



U.S. Nuclear Regulatory Commission

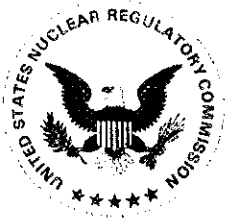
Licensee Performance Review for
Paducah Gaseous
Diffusion Plant

December 13, 2004



Agenda

8:30 am	Introduction	NRC
8:40 am	Discussion of LPR (Safety Operations, Radiological Controls, Facility Support, and Special Topics)	NRC
9:00 am	Response to NRC Review	USEC – Paducah
9:30 am	Closing Remarks	NRC



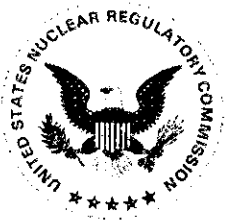
This is a category 1 meeting in which the public is invited to observe and will have one or more opportunities to communicate with the NRC after the business portion, but before the meeting is adjourned.



U.S. Nuclear Regulatory Commission

Fuel Cycle Licensee Performance Review Program

Introduction



Fuel Cycle Licensee Performance Review Program

- *Purpose*
 - Review licensee's performance relative to the key functional area using a standardized approach
 - Safety Operations
 - Radiological Controls
 - Facility Support
 - Special Topics



Fuel Cycle Licensee Performance Review Program

- *Objectives*
 - Provide NRC Senior Management a high level picture of fuel facilities performance
 - Integrated assessment across key functional areas
 - Provide input for future inspection planning



Fuel Cycle Licensee Performance Review Program

- *Methodology*
 - Input from both inspection and licensing staff
 - Key functional areas assessed
 - Information reviewed by all participants
 - Performance assessment
 - Input presented/defended with supporting data
 - Consensus achieved
 - Changes in the inspection program based on possible trends considered

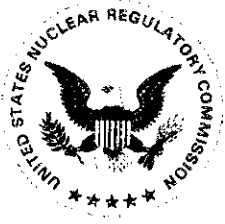


Fuel Cycle Licensee Performance Review Program

- *Methodology (continued)*
 - Results communicated to licensee through a report and public management meeting



Licensee Performance Review
for
Paducah Gaseous
Diffusion Plant
January 1, 2003
To
September 25, 2004



Performance Area: Safety Operations

(Comprised of Chemical Safety, Criticality Safety, Plant Operations, and Fire Safety)

- Three Specific Areas Needing Improvement Were Identified



Safety Operations: Areas Needing Improvement

- Nuclear Criticality Safety Analysis and its Documentation
- Adherence to, and Quality of Procedures Related to Conduct of Operations
- Operator Attentiveness



Performance Area: Radiological Controls

*(Comprised of Radiation Protection,
Environmental Protection, Waste
Management and Transportation)*

- No Specific Area Needing
Improvement Was Identified



Performance Area: Facility Support

*(Comprised of Maintenance and Surveillance,
Training, Management Organization and
Controls, and Emergency Preparedness)*

- No Specific Areas Needing Improvement Were Identified



Performance Area: Special Topics *(Comprised of Safety Licensing)*

- No Specific Areas Needing Improvement Were Identified



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Fuel Cycle Licensee Performance Review Program

Closing Remarks



NRC PERFORMANCE REVIEW OF CERTIFIED ACTIVITIES

**Paducah Gaseous Diffusion Plant
December 13, 2004**

PUBLIC MEETING

INTRODUCTION

J. Morris Brown
Vice President, Operations

USEC PERSPECTIVE ON PERFORMANCE

R. B. Starkey, Jr.
General Manager

OVERVIEW OF PERFORMANCE

NRC Review Period January 1, 2003 – September 25, 2004		
Performance Area	NRC Assessment: Area <u>Not</u> Needing Improvement	NRC Assessment: Area Needing Improvement
Nuclear Material Safeguards	X	
Radiological Controls	X	
Facility Support	X	
Special Topics	X	
Safety Operations		X

