



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

June 22, 2023

Ronald Dailey, President  
Nuclear Fuel Services, Inc.  
P.O. Box 337  
MS 123  
Erwin, TN 37650-0337

SUBJECT: NUCLEAR FUEL SERVICES – U.S. NUCLEAR REGULATORY COMMISSION  
INSPECTION REPORT NO. 71-0249/2023-201

Dear Ronald Dailey:

This letter refers to the inspection conducted on March 27 to 30, 2023, at the Nuclear Fuel Services, Inc. (NFS) facility in Erwin, TN. The inspection team continued the inspection activities with an in-office review and held an exit meeting on May 11, 2023. The purpose of the inspection was to verify and assess the adequacy of NFS' activities associated with the transportation of radioactive material to determine if they were performed in accordance with the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 71, "Packaging and Transportation of Radioactive Material," 10 CFR Part 71 Certificates of Compliance (CoCs) for packages used by NFS, and U.S. Nuclear Regulatory Commission (NRC)-approved Quality Assurance Program (QAP). The enclosed report presents the results of this inspection.

The inspection examined activities conducted under your NRC-approved QAP as they relate to public health and safety, and to confirm compliance with the Commission's rules and regulations and with the conditions of the applicable CoCs. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of the NRC requirements occurred. Because NFS initiated corrective actions to address these issues, these violations are being treated as Non-Cited Violations (NCVs), consistent with Section 2.3.2 of the Enforcement Policy. These NCVs are described in the subject inspection report. If you contest the violations or significance of these NCVs, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U. S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to: (1) the Director, Office of Nuclear Materials Safety and Safeguards; (2) the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and (3) Larry Harris, the NRC Resident Inspector at the NFS facility.

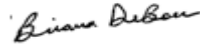
In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response

R. Dailey

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should not include any personal privacy or proprietary information so that it can be made available to the public without redaction.

Sincerely,



DeBoer, Briana signing on behalf  
of Jordan, Natreon  
on 06/22/23

Natreon Jordan, Acting Chief  
Inspection and Oversight Branch  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Docket No. 71-0249

Enclosure:  
Inspection Report No. 71-0249/2023-201

cc w/Encl: Tom Holly, Licensing Manager

SUBJECT: NUCLEAR FUEL SERVICES – U.S. NUCLEAR REGULATORY COMMISSION  
INSPECTION REPORT NO. 71-0249/2023-201

DOCUMENT DATE: June 22, 2023

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**U.S. NUCLEAR REGULATORY COMMISSION  
Office of Nuclear Material Safety and Safeguards  
Division of Fuel Management**

**Inspection Report**

Docket No.: 71-0249

Report No.: 71-0249/2023-201

Enterprise Identifier: I-2023-201-0014

Licensee: Nuclear Fuel Services, Inc.

Location: Erwin, TN

Inspection Dates: March 27–30, 2023

Inspectors: Jeremy Tapp, Transportation and Storage Safety Inspector, Team Leader  
Aaron Thomlinson, QA Engineer (Trainee)

Approved by: Natreon Jordan, Acting Chief  
Inspection and Oversight Branch  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

Enclosure

## EXECUTIVE SUMMARY

### Nuclear Fuel Services, Inc. NRC Inspection Report 71-0249/2023-201

This routine inspection performed at Nuclear Fuel Services, Inc.'s (NFS') facility in Erwin, TN from March 27- 30, 2023, with additional in-office review through May 11, 2023, evaluated the ongoing activities related to the transportation of radioactive materials in the U.S. Nuclear Regulatory Commission (NRC)-approved transportation packaging. The purpose of the inspection was to verify and assess the adequacy of NFS' radioactive material transportation activities to determine if they were performed in accordance with the requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 71, "Packaging and Transportation of Radioactive Material," the Certificates of Compliance (CoCs) and Safety Analysis Reports (SARs) for packagings used by NFS, and NFS' NRC-approved 10 CFR Part 71 transportation Quality Assurance Program (QAP).

