



RE: 1806-N

March 20, 2018

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RETURN RECEIPT REQUESTED

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Re: Reply to Notice of Violation
Docket No. 040-08027, License No. SUB-1010
Sequoyah Fuels Corporation

To Whom It May Concern:

This is a response to a notice of violation identified during Nuclear Regulatory Commission (NRC) Region IV Inspection 040-08027/18-001. A summary of violation is stated below along with a response from Sequoyah Fuels Corporation (SFC).

Summary of Violation

License Condition 44 states in part that the licensee shall have procedures which will evaluate the consequences of the spill or incident/event against 10 CFR 20, Subpart "M," and 10 CFR 40.60 reporting criteria. If the criteria are met, then the licensee shall report to the NRC Operations Center as required.

Contrary to such, the SFC failed to maintain a written procedure in this regard.

SFC Reply to Notice of Violation

1) The reason for the violation:

SFC acknowledges an administrative error on this matter.

2) The corrective steps that have been taken and the results achieved:

SFC has established new operating procedure A-207 Reporting Requirements for NRC.

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The scope of the new procedure specifically addresses the requirement of License Condition 44.

3) The corrective steps that will be taken:

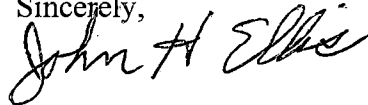
No further corrective steps will be taken on this matter.

4) The date when full compliance will be achieved:

Full compliance was achieved on 20 March 2018 upon approval of the aforementioned operating procedure.

If you have any questions or require further information, you may contact me at 918/489-5511 (Extension 226).

Sincerely,



John H. Ellis, President

Enclosures: None.

cc: Regional Administrator, NRC Region IV