USEC agrees with the NRC's observations

AREA NEEDING IMPROVEMENT

- **Safety Operations**

(Chemical Safety, Criticality Safety, Plant Operations, and Fire Safety)

Activities within Safety Operations needing improvement

Nuclear criticality safety analysis and documentation, particularly development and implementation of single-parameter and administrative nuclear criticality safety (NCS) controls
Adherence to and quality of procedures related to conduct of operations
Operator attentiveness

NUCLEAR CRITICALITY SAFETY

- **Specific activities needing additional improvement**
 - Development and implementation of administrative controls
 - Nuclear Criticality Safety Evaluation (NCSE) documentation
 - Development and implementation of single parameter controls
- **Corrective actions to improve performance**
 - Completed self-assessment and corrected affected procedures to ensure NCS administrative controls are properly implemented
 - Performing technical reviews of older NCSEs (in progress)
 - Reviewing scenarios crediting two controls on one parameter (in progress)
- **Methods to monitor improvement**
 - NCS and Senior Management review of Monthly Performance Indicator
 - Corrective Action Program self-assessment results

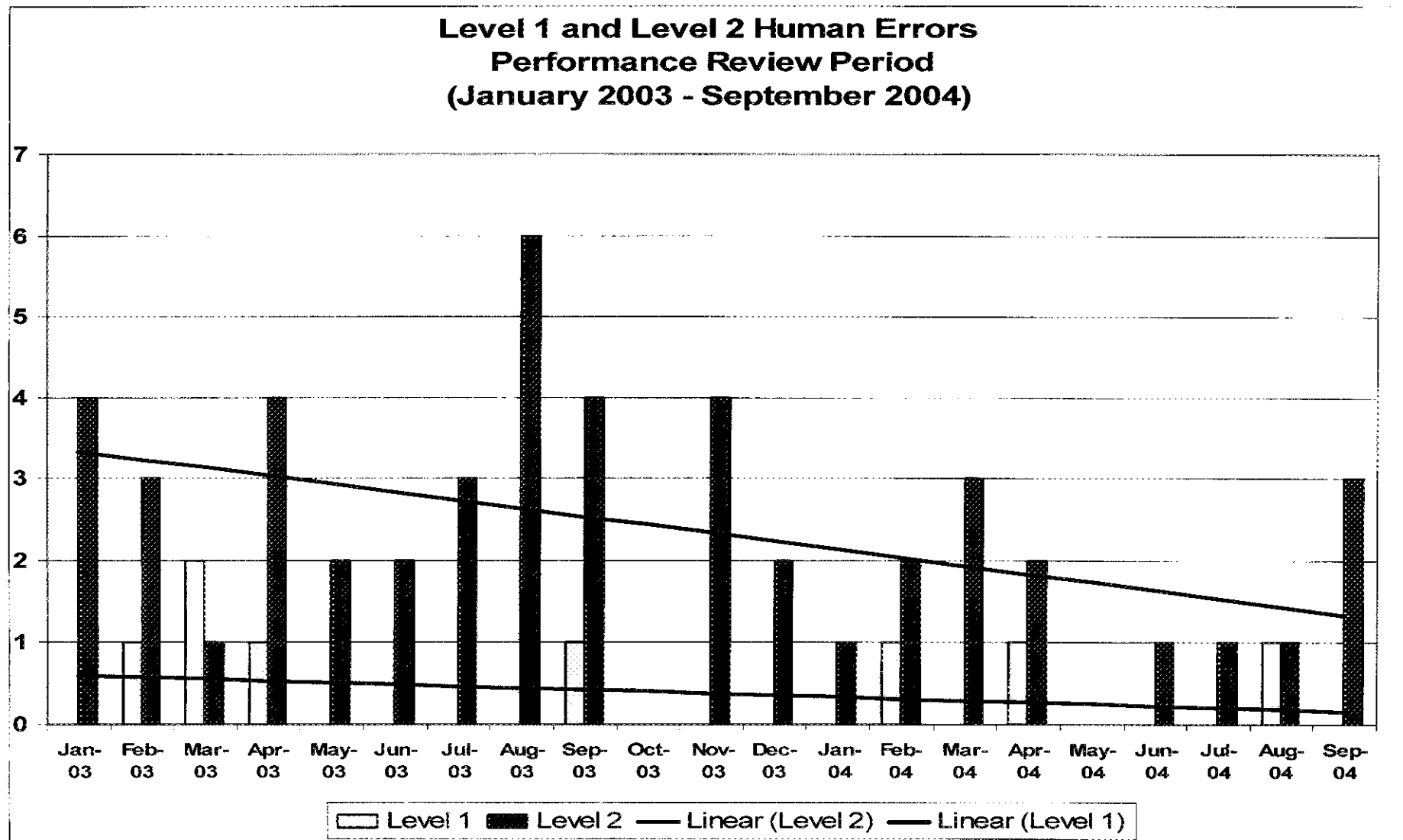
ADHERENCE TO AND QUALITY OF PROCEDURES

- **Specific activities needing additional improvement**
 - Operation's adherence to and quality of procedures
 - Previous actions not fully effective although some improvement achieved

- **Corrective actions to improve performance**
 - Completed Front-line Managers' mandatory review of Conduct of Operations procedures
 - Documenting Cascade Managers' weekly observations of crew performance
 - Using discipline when appropriate
 - Providing more user-friendly procedures in selected areas
 - Performing more evolutions as Infrequently Performed Tasks and Evolutions (IPTE)
 - Implementing 2005 Business Plan initiatives to address "Conduct Of Operations" issues