Based on the results of this inspection, the NRC inspection team assessed that overall, the implementation of NFS' QAP was adequate. However, two Severity Level IV violations of the NRC requirements were identified by the team in the areas of instructions, procedures, and drawings and internal audits. The violations are summarized in the sections below and described in detail in the Report Details section of this inspection report.

#### Management Controls

The team determined that the transportation quality assurance (QA) controls at NFS were generally adequate. The team concluded that NFS conducts its activities associated with QA organization independence and QA responsibilities in accordance with the NFS transportation QAP.

The team concluded that NFS effectively implemented its nonconformance control program and had adequate procedures in place to ensure compliance with the applicable regulations and QAP requirements. The team concluded that NFS implemented adequate controls for receiving, inspecting, and storing procured items as well as adequate procedures and practices for identifying, segregating, and controlling items that do not conform to procurement requirements.

The team concluded that NFS had adequate procedures and controls in place for reporting defects that could result in a substantial safety hazard, as required by 10 CFR Part 21.

The team concluded that NFS effectively implemented its corrective action program (CAP) and document and records control programs and had adequate procedures in place to ensure compliance with the applicable regulations and QAP requirements.

Overall, the team assessed that the internal audit program was adequately implemented by performing annual audits with trained and qualified personnel examining all required criteria of the QAP. However, one Severity Level IV violation was identified for failure to perform independent audits of the vendor qualification, receipt inspection, and internal audit areas.

#### Operation and Maintenance Controls

Overall, the team assessed that NFS adequately implemented its operation and maintenance controls, however; the team identified this as an area for improvement. One Severity Level IV

violation was identified for an inadequate procedure to perform all required operational inspections and actions as described in the SAR for the Liqui-Rad (LR) Package. The team concluded that the measuring and test equipment (M&TE) quality process being implemented at NFS provided adequate guidance for M&TE calibration and use, and NFS adequately implemented M&TE calibration, tracking, and use requirements.

## REPORT DETAILS

### 1. Management Controls

#### 1.1 Quality Assurance Policy

##### a. Inspection Scope

The team reviewed the NRC-approved NFS transportation QAP, "Quality Assurance Program for Shipping Packages for Radioactive Material," Revision 19 and implementing procedure document NFS–GH-49, "Implementing Procedure for the Transportation Quality Assurance Program," Revision 10 to assess the effectiveness of the transportation QA program implementation. The team conducted reviews of NFS' quality program, policies, and procedures, to determine whether activities subject to 10 CFR Part 71 were adequately controlled and implemented under NFS' NRC-approved transportation QAP. The team also reviewed changes to the NFS transportation QAP to determine whether changes were made in accordance with the requirements of 10 CFR 71.106.

The team reviewed the transportation QAP authorities and responsibilities to determine if they were clearly defined and documented, and the QA organization functioned as an independent group. In addition, the team reviewed NFS' transportation QAP to determine if commercial grade dedication activities are performed by NFS.

##### b. Observations and Findings

The team assessed that NFS had a QA program and implementing procedures in place that were generally effective in conducting activities in accordance with the transportation package CoCs used as well as the NFS transportation QAP. The team verified that the QA program authorities and responsibilities were clearly defined and documented, and the QA organization functioned as an independent group. The team noted that NFS does not currently implement a commercial grade dedication program for parts or services. No issues of significance were identified.

##### c. Conclusions

The team determined that the transportation QA controls at NFS were generally adequate. The team concluded that NFS conducts its activities associated with QA organization independence and QA responsibilities in accordance with the NFS transportation QAP.

#### 1.2 Nonconformance Controls

##### a. Inspection Scope

The team reviewed selected records and interviewed personnel to verify that NFS effectively implemented a nonconformance control program in accordance with the requirements of 10 CFR Part 71 and NFS' nonconformance procedures. The team requested the nonconformance reports (NCRs) issued since the last NRC inspection in 2017 for review to verify that the NCRs were identifiable and traceable and that the

disposition of the nonconformance was adequate. The team reviewed the six (6) NCRs issued since that time to evaluate if the disposition was appropriate, adequately performed as necessary, and properly closed out in accordance with the approved quality procedure.

