



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

October 25, 2016

Gary J. Laughlin, Chief Nuclear Officer
and Head of Operations
URENCO USA
P.O. Box 1789
Eunice, NM 88231

**SUBJECT: LOUISIANA ENERGY SERVICES, LLC, URENCO USA – NUCLEAR
REGULATORY COMMISSION INTEGRATED INSPECTION REPORT
70-3103/2016-004**

Dear Mr. Laughlin:

This letter refers to the inspections conducted from July 1 through September 30, 2016, at the Louisiana Energy Services, LLC, URENCO USA facility located in Eunice, New Mexico. The purpose of the inspections was to determine whether licensed activities were conducted safely and in accordance with Nuclear Regulatory Commission (NRC) requirements. The enclosed report presents the results of these inspections, which were discussed with Mr. Rickey Page, Acting Head of Technical Services, and other members of your staff on October 20, 2016.

The inspections examined activities conducted under your license, as they related to public health and safety, to confirm compliance with NRC rules and regulations and with the conditions of your license. The inspections covered the Fire Protection and Emergency Preparedness areas. Within these areas, the inspections consisted of examination of selected procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of these inspections, the NRC has determined that a licensee-identified Severity Level IV violation of NRC requirements occurred. Because this violation was entered into the licensee's NRC-approved corrective action program to restore compliance and address recurrence, it is being treated as a non-cited violation (NCV), consistent with Section 2.3.2 of the NRC Enforcement Policy. The NCV is described in the enclosed inspection report. If you contest the violation or significance of the NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the: (1) Regional Administrator, Region II; and (2) Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390, "Public Inspections, Exemptions, Requests for Withholding," 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

If you have any questions regarding this matter, please contact me at (404) 997-4629.

Sincerely,

/RA/

Marvin D. Sykes, Chief
Projects Branch 1
Division of Fuel Facility Inspection

Docket No. 70-3103
License No. SNM-2010

Enclosure:
Inspection Report No. 70-3103/2016-004
w/Attachment: Supplementary Information

cc: (See page 3)

In accordance with Title 10 of the *Code of Federal Regulations* 2.390, "Public Inspections, Exemptions, Requests for Withholding," 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary, information so that it can be made available to the Public without redaction.

If you have any questions regarding this matter, please contact me at (404) 997-4629.

Sincerely,

/RA/

Marvin D. Sykes, Chief
Projects Branch 1
Division of Fuel Facility Inspection

Docket No. 70-3103
License No. SNM-2010

Enclosure:
Inspection Report No. 70-3103/2016-004
w/Attachment: Supplementary Information

cc: (See page 3)

DISTRIBUTION:

M. Lesser, RII
C. Evans, RII
M. Sykes, RII
J. Rivera Ortiz, RII
N. Morgan, RII
T. Grice, NMSS
M. Raddatz, NMSS
PUBLIC

☒ PUBLICLY AVAILABLE ☐ NON-PUBLICLY AVAILABLE ☐ SENSITIVE ☒ NON-SENSITIVE
ADAMS: ☒ Yes ACCESSION NUMBER: ML16299A055 ☐ SUNSI REVIEW COMPLETE ☐ FORM 665 ATTACHED

| OFFICE | RII:DFFI | RII:DFFI | RII:DFFI | RII:DFFI | RII:DFFI | DC |
|-------------|------------|---------------|------------|------------|------------|------------|
| SIGNATURE | /RA/ | /RA/ | /RA/ | /RA/ | /RA/ | /RA/ |
| NAME | NMorgan | JRivera-Ortiz | NPeterka | GGoff | RGibson | LPitts |
| DATE | 10/21/2016 | 10/20/2016 | 10/21/2016 | 10/21/2016 | 10/21/2016 | 10/20/2016 |
| E-MAIL COPY | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO |

G:\DFFI\REPORTS\Final Reports\LES\2016\LES IR 2016-004.docx

G. Laughlin

3

cc:

Butch Tongate, Deputy Secretary
New Mexico Department of Environment
Office of the Secretary
1190 St. Francis Drive
P.O. Box 26110
Santa Fe, NM 87502-0157

