



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II

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March 3, 2017

David A. Fosson  
General Manager, ACP Operations  
American Centrifuge Operating, LLC (ACO)  
Lead Cascade Facility and American Centrifuge Plant  
3930 U.S. Route 23 South  
P.O. Box 628  
Mail Stop 7560  
Piketon, OH 45661

**SUBJECT: AMERICAN CENTRIFUGE OPERATING, LLC'S, LEAD CASCADE LICENSEE  
PERFORMANCE REVIEW (NUCLEAR REGULATORY COMMISSION  
INSPECTION REPORT NUMBER 70-7003/2017-001)**

Dear Mr. Fosson:

The U.S. Nuclear Regulatory Commission (NRC) staff in our Region II office, the Office of Nuclear Material Safety and Safeguards, and the Office of Nuclear Security and Incident Response completed its review of the American Centrifuge Lead Cascade facility's (Lead Cascade's) inspection results and facility performance in conducting NRC-licensed activities. The review covered the period January 1, 2015, through December 31, 2016. The performance of the Lead Cascade was evaluated in the following areas: Safety Operations, Radiological Controls, Facility Support, and Special Issues (Other Areas). The enclosure to 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 that information.

Overall, the staff determined that the Lead Cascade 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 no area needing improvement was identified. Therefore, the NRC will conduct the core inspection program for a Category 3 Fuel Facility as described in NRC Inspection Manual Chapter 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program, until the Lead Cascade is transitioned to the decommissioning inspection program. While conducting the core inspection program, inspection hours will be maintained in accordance with the Inspection Effort Memorandum dated July 15, 2015 (ML15197A200).

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 of NRC's "Agency Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records System component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC's Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions concerning this matter, please contact Mr. Marvin Sykes, Chief, Projects Branch 1, by telephone at (404) 997-4629.

Sincerely,

*/RA/*

Mark S. Lesser, Director  
Division of Fuel Facility Inspection

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

Enclosure:  
Licensee Performance Review

cc:  
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SUBJECT: AMERICAN CENTRIFUGE OPERATING, LLC'S, LEAD CASCADE FACILITY  
 LICENSEE PERFORMANCE REVIEW (NUCLEAR REGULATORY  
 COMMISSION INSPECTION REPORT NUMBER 70-7003/2017-001,  
 SAFEGUARDS PORTION)

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 ADAMS:  Yes      ACCESSION NUMBER:ML17067A099       SUNSI REVIEW COMPLETE  FORM 665 ATTACHED

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**LICENSEE PERFORMANCE REVIEW FOR AMERICAN CENTRIFUGE OPERATING, LLC'S,  
LEAD CASCADE**

**ASSESSMENT PERIOD: JANUARY 1, 2015 TO DECEMBER 31, 2016**

The following is a summary of the performance of Lead Cascade in the conduct of NRC-licensed activities.

**PERFORMANCE AREA: SAFETY OPERATIONS**

This area is comprised of plant operations, nuclear criticality safety, and fire protection.

**Program Areas Needing Improvement**

- No specific area needing improvement was identified in Safety Operations.

**Recommended NRC Inspection Effort**

- Maintain the core inspection effort in Safety Operations.

**PERFORMANCE AREA: RADIOLOGICAL CONTROLS**

This area is comprised of radiation protection, environmental protection, waste management, and transportation.

**Program Areas Needing Improvement**

- No specific area needing improvement was identified in Radiological Controls.

**Recommended NRC Inspection Effort**

- Maintain the core inspection effort in Radiological Controls.

**PERFORMANCE AREA: FACILITY SUPPORT**

This area is comprised of maintenance and surveillance, training, emergency preparedness, management organization and controls, and permanent plant modifications.

**Program Areas Needing Improvement**

- No specific area needing improvement was identified in Facility Support.

**Recommended NRC Inspection Effort**

- Maintain the core inspection effort in Facility Support.

Enclosure

**PERFORMANCE AREA: OTHER AREAS**

This area is comprised of special issues.

**Program Areas Needing Improvement**

- No specific area needing improvement was identified in Other Areas.

**Recommended NRC Inspection Effort**

- Maintain the core inspection effort in Other Areas.