The team also reviewed NFS' 10 CFR Part 21 reporting and postings program to verify if NFS is making the proper reports when required and posting the required documents for their employees' reading and knowledge. The team reviewed one purchasing document for services important-to safety to verify that it communicated the vendor's responsibilities under Part 21 reporting requirements. The following QAP section and procedures were reviewed:

- QAP Section 15.0, "Control of Nonconforming Materials, Parts, or Components," Revision 19
- NFS-GH-49, Section 4.14, "Control of Nonconforming Items," Revision 10
- NFS-Q-185, "Control of Nonconforming Items"

b. Observations and Findings

NFS stated that no Part 21 reports had been made to the NRC since the previous NRC inspection. The team determined that all required Part 21 postings are in a conspicuous location for employees to view at the entrance to the NFS complex.

The team verified that each NCR was entered into the NFS CAP ((Problem Identification, Resolution, and Correction System (PIRCS)) for resolution in accordance with NFS procedures and included sufficient objective evidence of completion.

A tour of the NFS receiving and warehouse facility was performed to review nonconformance controls, and one quality control engineer was interviewed.

c. Conclusions

The team concluded that NFS effectively implemented its nonconformance control program and had adequate procedures in place to ensure compliance with the applicable regulations and QAP requirements. The team concluded that NFS implemented adequate controls for receiving, inspecting, and storing procured items as well as adequate procedures and practices for identifying, segregating, and controlling items that do not conform to procurement requirements.

The team concluded that NFS had adequate procedures and controls in place for reporting defects that could result in a substantial safety hazard, as required by 10 CFR Part 21.



### 1.3 Corrective Action Controls

#### a. Inspection Scope

The team reviewed selected records and interviewed personnel to verify that NFS effectively implemented a CAP in accordance with the requirements of 10 CFR Part 71 and NFS' corrective action procedures. The team reviewed the corrective actions (CAs) written since the last inspection in 2017 regarding transportation packages to verify that NFS completed CAs for identified deficiencies in a technically sound and timely manner.

The team included a review of three (3) CAs that were opened during the previous 2017 inspection. The following QAP section and procedure were reviewed:

- QAP Section 16.0, "Corrective Action," Revision 19
- NFS-GH-49, Section 4.15, "Corrective Action," Revision 10

#### b. Observations and Findings

NFS uses an online PIRCS to manage its CAP. Employees enter conditions adverse to quality into this system. After entry into the system, activities such as investigations, CAs, or commitments may be assigned to the responsible personnel. The assigned personnel will document the completion of the assigned action within PIRCS. The system has the capability to assign due dates and track the completion of these activities providing NFS management with adequate oversight of the CAP.

The team reviewed a sample of PIRCS for accurate status and completion of assigned activities. Of those reviewed, three were initiated because of the previous NRC inspection conducted in 2017. All PIRCS that were reviewed were found to have been evaluated with appropriate rigor and adequate CAs taken and included sufficient objective evidence.

#### c. Conclusions

The team concluded that NFS effectively implemented its CAP and had adequate procedures in place to ensure compliance with the applicable regulations and QAP requirements.

### 1.4 Documentation Controls

#### a. Inspection Scope

The team reviewed NFS' documentation and quality records control program and associated quality procedures to assess the effectiveness of controls established for the development, review, approval, issuance, use, and revision of quality documents. The team also reviewed the tracking, verification, and storage of quality records. The team reviewed the following quality assurance plan sections and quality procedure documents associated with document control and records to verify they are being properly implemented:

- QAP Section 4.0, "Procurement Document Control," Revision 19
- QAP Section 6.0, "Document Control," Revision 19
- QAP Section 17.0, "Quality Assurance Records," Revision 19
- NFS-DOC-001, "Document Control"
- NFS-RM-002, "Records"

The team also interviewed licensing, quality, and records personnel regarding documentation and record controls.

b. Observations and Findings

NFS primarily uses an electronic document management system known as Enterprise Bridge for approval and control of procedures. From this system, NFS personnel retrieve and ensure they are using the most up-to-date, approved version of these documents prior to use. The team observed record personnel accessing documentation from this system with acceptable results.

