



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION III  
801 WARRENVILLE ROAD  
LISLE, ILLINOIS 60532-4351

June 11, 1999

Mr. J. N. Adkins  
Vice President - Production  
United States Enrichment Corporation  
Two Democracy Center  
6903 Rockledge Drive  
Bethesda, MD 20817

SUBJECT: NRC INSPECTION REPORT 70-7002/99005(DNMS) AND  
NOTICE OF VIOLATION

Dear Mr. Adkins:

On May 14, 1999, the NRC completed a routine resident inspection at your Portsmouth Gaseous Diffusion Plant. The purpose of the inspection was to determine whether activities authorized by the certificate were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the inspectors discussed the findings with members of your staff.

Areas examined during the 6-week inspection period are identified in the report. Within these areas, the inspection consisted of a selective examination of procedures and representative records, interviews with personnel, and observations of activities in progress.

Based on the results of the inspection, the NRC has determined that two violations of NRC requirements occurred. The first violation, with multiple examples, is of particular concern because the violation indicates a weakness in your staff's knowledge and implementation of plant procedures in several program areas. The other violation indicates deficiencies in the instructions and procedures used in the vibration monitoring program for uranium hexafluoride process equipment.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned, and the date when full compliance will be achieved is already adequately addressed in the enclosed inspection report. Therefore, you are not required to respond to these violations unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed notice. However, you are requested to respond to the apparent generic weaknesses in your staff's knowledge and rigor of implementation of plant procedures that the individual violations indicate.

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PDR ADOCK 07007002  
C PDR

J. Adkins

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

We will gladly discuss any questions you have concerning these observations.

Sincerely,

/s/David J. Hartland for

Patrick L. Hiland, Chief  
Fuel Cycle Branch

Docket No. 70-7002  
Certificate No. GDP-2

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