMS), which is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>.

Please refer questions and comments regarding your program adjustment review to Mr. Eric Lesser, Chief, Project Branch 2, by telephone at 404-997-4555.

Sincerely,  
*/RA/*

Mark Lesser, Director  
Division of Fuel Facility Inspection

Docket No. 70-1113  
License No. SNM-1097

cc:  
Scott Murray, Manager  
Facility Licensing  
Global Nuclear Fuels – Americas, L.L.C.  
Electronic Mail Distribution

W. Lee Cox, III, Chief  
North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Radiation Protection Section  
Electronic Mail Distribution

PUBLICLY AVAILABLE       NON-PUBLICLY AVAILABLE       SENSITIVE       NON-SENSITIVE  
ADAMS:  Yes      ACCESSION NUMBER:ML16064A086       SUNSI REVIEW COMPLETE  FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	HQ:NMSS			
SIGNATURE	/RA/	/RA/	/RA/			
NAME	PStartz	EMichel	CErlanger			
DATE	3/1/2016	3/1/2016	3/3/2016	3/ /2016	3/ /2016	3/ /2016
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

Letter to Mr. Adam Hilton from Eric C. Michel dated

SUBJECT: GLOBAL NUCLEAR FUEL-AMERICAS PROGRAM ADJUSTMENT REVIEW  
(NUCLEAR REGULATORY COMMISSION INSPECTION REPORT 70-  
1113/2016-001)

DISTRIBUTION:

M. Lesser, RII  
C. Erlanger, NMSS  
R. Johnson, NMSS  
M. Baker, NMSS  
T. Naquin, NMSS  
E. Michel, RII  
S. Subosits, RII  
P. Startz, RII  
PUBLIC