NFS includes quality records related to the transportation of radioactive materials in its Vital Records Program. Records are stored in a secure, fire-rated building that provides adequate environmental controls to protect against damage or degradation. NFS has existing processes for transferring these records to microfiche and is developing new processes for transferring records to other types of electronic media.

The team assessed the NFS documentation control procedure to be well written, organized with individual roles and responsibilities defined, and the implementation of the procedure to fully meet the requirements of the regulations with no concerns.

c. Conclusions

The team concluded that NFS is effectively implementing its document and records control program and has adequate procedures in place to ensure compliance with the applicable regulations and QA program requirements.

1.5 Audit Program

a. Inspection Scope

The team reviewed internal audit records and interviewed personnel to verify that NFS is effectively implementing an internal audit program in accordance with their NRC-approved QAP, NFS implementing procedures, and complying with the requirements of 10 CFR Part 71. The following QAP sections and procedures were reviewed:

- QAP Section 4.0, "Audits," Revision 19
- QAP Section 6.0, "Document Control," Revision 19
- NFS-Q-177, "Quality Auditor Qualification and Certification"
- NFS-Q-178, "Quality Assurance Audit Procedures"

The team reviewed internal audit schedules from 2017-2023 and the NFS internal audits performed in 2021 and 2022 to determine if they were performed in accordance with NFS procedures, if NFS identified deficiencies, and whether NFS addressed these deficiencies within their CAP.

The team also reviewed an external audit of one supplier of package testing and recertification services important to safety to verify it was conducted by qualified personnel in accordance with NFS procedures and was appropriately documented.

The team reviewed the qualifications, training records, and annual evaluations for NFS Lead Auditors to determine if they met the requirements for lead auditor.

b. Observations and Findings

NFS conducts internal audits on its quality program on an annual basis. NFS audit procedures designate appropriate personnel responsibilities and provide adequate guidance for planning and conducting audits using trained and qualified personnel that are approved by management. The qualification requirements of NFS lead auditors are satisfactory and clearly defined. NFS procedures specify that audit results be communicated to appropriate levels of management and entered in the NFS CAP (PIRCS) for resolution in a timely manner.

The team reviewed the NFS internal audits conducted in 2021 and 2022 and found that they were executed in accordance with NFS procedures, examined the required program scope, and were adequately documented. The team reviewed the qualification records for the lead auditors of these audits and found them to be acceptable. CAs resulting from the audit were entered into the NFS CAP and resolved with adequate objective evidence.

During the review of the internal audit records, the team identified that the NFS quality personnel performing the internal audits reviewed were in the quality department that were directly responsible for some of the audited activities, specifically, vendor qualification, receipt inspection, and internal audits. The team considered this a violation of NRC requirements. 10 CFR 71.137, "Audits," states, in part, audits must be performed in accordance with written procedures or checklists by appropriately trained personnel not having direct responsibilities in the areas being audited.

Contrary to the above, as of 2021, NFS failed to perform internal audits of all applicable areas with auditors not having direct responsibilities in the areas being audited. Specifically, NFS failed to perform independent audits of the vendor qualification, receipt inspection, and internal audit areas.