Matt White, Mayor
City of Eunice
P.O. Box 147/1106 Ave J
Eunice, NM 88231

The Honorable Sam D. Cobb, Mayor
City of Hobbs
200 E. Broadway
Hobbs, NM 88240

Cheryl Chance, Mayor
City of Jal
P.O. Drawer 340
Jal, NM 88252

Chair Ron R. Black
Lea County Board of County Commissioners
Lea County Courthouse
100 North Main Avenue, Suite 4
Lovington, New Mexico 88260

Daniel F. Stenger, Counsel
Hogan and Hartson
555 13th Street, NW
Washington, DC 20004

Michael Ortiz, Chief
Radiation Controls Bureau
Field Operations Division
Environmental Department
Harold S. Runnels Building
1190 St. Francis Drive, Room S 2100
P.O. Box 26100
Santa Fe, NM 87502-0157

cc: (Cont'd on page 4)

cc: cont'd)

David Sexton, President and Chief Executive Officer
Louisiana Energy Services, LLC
URENCO USA
P.O. Box 1789
Eunice, NM 88231
Dave.Sexton@Urenco.com

Clint Williamson, Director
Community Affairs and Government Relations
Louisiana Energy Services, LLC
URENCO USA
P.O. Box 1789
Eunice, NM 88231
Clint.Williamson@urenco.com

Stephen Cowne
P.O. Box 1789
Eunice, NM 88231
stephen.cowne@urenco.com

Salem Thyne
P.O. Box 1789
Eunice, NM 88231
salem.thyne@urenco.com

Perry Robinson, Outside General Counsel
URENCO USA
P.O. Box 1789
Eunice, NM 88231

Richard A. Ratliff, PE, LMP
Radiation Program Officer
Bureau of Radiation Control
Department of State Health Services
Division for Regulatory Services
1100 West 49th Street
Austin, TX 78756-3189

U. S. NUCLEAR REGULATORY COMMISSION
REGION II

Docket No: 70-3103

License: SNM-2010

Report No: 70-3103/2016-004

Licensee: Louisiana Energy Services, LLC

Facility: URENCO USA

Location: Eunice, NM

Inspection Dates: July 1 through September 30, 2016

Inspectors: R. Gibson, Senior Fuel Facility Inspector (Paragraph A.1)
G. Goff, Fuel Facility Inspector (Paragraph B.1)
N. Morgan, Fuel Facility Inspector (Paragraph C.1)
N. Peterka, Fuel Facility Inspector (Paragraph C.1 and C.2)

Approved: M. Sykes, Chief
Projects Branch 1
Division of Fuel Facility Inspection

Enclosure

EXECUTIVE SUMMARY

Louisiana Energy Services, LLC
URENCO USA

Nuclear Regulatory Commission Integrated Inspection Report 70-3103/2016-004
July 1 – September 30, 2016

Regional inspectors from the Nuclear Regulatory Commission (NRC) conducted announced inspections during normal shifts. The inspectors performed a selective examination of licensee activities by direct observation of safety-significant activities and equipment, tours of the facility, interviews and discussions with licensee personnel, and a review of facility records. There was one non-cited, Severity Level IV violation (NCV) identified.

Safety Operations

- The Fire Protection program was implemented to preclude or mitigate the consequences of a fire in accordance with the license and NRC regulatory requirements. No findings of significance were identified. (Paragraph A.1)

Facility Support

- The Emergency Preparedness program was maintained and implemented in accordance with the license (Emergency Plan) and NRC regulatory requirements. No findings of significance were identified (Paragraph B.1)

Other Areas

- An unresolved item (URI) related to Licensee Event Report (LER) 70-3103/2016-002 (Event Notification (EN) 51776) and the licensee's implementation of item relied on for safety (IROFS) 14b was closed. A licensee-identified, Severity Level IV NCV associated with the URI is documented in this report for the failure to follow a procedure related to IROFS 14b. (Paragraph C.1)
- An URI related to the implementation of IROFS 14a and EN 51776 was closed. No violations of significance were identified. (Paragraph C.2)

Attachment

Key Points of Contact
List of Items Opened, Closed, and Discussed
Inspection Procedures Used
Documents Reviewed

REPORT DETAILS

Summary of Plant Status

The URENCO, USA facility (UUSA) enriches uranium hexafluoride (UF₆) using a gas centrifuge technology. During the inspection period, the licensee conducted routine plant operation of the operating cascades.