ADHERENCE TO PROCEDURES

PLANT TRENDS

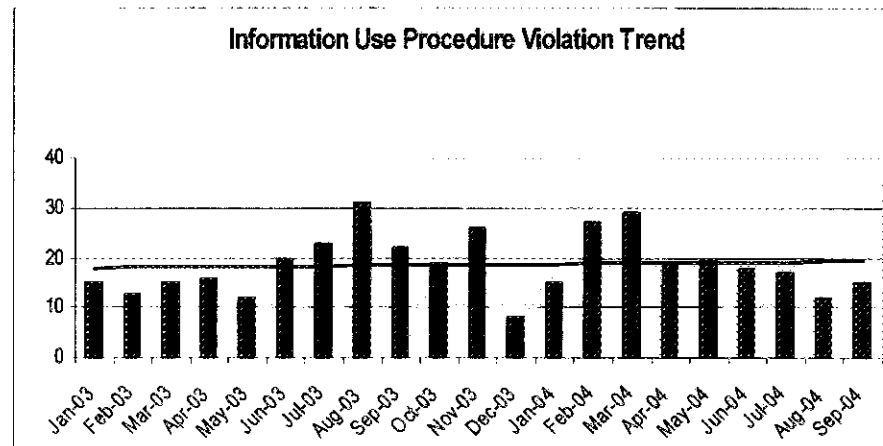
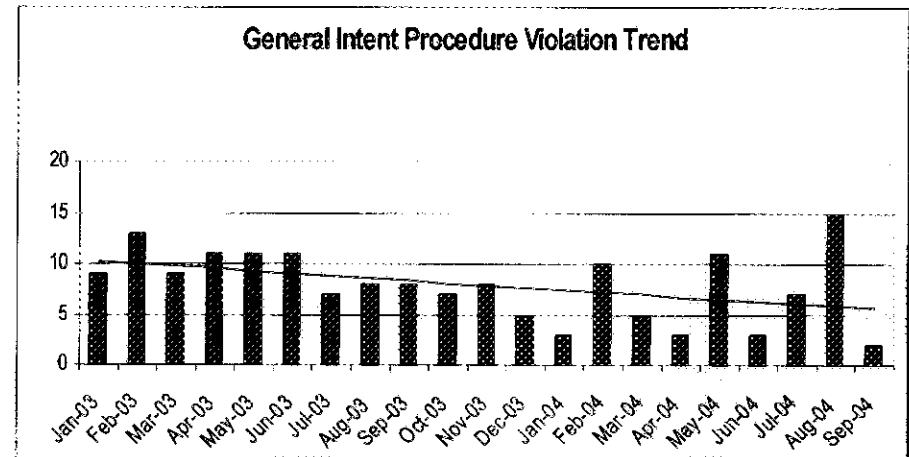
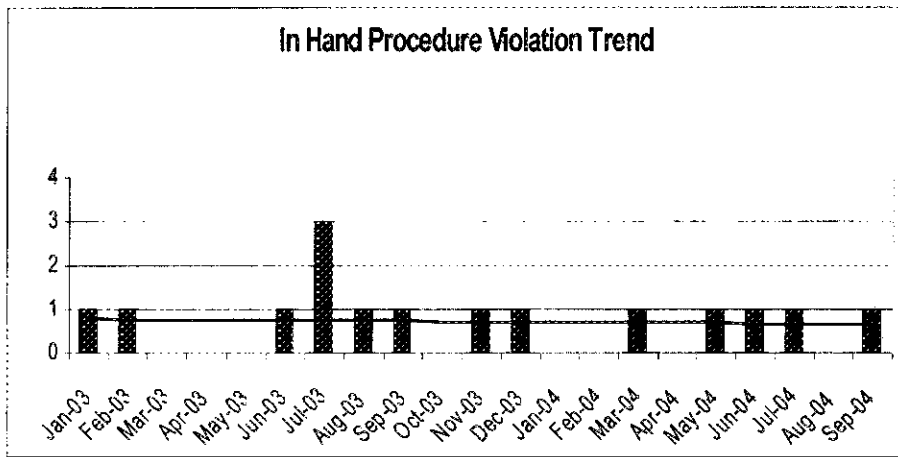