The team dispositioned the violation using the traditional enforcement process in Section 2.3 of the NRC Enforcement Policy. The team determined the violation was of more-than-minor safety significance in accordance with Inspection Manual Chapter (IMC) 0617, "Vendor and Quality Assurance Implementation Inspection Reports," Appendix E, "Minor Examples of Vendor and QA Implementation Findings," Example 18.a; because the vendor qualification, receipt inspection, and internal audit areas were audited by personnel directly responsible for implementation of those areas. The team characterized the violation as a Severity Level IV violation in accordance with the NRC's

Enforcement Policy, Section 6.5. NFS entered the issue into its CAP under Problem Report 92159. Because this violation was of low safety significance, was entered into NFS' CAP, and the issue was not repetitive or willful; this violation was treated as an NCV, consistent with Section 2.3.2.a of the NRC Enforcement Policy.  
**(71-0249/2023-201-01)**

c. Conclusions

Overall, the team assessed that the internal audit program was adequately implemented by performing annual audits with trained and qualified personnel examining all required criteria of the QAP. However, one Severity Level IV violation was identified for failure to perform independent audits of the vendor qualification, receipt inspection, and internal audit areas.

**2. Operation and Maintenance Controls**

2.1 Maintenance Activities

a. Inspection Scope

The team reviewed NFS processes, procedures, and records, and observed selected operation and maintenance activities affecting safety aspects of the packagings (such as loading, acceptance tests, and maintenance/inspection activities) to determine that operation and maintenance activities are being performed in accordance with approved methods, procedures, and specifications and meet SAR requirements documented in the NRC CoCs and 10 CFR Part 71 requirements, as applicable.

Specifically, the team reviewed the CoCs and associated SARs for transportation packages ES-3100 (CoC No. 9315, Revision 16) and LR Package (CoC 9291, Revision 11) that NFS is a registered user. The team also reviewed a sample of the NFS facility packaging operating and maintenance procedures to ensure incorporation of all aspects of the operating and maintenance attributes as referenced in the ES-3100 and LR Package CoC/SAR for radioactive material packages. The following procedures and forms were reviewed:

- NFS-WST-026, "Handling/Shipping Instruction for the ES-3100 Drum," Revision 16
- FM-WST-011, "ES-3100 Inspection Checklist," Revision 7
- FM-WST-013, "Product Material Package Checklist," Revision 5
- FM-WST-015, "Packaging Checklist," Revision 3
- SOP 409-SEC 45, "BPF, Loading and Staging LR-230 Containers," Revision 18

The team observed various package loading activities, interviewed facility managers, package loading personnel, and reviewed the completed work/shipping documents and checklists. Specifically, the team observed ES-3100 and LR package loading activities and performed walkdowns of various ES-3100 and LR packages in storage, including those staged for content loading and shipment.

The team also reviewed procurement activities related to parts necessary for routine maintenance. The team reviewed the following NFS procedures when assessing these activities:

- QAP Section 7.0, "Procurement Document Control," Revision 19
- QAP Section 10.0, "Control of Purchased Items and Services," Revision 19
- NFS-GH-49, Section 4.3, "Procurement Document Control," Revision 10
- NFS-GH-49, Section 4.6, "Control of Purchased Items and Services," Revision 10

The team reviewed one purchase order for package testing and recertification services that were important-to safety.

b. Observations and Findings

For the purchase order reviewed, the team determined that the procedure adequately communicated the technical and quality requirements and was placed with an audited supplier on the NFS approved supplier list. The team also found that the procurement document was prepared, reviewed, and approved by the appropriate personnel.

During the observation of package loading activities, the team noted that the activities met the required checklist attributes and loading results were recorded on procedures and checklists as required. The team also noted that during tours of the designated and controlled package storage areas there were adequate controls. Packages were stored in such a manner as to prevent damage and for the components reviewed, they were suitably identified and tagged.

The team noted during its walkdown of stored LR packages that most had corrosion on the outer vessel and framing system around the cylindrical shell. One package was observed to have significant corrosion at the weld of the outer vessel and framing system to include pitting and blistering. The team immediately provided the observations to NFS personnel for their evaluation as shipments of these packages were planned for the near future.