A. Safety Operations

1. Fire Protection (Inspection Procedure (IP) 88055)

a. Inspection Scope and Observations

The inspectors toured the Cylinder Receipt and Dispatch Building (CRDB), the Separations Building Modules (SBM), and the Centrifuge Assembly Building (CAB) to assess the implementation of the flammable/combustible control program. During the walk-down, the inspectors verified that flammable materials were stored in marked cabinets and that housekeeping and the control of combustible materials were consistent with procedures. The inspectors reviewed a selection of completed combustible control program inspections at various locations to confirm that the verifications had been completed within the proper periodicity.

The inspectors observed a pre-job briefing and subsequent inspection for the control of transient combustibles related to items relied on for safety (IROFS) 36i in the CAB in order to verify that the activity was performed in accordance with the procedure. Additionally, the inspectors observed a pre-job briefing and ensuing inspection on fire wall penetration seals related to IROFS 35 to determine that the activity was performed in accordance with the procedure.

The inspectors reviewed records to verify that the observed fire protection systems were maintained in an adequate state of readiness and had been properly tested to verify their ability to perform their safety function. The inspectors also reviewed records to determine whether fire walls, doors, dampers, and penetration seals were being maintained in a condition that would ensure they were available and reliable to perform their safety function. Additionally, the inspectors review included verification that fire hoses and portable extinguishers were provided at designated locations, access was unobstructed, and all surveillances were up-to-date. The inspectors reviewed records of stand-pipe pressures to verify these were maintained within the required range.

The inspectors reviewed the licensee's corrective action program (CAP) entries since 2015 to verify that the licensee was identifying fire protection issues at an appropriate threshold and entering them into the corrective action program for timely resolution.

b. Conclusion

No findings of significance were identified.

B. Facility Support**1. Emergency Preparedness (IP 88050)****a. Inspection Scope and Observations**

The inspectors interviewed licensee personnel and reviewed records to determine whether any changes made to the Emergency Plan or within the facility had been properly coordinated within the Emergency Preparedness Program. The inspectors reviewed procedures with significant revisions since the last emergency preparedness inspection to verify that the changes were in compliance with the Emergency Plan. The inspectors discussed and reviewed the licensee emergency call list and verified that the list was current.

The inspectors reviewed the onsite Emergency Response Organization training records and interviewed licensee staff regarding emergency preparedness training in the past year. The inspectors verified that the training requirements were in compliance with the Emergency Plan. The inspectors also verified that the licensee provided training for their personnel and testing of emergency equipment as required by the Emergency Plan. The inspectors confirmed that the individuals responsible for utilizing the emergency equipment were qualified. Additionally, the inspectors verified that the licensee provided effective training for hypothetical emergency situations consistent with the frequency and performance objectives required in the Emergency Plan.

The inspectors reviewed the written agreements with the offsite agencies and verified that the organizations, required by the Emergency Plan, had up-to-date mutual aid agreements and a Memorandum of Understanding. The inspectors interviewed representatives of the City of Hobbs Fire Department and the Lea Regional Medical Center, and verified that they maintained an adequate understanding of the written agreements. The inspectors interviewed offsite personnel and reviewed records, and verified that the licensee invited the offsite agencies for training and that the training given was in accordance with the Emergency Plan. The inspectors reviewed records and verified that the licensee performed communication checks with the offsite organizations at a quarterly frequency as required by the Emergency Plan.

The inspectors observed the storage of the emergency equipment in the Emergency Operations Center (EOC) and the alternate EOC, and verified that the inventory levels were maintained as required by the Emergency Plan. The inspectors performed a check of selective items of emergency response equipment to verify their functionality. The inspectors also verified that the required inventory and testing of the emergency response equipment were conducted at the required frequency. The inspectors toured the EOC and the alternate EOC and verified that the areas were readily accessible and maintained the appropriate amount of communication equipment. The inspectors reviewed the accountability procedure and verified that accountability meeting points were accessible.

The inspectors reviewed independent audits of the Emergency Preparedness Program and verified that any problems or deficiencies associated with the Emergency Plan were corrected. The inspectors reviewed the self-assessments generated since the last inspection and verified that the licensee utilized their tracking system for adequately tracking and resolving self-assessment findings.

b. Conclusion

No findings of significance were identified.

