

[REDACTED]

**PREDECISIONAL ENFORCEMENT CONFERENCE AGENDA  
NUCLEAR FUEL SERVICES, INC.**

**March 1, 2006, 9:00 A.M.**

**NRC REGION II OFFICE, ATLANTA, GEORGIA**

- **I. OPENING REMARKS AND INTRODUCTION**  
L. Plisco, Deputy Regional Administrator
  - **II. SUMMARY OF THE ISSUES**  
L. Plisco, Deputy Regional Administrator
  - **III. NRC ENFORCEMENT POLICY**  
S. Sparks, Enforcement
  - **IV. STATEMENT OF CONCERNS/ ISSUES TO BE DISCUSSED**  
D. Collins, Director  
Division of Fuel Facility Inspection
  - **V. LICENSEE PRESENTATION**  
NFS, Inc. Management
  - **VI. BREAK/NRC CAUCUS**
  - **VII. NRC FOLLOW-UP QUESTIONS**
  - **VIII. CLOSING REMARKS**  
L. Plisco, Deputy Regional Administrator
- [REDACTED]

[REDACTED]

## ISSUES TO BE DISCUSSED

### Second Issue

10 CFR 70 Appendix A, paragraph (b), requires any event or condition that results in the facility being in a state that was not analyzed, was improperly analyzed, or is different from that analyzed in the Integrated Safety Analysis, and which results in failure to meet the performance requirements of 70.61, to be reported within 24 hours.

From October 22, 2005, through November 10, 2005, the licensee failed to report a condition that resulted in the facility being in a state that was not analyzed, and which resulted in failure to meet the performance requirements of 70.61

[REDACTED]

[REDACTED]

## ISSUES TO BE DISCUSSED

### First Issue

Safety Condition S-1 of Special Nuclear Materials License No. SNM-124 authorizes the use of licensed materials in accordance with the statements, representations, and conditions in the License Application and Supplements.

Section 2.7 of the License Application, Procedures, stated "SNM operations and safety function activities are conducted in accordance with written procedures as defined in Section 1.7.4 and 1.7.5."

10 CFR 70.61(d), Performance Criteria, states, "In addition to complying with paragraphs (b) and (c) of this section, the risk of nuclear criticality accidents must be limited by assuring that under normal and credible abnormal conditions, all nuclear processes are subcritical, including use of an approved margin of subcriticality for safety. Preventive controls and measures must be the primary means of protection against nuclear criticality accidents."

NFS procedure HS-A-79, section 6, Baseline Design Criteria, stated "designs must be developed and implemented in accordance with management measures, to provide adequate assurance that IROFS will be reliable and available to perform their function when needed."

Prior to September 9, 2005, the licensee failed to develop and implement a design for the [REDACTED] enclosure overflow system which provided adequate assurance that IROFS would be reliable and available to perform their function when needed in that drains for the glove boxes would not perform their intended safety function.

[REDACTED]