The team reviewed the requirements of the LR package SAR, Revision 9, Chapter 7, which are required to be followed per the LR CoC, Condition 6(a), and compared them to the requirements in the NFS procedure for LR operations, standard operating procedure (SOP) 409-SEC 45 to determine if the NFS procedure required all pre-shipment inspections as described in the SAR. The team identified that SOP 409-SEC 45 did not include a requirement for a pre-shipment inspection for exterior visible flaws, to include corrosion, as required by SAR Chapter 7, Step 7.1.1.a. The SAR also requires in Step 7.1.1.a that if corrosion is discovered, the unit should not be used, which was also not included in SOP 409-SEC 45.

In addition, the team noted that SAR, Chapter 7, Step 7.1.2.i requires that shackles shall be removed or secured to the top angle with nylon tie to prevent shackle from being used as a tie down. During the review of SOP 409-SEC 45, the team noted that this requirement was not included in the LR package operational procedure. Further, during observation of LR package loading activities, the team observed that shackles were present on one (1) LR package but were not secured as required and there was no step

in the procedure being used to perform the SAR required actions to remove or secure the shackles.

The team considered these two examples as a violation of the NRC requirements. Specifically, 10 CFR 71.111, "Instructions, procedures, and drawings," which states, in part, the licensee shall prescribe activities affecting quality by documented instructions, procedures, or drawings of a type appropriate to the circumstances and shall require that these instructions, procedures, and drawings be followed. The instructions, procedures, and drawings must include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished.

Contrary to the above, as of October 2021, NFS failed to prescribe activities affecting quality by documented instructions, procedures, or drawings of a type appropriate to the circumstances and include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished. Specifically, NFS failed to include in the LR package loading procedure SOP 409-SEC 45, Revision 18, all the required operational pre-shipment inspections for visible flaws including corrosion, actions in the case of identifying corrosion, and actions for shackle securing or removal as required by the LR package SAR, Revision 9, Chapter 7.

The team dispositioned the violation using the traditional enforcement process in Section 2.3 of the NRC Enforcement Policy. The team determined the violation was of more-than-minor safety significance in accordance with IMC 0617, "Vendor and Quality Assurance Implementation Inspection Reports," Appendix E, "Minor Examples of Vendor and QA Implementation Findings," Example 6.a; because the ability of the package to meet all the design requirements for shipment were indeterminate and the packages require repair before further use. The team characterized the violation as a Severity Level IV violation in accordance with the NRC's Enforcement Policy, Section 6.5. NFS entered the issue into its CAP under Problem Report 92103. Because this violation was of low safety significance, was entered into NFS' CAP, and the issue was not repetitive or willful; this violation was treated as an NCV, consistent with Section 2.3.2.a of the NRC Enforcement Policy. **(71-0249/2023-201-02)**

After the licensee performed their initial evaluation while the team was onsite, further shipments of the LR package were put on hold pending CAs to bring the LR packages back into compliance. The licensee is working with the LR package owner and CoC holder to repair the affected packages and issued a required 71.95 report on May 22, 2023.

c. Conclusions

Overall, the team assessed that NFS adequately implemented its operation and maintenance controls, however; the team identified this as an area for improvement. One Severity Level IV violation was identified for an inadequate procedure to perform all required package operational inspections and actions as described in the SAR for the LR package.

## 2.2 Measuring and Test Equipment

### a. Inspection Scope

The team reviewed selected M&TE and reviewed records and procedures to assure that equipment used in activities affecting quality were properly controlled and calibrated. During the observation of operational and maintenance activities, the team reviewed calibration stickers on M&TE used for that work to ensure the M&TE was currently within its calibration dates and properly controlled. The team reviewed the following Section of the NFS transportation QAP, Revision 19, and implementing procedures:

- QAP Section 12.0, "Control of Measuring and Test Equipment"
- NFS–GH-49, Section 4.11, "Control of Measuring and Test Equipment," Revision 10
- NFS–EC-12, "Calibration of Temperature Measuring Systems," Revision 9

Specifically, the team reviewed calibration records for a selection of calibrated M&TE used for Part 71 package operations that included torque wrenches, pressure gauge, leak detector, torque limiter, temperature controller, scale, torque tester, and weight set.