C. Other Areas

Follow-up on Previously Identified Issues

1. (Closed) Licensee Event Report 70-3103/2016-002, "Event Notification 51776, Failure to Implement IROFS 14a and 14b" and Unresolved Item 70-3103/2016-003-01, "Evaluation for Event Notification 51776"

a. Inspection Scope

On March 7, 2016, the licensee submitted Event Notification (EN) 51776 to the NRC associated with the failure to perform an administrative IROFS for the movement of uranic material. On April 13, 2016, the licensee updated the EN to reclassify the event to a "24-hour report" per 10 CFR 70.50, based on the results of the isotopic analysis for the uranic material involved. On May 2, 2016, the licensee submitted event report (or LER) 70-3103/2016-002 (Agencywide Document Access and Management System (ADAMDS) Accession No. ML16126A199) as a follow-up to the event. In June 2016, the NRC issued inspection report 70-3103/2016-003 (ADAMS Accession No. ML16210A431) addressing the initial review on the event. Unresolved Item (URI) 70-3103/2016-003-01, "Evaluation for Event Notification 51776" was opened in that NRC report to determine if the event resulted in a noncompliance, and if so, if the noncompliance was more than minor. The inspectors' review of the event resulted in a non-compliance issue as discussed below.

Introduction: A licensee-identified, Severity Level (SL) IV non-cited violation (NCV) of Nuclear Material License No. 2010, License Condition 10.b, was identified for failure to follow an IROFS 14b procedure for the initial and independent verification of controlled storage array in the Decontamination Workshop.

Description: On March 7, 2016, UUSA recycling operators moved five drums (three gallon capacity each) of uranic waste material into an existing IROFS 14b controlled storage array, located in the Decontamination Workshop. The waste material in the drums was generated while cleaning up a spill in the Liquid Effluent Collection and Treatment Systems (LECTS) room. At the time of transfer, the licensee conservatively assumed that the uranic material was enriched. Therefore, the operators obtained verbal approval from nuclear criticality safety (NCS) engineering prior to moving the drums.

Shortly after the drums were placed in the array, a Deputy Shift Manager identified that the actual room loading differed from the posted signage, and immediately stopped work activities and escorted the operators out of the area. While exiting, NCS staff arrived with a revised posting that authorized the addition of the five waste drums to the array, confirming that the storage array had remained in a safe geometry configuration.

IROFS 14b is a sole, enhanced, administrative IROFS applicable to generated waste within the LECTS room and Decontamination Workshop. The safety function of IROFS

14b is to administratively restrict proximity of vessels in non-designed locations containing enriched uranic material to ensure subcritical configuration. The enhanced portion of IROFS 14b consists of independent operator verification and documentation to ensure a subcritical geometry exists prior to moving a waste container containing enriched uranic material within 180 cm of the associated storage array and no component containing enriched uranic material is in movement in the designated area.

Procedure RW-3-1000-16, "Array Storage of Radioactive Waste," satisfied the requirements of the integrated safety analysis (ISA) summary for IROFS 14b for movement of enriched or potentially enriched radioactive waste containers, and the Safety Analysis Report (SAR) as incorporated by reference in License Condition 10.b. The procedure provided specific steps to meet the enhanced portion of IROFS 14b, requiring independent operator verification and documentation prior to crossing an established storage array.

The operators used procedure RW-3-1000-09, "Radioactive Waste Container Setup, Handling, and Disposition," for the movement of the five drums instead of procedure RW-3-1000-16. Procedure RW-3-1000-09 implements controls for proximity and is applicable to the entire facility, with exception, and used frequently to perform routine tasks. RW-3-1000-09 explicitly states that the handling, transfer/movement, or storage of radioactive waste containers containing enriched uranic material in the Decontamination Workshop and the LECTS Room are performed per RW-3-1000-16. The difference between RW-3-1000-09 and RW-3-1000-16 was that the latter required documenting initial and independent verification in an array log and a map of the array by two trained individuals in order to provide a quality record of the independent verification and meet the enhanced portion of IROFS 14b. Although the two trained operators implemented appropriate safety controls, they did not formally implement the enhanced portion of IROFS 14B involving the documentation of the independent verification in an array log and a map as required by procedure RW-3-1000-16.

Analysis: The inspectors determined that the failure to follow procedure RW-3-1000-16 to document the initial and independent verification of the existence of a subcritical geometry, prior to moving drums containing uranic material into the IROFS 14b controlled storage array in the Decontamination Workshop, was a violation of License Condition 10.b.

