



Nuclear Fuel Services, Inc.

21G-20-0054
GOV-01-55
ACF-20-0150

June 1, 2020

Director, Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
11555 Rockville Pike
Rockville, MD 20852

Reference:

- 1) Docket No. 70-143; SNM License 124
- 2) NRC Regulation 10 CFR 70.17, "Specific Exemptions"
- 3) Federal Register Notice, Vol. 55, No. 93, Page 19890, "Proposed Rules," dated May 14, 1990
- 4) Federal Register Notice, Vol. 56, No. 159, Pages 40757 and 40758, "Rules and Regulations," dated August 16, 1991
- 5) Letter from NFS to NRC (21G-19-0054, ACF-19-0110), "NFS Request for Exemption from 24-Hour Reporting Requirement of 10 CFR 70.50(b)(1)," dated May 15, 2019
- 6) Email from James Downs (NRC) to Amaryl Morie (NFS), "Request for Additional Information – Exemption Request from 24-hour Reporting Requirement," dated March 12, 2020
- 7) Email from James Downs (NRC) to Amaryl Morie (NFS), Response to Due Date Extension – Exemption Request from 24-hour Reporting Requirement, dated March 20, 2020
- 8) Letter from Nima Ashkeboussi (NEI) to Aaron Szabo (NRC), "Industry Comments on the Information Collection for Domestic Licensing of Special Nuclear Material," dated October 27, 2017

Subject: Response to NRC Request for Additional Information (RAI) Concerning Exemption Request from 24-Hour Reporting Requirement

Nuclear Fuel Services, Inc., (NFS), hereby submits the additional information requested on March 12, 2020 (Reference 6). The attached NFS reporting resource estimates are consistent with those previously provided by the Nuclear Energy Institute (NEI) on behalf of its fuel cycle facility members (Reference 8).

If you or your staff have any questions, require additional information, or wish to discuss this transmittal, please contact me, or Ms. Amaryl Morie, Licensing Manager, at 423-743-2579. Please reference our unique document identification number (21G-20-0054) in any correspondence concerning this letter.

Sincerely,

NUCLEAR FUEL SERVICES, INC.

Richard J. Freudenberger
Safety and Safeguards Director

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Attachment: Response to NRC Request for Additional Information (RAI) Concerning
Exemption Request from 24-Hour Reporting Requirement

AAM/pj

Copy:

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NRC Senior Resident Inspector

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Attachment

**Response to NRC Request for Additional Information (RAI)
Concerning Exemption Request from 24-Hour Reporting Requirement**

(2 pages to follow)

**Response to NRC Request for Additional Information (RAI)
Concerning Exemption Request from 24-Hour Reporting Requirement**

- 1. Granting the requested exemption would require the NRC to make determinations in accordance with 10 CFR 70.17, which include, in part, finding that the exemption is in the public interest. Your application states the exemption would allow resources to be focused on other activities of higher significance. However, no data was provided to quantify the resources saved.***

Granting the exemption would reduce the level of transparency to the public of unplanned contamination events. An estimate of the resources saved is needed to make a finding that a reduced level of transparency is justified. The resource estimate should be limited to costs incurred by reporting the event. Costs associated with investigations and corrective actions that would be performed even if no report was made should be excluded from the estimate.

Nuclear Fuel Services, Inc., (NFS), takes regulatory responsibilities very seriously and commits a significant amount of time and resources to the process of evaluating and, if necessary, preparing an event report to the Nuclear Regulatory Commission (NRC) Operations Center. Specifically, the time spent preparing the initial evaluation per 10 CFR 70.50(b)(1), the resources required for the necessary investigation, and the 30-day follow-up report required by 10 CFR 70.50(c) is demanding in nature and substantial in resources.

The total man-hours necessary for unplanned contamination event reporting are approximately 620 hours or \$102,000 per year.

NFS asserts that granting this exemption would not reduce the level of transparency to the public of unplanned contamination events. Spills or contamination events are documented in the NFS Corrective Action Program (CAP). In addition, a full time Senior Resident Inspector (SRI) is assigned to NFS. The SRI has unfettered access to and routinely tours and inspects the Radiologically Controlled Areas (RCAs) of the facility. The SRI has computer access to the NFS CAP. In the course of completing core inspections during a calendar year, the SRI has the opportunity to observe operations and maintenance activities in NFS' RCAs and follow up on issues such as radiological spills and contamination events. Each calendar year the NRC SRI's follow-up activities at NFS are supplemented by approximately 30 hours of core inspection review of NFS' Radiation Protection (RP) program by an inspector from NRC Region II. The annual RP core inspection includes a review of RP-related events in the CAP. The results of the inspections are documented in quarterly inspection reports, which are publicly available in the NRC Agency Document Administration and Management System.

Additionally, the Proposed Rule (Reference 3) to amend regulations to revise licensee reporting requirements regarding notifications of incidents related to radiation safety states: "The intent of these amendments is to require prompt notification (either immediately or within 24 hours) to the NRC of events that would require prompt action by the NRC to protect public health and safety or the environment." The specific events, as noted in this Proposed Rule and NFS' request from Exemption from the 24-hour reporting requirement (Reference 5), are located in an RCA and pose no public health and safety or environmental risk. Therefore, these events do not meet the intent of the Proposed Rule.

Similarly, the Final Rule (Reference 4) amending regulations to revise licensee reporting requirements regarding incidents related to radiation safety states: "This action is necessary to ensure that significant occurrences at material licensee facilities are promptly reported to NRC so that the Commission can evaluate whether the licensee has taken appropriate action to protect the public health and safety and whether prompt NRC action is necessary to address generic safety concerns." Again, the specific events, as noted in this Final Rule and NFS' request from Exemption from the 24-hour reporting requirement (Reference 5), are located in an RCA and pose no public health and safety or environmental risk. These types of events do not require NRC action to protect public health and safety; the events also do not require prompt NRC action. Therefore, these events do not meet the intent of the Final Rule.

Also, 10 CFR 70, Subpart H requires NFS to perform Integrated Safety Analyses (ISAs), limit the risk of credible high or intermediate consequence events, identify Items Relied on for Safety (IROFS), and satisfy performance requirements. Certain IROFS failures, exposures, and failures to satisfy the performance requirements are already required to be reported per 10 CFR 70, Appendix A.

Finally, it should be noted that the nuclear power reactors, research and test reactors, and site-specific and standalone independent spent fuel storage installations are not subject to a similar reporting requirement for unplanned contamination events.

NFS believes this request to grant an exemption from the 10 CFR 70.50(b)(1) reporting requirement is consistent with NRC's Principles of Good Regulation and is in the public interest as it provides clarity, reliability, and consistency with the regulatory reporting requirements of licensees with comparable RP programs. Furthermore, NFS' significant expenditure of resources due to this reporting requirement will then remain focused on activities of higher safety significance at NFS.