### b. Observations and Findings

The team noted that NFS operations and maintenance personnel are responsible to report on procedures and checklists, the M&TE equipment used for any applicable operational activity or maintenance inspection or test when calibrated equipment is required to be used.

No issues of significance were identified.

### c. Conclusions

The team concluded that the M&TE quality process being implemented at NFS provided adequate guidance for M&TE calibration and use, and NFS adequately implemented M&TE calibration, tracking, and use requirements.

## 3. Entrance and Exit Meeting

On March 27, 2023, the NRC inspection team discussed the scope of the inspection during an entrance meeting with Steve Cowne and other members of the NFS staff. On March 30, 2023, the NRC inspection team presented the inspection results and observations during an onsite debrief. On May 11, 2023, the NRC inspection team conducted a final telephone conference exit with Tom Holly and other members of NFS staff. Section 1 of the attachment to this report shows the attendance for the entrance and exit meetings.

ATTACHMENT

1. ENTRANCE/EXIT MEETING ATTENDEES AND INDIVIDUALS INTERVIEWED

<u>Name</u>	<u>Title</u>	<u>Affiliation</u>	<u>Entrance</u>	<u>Onsite Debrief</u>	<u>Exit</u>
Jeremy Tapp	Inspection Team Leader	NRC	X	X	X
Aaron Thomlinson	Inspector (Trainee)	NRC	X	X	X
Larry Harris	Senior Resident Inspector	NRC	X	X	
Steve Cowne	Assurance Director	NFS	X	X	
Tim Knowles	Safety & Safeguards Director	NFS	X	X	
Al Onley	Facilities Director	NFS	X	X	
Tom Holly	Licensing Manager	NFS	X	X	X
Shiloh Bronson	Quality and CAP Section Manager	NFS			
Danielle Rogers	Nuclear Safety & Licensing Section Manager	NFS	X	X	X
Jason Walker	TWM Section Manager	NFS	X	X	X
Miranda Combs	TWM Shipping UM (Acting)	NFS	X	X	
Jerry May	TWM Operations UM	NFS	X	X	
Steve McKee	TWM Tech Services UM	NFS	X	X	
Jim Hutton	QA UM	NFS	X	X	
Matt Walker	NNSA Program Manager	NFS		X	
Clifton Gibson	Licensing Specialist	NFS	X	X	X
Mike Barcel	Quality Engineer	NFS	X	X	

2. INSPECTION PROCEDURES USED

IP 86001                      Design, Fabrication, Testing, and Maintenance of Transportation Packagings

NUREG/CR-6407            Classification of Transportation Packaging and Dry Spent Fuel Storage System Components According to Importance to Safety

NUREG/CR 6314            Quality Assurance Inspections for Shipping and Storage Containers



3. LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

<u>Item Number</u>	<u>Status</u>	<u>Type</u>	<u>Description</u>
71-0249/2023-201-01	Opened and Closed	NCV	Failure to perform independent internal audits
71-0249/2023-201-02	Opened and Closed	NCV	Failure to have adequate packaging inspection procedures

4. LIST OF ACRONYMS USED

ADAMS	Agencywide Documents Access and Management System
CA	Corrective Action
CAP	Corrective Action Program
CFR	Code of Federal Regulations
CoC	Certificate of Compliance
IMC	Inspection Manual Chapter
IP	Inspection Procedure
ITS	Important-to-Safety
LR	Liqui-Rad
M&TE	Measuring and Test Equipment
NCR	Nonconformance Report
NCV	Non-Cited Violation
NRC	Nuclear Regulatory Commission
PIRCS	Problem Identification, Resolution, and Correction System
QA	Quality Assurance
QAP	Quality Assurance Program
SAR	Safety Analysis Report

5. DOCUMENTS REVIEWED

Licensee documents reviewed during the inspection were specifically identified in the Report Details above.