ADHERENCE TO PROCEDURES

PLANT TRENDS

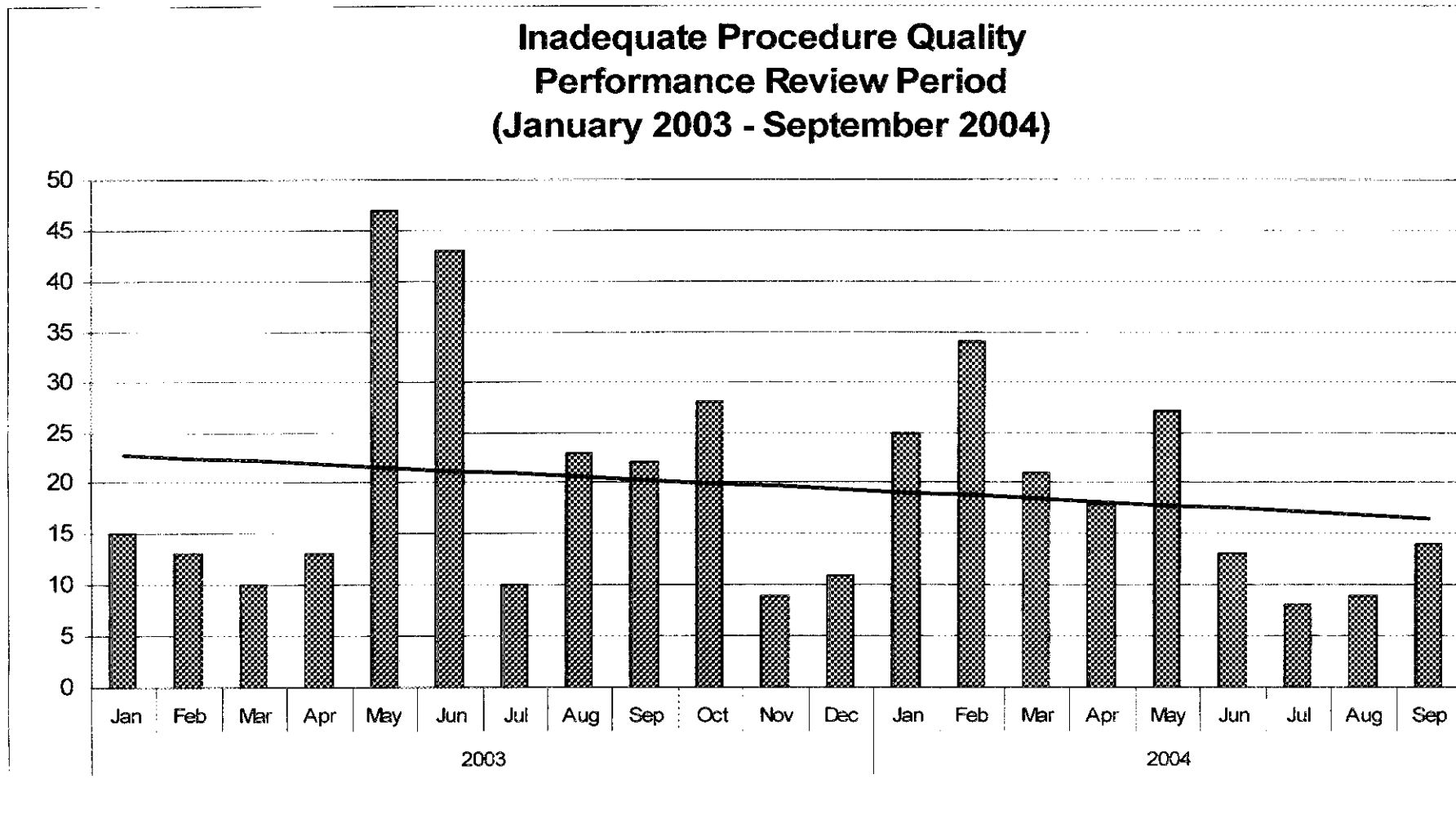
Procedure Violations

Performance Review Period
(January 2003 - September 2004)



QUALITY OF PROCEDURES

PLANT TRENDS



ADHERENCE TO AND QUALITY OF PROCEDURES

- **Methods to monitor improvement**
 - Senior Management team reviews monthly performance indicators
 - Human Performance Council (Functional Managers) monitors performance indicators during monthly council meetings
 - Cascade Managers complete and document weekly job observations
 - Group Managers complete and document one job observation per month

OPERATOR ATTENTIVENESS

- **Specific activity needing improvement**
 - Instances when operators were not fully attentive to duties
- **Corrective actions to improve plant-wide performance**
 - Completed benchmark of industry experience on fatigue and “fitness for duty”
 - Completed revision to “fitness for duty” procedure to include consequences for inattentiveness
 - Provided briefing to all Managers reinforcing Management’s expectations regarding inattentiveness
 - Developed and implementing annual “fitness for duty” training to include policies, expectations, and emphasis on consequences for sleeping, appearing to sleep, and inattentiveness
 - Continuing Senior Management Oversight Program

OPERATOR ATTENTIVENESS

- **Methods to monitor improvement**
 - Senior Management Oversight Program
 - Corrective Action Program monitoring inattentiveness to identify adverse trends

SUMMARY

- Overall plant performance continued to improve during NRC evaluation period
- Area (Safety Operations) needing improvement is receiving plant management's attention through implementation of the 2005 Business Plan and Corrective Action Program initiatives
- Continued improvement to the Corrective Action Program also addressed in 2005 Business Plan initiatives
- Plant performance expected to continue to improve during current evaluation period

CLOSING REMARKS

J. Morris Brown
Vice President, Operations