The violation was determined to be more-than-minor in accordance with Inspector Manual Chapter (IMC) 0616, "Fuel Cycle Safety and Safeguards Inspection Reports," Appendix B, "Examples of Minor Issues," screening question 5, because the non-compliance resulted in a change in risk such that the licensee fails to meet 10 CFR 70.61 performance requirements. Specifically, the failure to implement the enhanced portion of the sole administrative IROFS, as described in the ISA Summary, conservatively assumes that the overall likelihood of a high-consequence criticality event will no longer be "highly unlikely," and therefore the performance requirements of 10 CFR 70.61 would not be met. However, the NRC's risk assessment determined that the violation did not reach to a SL III based on other safety controls implemented by the licensee.

In accordance with IMC-2606, "Assessment of the Change in Risk Resulting from a Violation at a Fuel Cycle Facility," the inspectors conducted a risk assessment of the noncompliance considering the actual circumstances associated with the violation.

Consistent with IMC-2606, consideration was given for controls which were not specifically credited for the affected accident sequence but which were formally established beforehand, in order to determine the most realistic determination of safety significance. Specifically, the risk assessment considered that although no other IROFS were available for additional credit: (1) the operators conservatively assumed that the material in the drums was enriched, even though the licensee later confirmed that it was depleted uranic material; (2) the licensee implemented procedure RW-3-1000-09 to maintain the required spacing in the storage array; and (3) the operators obtained approval from NCS Engineering prior to moving the drums into the existing array. Therefore, the inspectors determined that there were no actual safety significance and the potential safety significance was low since the likelihood of a high-consequence criticality event did not actually increase.

In accordance with the NRC Enforcement Policy, violations that are less serious, but are of more than minor concern and resulted in no or relatively inappreciable potential safety or security consequences, are characterized as SL IV violations. Additionally, the violation is characterized as SL IV because it is consistent with example 6.2.d.1 of the NRC Enforcement Policy.

Enforcement: Special Nuclear Material License No. 2010, License Condition 10.b, requires, in part, that the licensee conduct authorized activities in accordance with the statements, representations, and conditions in the SAR.

The SAR, Section 2.3.4, "Procedures," states, in part, that activities involving licensed materials will be conducted through the use of approved, written procedures.

Licensee procedure for handling of licensed materials, procedure RW-3-1000-16, "Array Storage of Radioactive Waste," Revision (Rev.) 0, Step 8.2.2.a, requires that prior to crossing the 180 centimeter (cm) barrier placed 180 cm out from the established storage array, a recycling technician needs to document on a log that: (1) the array is the correct array for the incoming waste container, (2) there is no waste container containing enriched uranic material stored of within 180 cm of the array, (3) the waste containers within the array are correctly stored, (4) the vacant location to be filled by the incoming waste container, and (5) there are no waste containers in movement in the designated array. Procedure RW-3-1000-16 also requires Step 8.2.2a to be independently verified by a different recycling technician.

Contrary to the above, on March 7, 2016, the licensee failed to document on a log and independently verify the five items described in procedure RW-3-1000-16, Step 8.2.2.a, prior to moving five drums containing uranic material and crossing the 180 cm barrier placed 180 cm out from the storage array in the IROFS-14b controlled area located in the Decontamination Workshop.

The inspectors performed a risk assessment and determined that there were no actual safety consequences and the potential safety consequences were low. The licensee immediately initiated a stop work order and escorted the operators out of the area. Following the reporting of this event, two operators made the entry into the storage array log and updated the map of the array. The licensee also initiated EV 111058 to begin corrective actions such as verification of safe configuration by NCS Engineering, performing refresher training on IROFS related-work, sampling the waste to confirm depleted uranic material, and conducting a root cause evaluation.

The failure to follow Procedure RW-3-1000-16 is a SL IV violation of NRC requirements. This violation is being treated as an NCV, consistent with Section 2.3.2 of the NRC Enforcement Policy. The violation was entered into the licensee's CAP as EV 111058 and EV 112515. This violation will be tracked as NCV 70-3103/2016-004-01, "Failure to Implement IROFS 14b-Related Procedure."

b. Conclusion

A licensee-identified, SL IV NCV of NRC requirements was identified. LER 70-3103/2016-002 and URI 70-3103/2016-003-01 are considered closed.

