

June 3, 2008

Mr. Russell B. Starkey, Jr.
Vice President - Operations
United States Enrichment Corporation
Two Democracy Center
6903 Rockledge Drive
Bethesda, MD 20817

SUBJECT: RESPONSE TO NOTICE OF VIOLATION 70-7001/2008-201-02

Dear Mr. Starkey:

We have reviewed your Reply to the Notice of Violation 2008-201-02 dated April 24, 2008, and determined that you have adequately identified both the root cause of the violation and the corrective action to prevent recurrence. The violation remains open until we have verified implementation of your corrective action during a future inspection.

In your reply you stated your belief that violation 2008-201-02 would be more appropriately categorized as a minor violation rather than the cited Severity Level IV violation. The Enforcement Manual Section 2.10, Minor Violations, states in part, that issues that represent isolated failures to implement a requirement and insignificant safety or regulatory impact should normally be categorized as minor violations. The failure to document engineering judgment in a nuclear criticality safety evaluation as required by your procedure CP4-EG-NS1101 is a programmatic issue with more than insignificant safety and regulatory impact. Based on example D.2 for Severity Level IV violations in Supplement VI of the Enforcement Policy which states, "Other violations that have more than minor safety or environmental significance," the violation was categorized as Severity Level IV.

R. B. Starkey, Jr.

- 2 -

In accordance with 10 CFR 76.70 of NRC's "Rules of Practice," a copy of this letter will be made publicly available in the public electronic reading room of the NRC's Agency-Wide Document Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/ADAMS.html>.

If you have any questions, please contact Thomas Marenchin, of my staff, at (301) 492-3209.

Sincerely,

/RA/

Deborah A. Jackson, Chief
Technical Support Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket No. 70-7001
Certificate No. GDP-01

cc: S. Penrod, Paducah General Manager
V. Shanks, Paducah Regulatory Affairs Manager
W. Jordan, Portsmouth General Manager
S. A. Toelle, Director, Nuclear Regulatory Affairs, USEC
R. M. DeVault, Regulatory Oversight Manager, DOE
G. A. Bazzell, Paducah Facility Representative, DOE
Janice H. Jasper, State Liaison Officer

In accordance with 10 CFR 76.70 of NRC's "Rules of Practice," a copy of this letter will be made publicly available in the public electronic reading room of the NRC's Agency-Wide Document Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/ADAMS.html>.

If you have any questions, please contact Thomas Marenchin, of my staff, at (301) 492-3209.

Sincerely,

/RA/

Deborah A. Jackson, Chief
Technical Support Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket No. 70-7001
Certificate No. GDP-01

cc: S. Penrod, Paducah General Manager
V. Shanks, Paducah Regulatory Affairs Manager
W. Jordan, Portsmouth General Manager
S. A. Toelle, Director, Nuclear Regulatory Affairs, USEC
R. M. DeVault, Regulatory Oversight Manager, DOE
G. A. Bazzell, Paducah Facility Representative, DOE
Janice H. Jasper, State Liaison Officer

DISTRIBUTION:

FCSS r/f	GMorell	MRaddatz	DHartland, RII
BSmith	JHenson, RII	MMiller, RII	

ML081500306

INDICATE IN BOX: "E"=COPY W/ATT/ENCL; "C"=COPY W/O ATT/ENCL; "N"=NO COPY

OFFICE	FCSS/TSB		FCSS/TSB		FCSS/TSB	E
NAME	TMarenchin		PJenifer		DJackson	
DATE	5/29/08		5/29/08		6/03/08	

OFFICIAL RECORD COPY