



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION II  
245 PEACHTREE CENTER AVENUE N.E., SUITE 1200  
ATLANTA, GEORGIA 30303-1200

August 24, 2023

Wyatt Padgett  
Compliance Manager  
Louisiana Energy Services dba  
URENCO USA (UUSA)  
P.O. Box 1789  
Eunice, NM 88231

**SUBJECT: NUCLEAR REGULATORY COMMISSION PROGRAM ADJUSTMENT REVIEW  
URENCO USA**

Dear Mr. Padgett,

This letter is to notify URENCO USA (UUSA) of the Nuclear Regulatory Commission (NRC) staff's decision to adjust the current inspection effort at UUSA. The current inspection effort will be modified to include a supplemental inspection for the period beginning August 1, 2023, to December 31, 2023. The logic for this is described below.

NRC Inspection Manual Chapter (IMC) 2604, "Licensee Performance Review," defines the process used by the NRC staff to review a fuel cycle licensee's performance in maintaining adequate protection of public health and safety, the environment, and common defense and security.

On March 7, 2022, UUSA reported to the NRC (in EN55770) that three construction vehicles, were allowed into the Controlled Access Area boundary prior to IROFS50b and IROFS50c being declared Operable. On March 21, 2022, an NRC special inspection team (SIT) arrived at your site to review the facts and circumstances surrounding the event, the results of the special inspection were documented in "URENCO USA – SPECIAL INSPECTION REPORT 07003103/2022006," dated May 10, 2022 (ML22126A182). In this inspection report, the NRC also opened an unresolved item (URI) to follow-up on whether UUSA should have also been imposing IROFS50b and IROFS50c-like controls for non-construction vehicles. This was opened because the NRC noted during the inspection that non-construction vehicles were operated near areas of concern without imposing vehicle barriers, and that no accident sequence clearly addressed whether vehicle barriers were needed for these vehicles. This URI remains open while UUSA has been analyzing accident sequences involving non-construction vehicles.

During the special inspection, on March 25, 2022, UUSA reported to the NRC (in EN55802) the occurrence of historical instances in which construction vehicles may have been allowed near buildings of concern without IROFS50b or IROFS50c being implemented.

On June 22, 2022, UUSA reported to the NRC (in EN55956) an event in which a single individual was performing the administrative actions required to implement both IROFS50b and IROFS50c.

NRC inspectors performed a follow-up inspection the week of August 22, 2022. On March 30, 2023, the NRC issued UUSA a Severity Level (SL) II problem containing two violations in "URENCO USA – NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY – \$70,000; NRC INSPECTION REPORT NO. 07003103/2023006 AND EXERCISE OF ENFORCEMENT DISCRETION" (ML23066A329) as a result of the IROFS50 events in March and June of 2022.

On April 21, 2023, an event involving the failure to implement IROFS50f and IROFS50g controls for cranes occurred and was reported to the NRC by the licensee. NRC inspection of this event noted its similarities with the preceding events. The NRC's inspection of this event to date was documented in "URENCO USA (UUSA) - NUCLEAR REGULATORY COMMISSION SPECIAL INSPECTION REPORT NUMBER 07003103/2023-007," dated June 15, 2023 (ML23164A203). This special inspection report opened two URIs related to the event and the implementation of IROFS50f and IROFS50g controls.

In response to these violations and events, the NRC staff performed a Program Adjustment Review in accordance with IMC 2604. During this review, the staff concluded that additional inspection oversight at UUSA in 2023 was warranted to provide reasonable assurance that licensed operations are conducted in a manner that protected public health, safety, and the environment. As a result of this review, the staff determined that the appropriate level of inspection oversight consists of the adjustment described in the attached enclosure. This adjustment will be in addition to the regularly scheduled core inspections. This adjustment will also be independent of any future areas needing improvement which may be identified during the biennial LPR process as described in Manual Chapter 2604.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions on this matter, please contact Timothy Sippel, Projects Branch 1, at 404-997-4525.

Sincerely,



Signed by Masters, Anthony  
on 08/24/23

Anthony D. Masters, Director  
Division of Fuel Facility Inspection

Enclosure:  
Additional Inspection Activities

cc w/enclosure: via ListServ

SUBJECT: NUCLEAR REGULATORY COMMISSION PROGRAM ADJUSTMENT REVIEW  
URENCO USA DATED AUGUST 24, 2023

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DATE	08/23/2023	08/23/2023	08/24/2023		

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## INSPECTION PROGRAM ADJUSTMENT

1. Conduct a team inspection beginning the week of August 28, 2023, to inspect site activities related to IROFS50 series controls and follow-up on the open URIs for IROFS50 series controls. This follow-up inspection will join the previously scheduled core operational safety inspection scheduled for that week and could include both on-site inspections and in-office reviews. The inspection is expected to include approximately 45 hours of inspection effort in addition to the 45 hours already scheduled. This inspection should focus on the following areas:
  - a. Inspection of the licensee's hazard analysis to determine whether an accident sequence involving a crash of a non-construction vehicle that leads to a release of UF6 or other consequence of concern is credible.
  - b. Inspect corrective actions to prevent recurrence identified in the root cause evaluation (RCE) for the IROFS50b and IROFS50c failures.
  - c. Inspect the remaining corrective actions related to IROFS50 series controls, and the RCE for the 2023 crane event.
2. Recommend that inspection results associated with this program adjustment be documented in the quarterly Inspection Reports, as applicable.
3. This adjustment is independent of, and precedes, any potential Areas Needing Improvement (ANI) which may be identified during the biennial LPR process as described in Manual Chapter 2604.
4. Due to the timing of the biennial LPR and this program adjustment, recommend that no public meeting be held specific to this adjustment. This adjustment will be discussed at the normally scheduled LPR public meeting in early 2024.