2. (Closed) URI 70-3103/2016-003-02, Evaluation of IROFS 14a Bounding Analysis

a. Inspection Scope

URI 70-3103/2016-003-02 was opened in NRC inspection report 70-3103/2016-003 as a result of the NRC's review of LER 70-3103/2016-002. The issue of concern involved the implementation of IROFS 14a for transport of the generated waste described in EN 51776. The inspectors needed additional information about the technical basis of a licensee analysis that was determined to bind the hand carrying of containers, in order to determine if the issue resulted in a noncompliance, and if so, whether the noncompliance was more than minor.

The inspectors reviewed the bounding NCS analysis, NCS-CSA-006, Rev. 8, which analyzed an accident sequence involving a full Product Vent and Pump Trap Set containing fissile material modeled next to a portable 18 liter vacuum containing fissile material. The inspectors reviewed the associated assumptions and calculations to verify consistency with the commitments in the License Application, assurance of subcriticality with the use of approved subcritical margin, technical practices and methodologies, and treatment of NCS parameters within the analysis.

b. Conclusion

No violations of significance were identified. The inspectors did not identify any compliance issues with the licensee's use of NCS-CSA-006 as a bounding accident sequence or the licensee's technical justification provided to the NRC. URI 70-3103/2016-003-02 is considered closed.

D. Exit Meeting

The inspection scope and results were presented to members of the licensee's staff at various meetings throughout the inspection period and were summarized on October 20, 2016, to Mr. Rickey Page, Acting Head of Technical Services, and other members of the licensee's staff. No dissenting comments were received from the licensee. Proprietary information was discussed in these meetings, but not included in this report.

SUPPLEMENTARY INFORMATION

1. KEY POINTS OF CONTACT

| <u>Name</u> | <u>Title</u> |
|-------------|---|
| J. Abney | Recycle Technician 2 |
| R. Albright | Radiation Protection Manager |
| A. Anya | Senior Radiation Protection Technician |
| T. Boes | Health and Safety and Environmental Protection |
| C. Corral | Training Specialist |
| S. Cowne | Head of Compliance |
| S. Espinoza | Maintenance Specialist |
| M. Graham | Programs Engineer Supervisor |
| J. Guzman | ETUS Technician |
| L. Hannah | Radiology, Lea Regional Medical |
| A. Harlow | Engineer I |
| J. Labuda | Fire Protection Officer |
| J. Laughlin | Chief Nuclear Officer and Head of Operations |
| S. Magill | Maintenance Manager |
| M. McGovern | Chemistry Services Manager |
| R. Medina | Licensing Engineer II |
| R. Page | Acting Head of Technical Services |
| J. Rickman | Licensing Specialist |
| K. Rocco | Maintenance Specialist |
| B. Ross | Facilities Supervisor, Lea Regional Medical |
| J. Sanford | Manager, Health Safety and Emergency Preparedness |
| S. Scott | Plant Engineer Manager |
| R. Shaffer | Shift Operator Manager |
| J. Sikora | Director of Facilities Management, Lea Regional Medical |
| S. Thyne | Licensing Manager |
| B. Veach | Emergency Preparedness Specialist |
| A. Woodward | Shift Manager |
| B. Young | Deputy Fire Chief, City of Hobbs Fire Department |

2. LIST OF ITEMS OPENED, CLOSED, AND DISCUSSED

Opened and Closed

| | | |
|---------------------|-----|--|
| 70-3103/2016-004-01 | NCV | Failure to Implement IROFS 14b-Related Procedure (Paragraph C.1) |
|---------------------|-----|--|

Closed

| | | |
|---------------------|-----|---|
| 70-3103/2016-003-01 | URI | Evaluation for EN 51776 (Paragraph C.1) |
|---------------------|-----|---|

| | | |
|------------------|-----|--|
| 70-3103/2016-002 | LER | EN 51776, Failure to Implement IROFS 14a and 14b (Paragraph C.1) |
|------------------|-----|--|

| | | |
|---------------------|-----|---|
| 70-3103/2016-003-02 | URI | Evaluation of IROFS 14a Bounding Analysis (Paragraph C.2) |
|---------------------|-----|---|

3. **INSPECTION PROCEDURES USED**

88050 Emergency Preparedness
88055 Fire Protection

4. **DOCUMENTS REVIEWED**

Records:

2016-A-05-015, URENCO USA Fire Protection Audit, dated June 2, 2016
Emergency Light Surveillances: 1000197855, 1000197856, 1000197857, 1000197858, 1000197859, 1000197861, 1000197863, 1000197865, 1000233729, 1000233730, 1000233731, 1000233732, 1000233733, 1000233735, 1000233738, & 1000233739
Fire Equipment Surveillances: 1000225860, 1000229004, 1000229014, 1000229016, 1000229019, 1000229166, 1000231769, 1000231770, 1000231771, 1000231791, 1000235885, 1000235898, 1000235899, 1000235900, & 1000235901
Fire Extinguishers Surveillances: 1000231793, 1000235614, 1000235617, 1000235620, 1000235623, 1000235626, 1000235629, 1000235632, 1000235726, & 1000235795
Fire Hoses Surveillances: 1000208007 and 1000236111
Fire Protection 2015 Self-Assessment Report, Assessment 2015-001, 11/17/2015
IROFS Fire Damper Surveillances: 1000180542, 1000198582, 1000233774, & 1000235883
IROFS Fire Doors Surveillances: 1000178333, 1000184482, 1000197815, & 1000233585
IROFS Penetration Seal Surveillances: 1000183287, 1000197574, 1000233733, 1000235963, & 1000252192
NEF-BD-035, Fire Rate Barriers, Rev. 16

Procedures

FP-2-1000-01, Fire Protection Program Requirements, Rev. 7, dated December 5, 2013
FP-3-1000-01, Fire System and Features Testing and Inspection, Rev. 5, dated December 2, 2013
FP-3-1000-02, Flammable and Combustible Materials Control, Rev. 10, dated November 20, 2015
FP-3-1000-03, Fire Prevention during Welding, Cutting and other Hot Work, Rev. 9, dated October 3, 2014
FP-3-1000-04, Fire System or Feature Impairments, Rev. 16, dated November 20, 2015
FP-3-1000-05, Pre-Incident Plan Development and Control, Rev. 5, dated December 2, 2013
FP-3-1000-08, Fire Barrier Inspection, Rev. 0, dated February 12, 2010
FP-3-1000-09, Plant Fire Brigade & Training, Rev. 0, dated April 24, 2014
FP-3-2000-01, IROFS36i Combustibles Control Inspection – CTF/PMF, Rev. 5, dated April 13, 2015
FP-3-2000-02, IROFS36e Combustible Control Inspection - UBC Pad, Rev. 4, dated April 13, 2015
FP-3-2000-03, IROFS35 Weekly Fire Door Inspection and IROFS 35/36a/36d Combustibles Control Inspection - CRDB and ICC, Rev. 6, dated May 26, 2016
FP-3-2000-04, IROFS35 Weekly Fire Door Inspection and IROFS36a Combustibles Control
Inspection – SBM, Rev.14, dated May 26, 2016
FP-4-1000-01, Fire Protection Safety Inspection, Rev. 2, dated December 2, 2013
FP-5-1000-01, Pre-Incident Plan, Rev. 7, dated February 13, 2015

MA-3-2670-01, IROFS35 Fire Damper Inspections, Rev. 6, dated December 3, 2014

MA-3-2826-01, IROFS35 Fire Barrier Penetration Seals Inspection, Rev. 9, dated May 11, 2016

MA-3-2826-02, IROFS35 Fire Door Inspections, Rev. 9, dated April 27, 2015

MA-6-0694-02, Quarterly Fire System Inspections and Tests, Rev. 3, dated September 13, 2012

EP-3-0200-01 Rev. 7, Classification of Emergency Events

EP-3-0200-06 Rev. 8, Assembly and Personnel Accountability

EP-3-0200-11 Rev. 5, Emergency Operations Center Operations

EP-3-0300-01 Rev. 9, Maintaining Emergency Preparedness

EP-3-0300-03 Rev. 4, Drills and Exercise

EP-3-0300-04 Rev. 15, Emergency Preparedness Inventory and Equipment Operability

FP-3-1000-09 Rev. 0, Plant Fire Brigade and Training

Condition Reports Written as a Result of the Inspection:

EV 114088, Impairments seals not authorized and discovered by FPO, dated August 23, 2016

EV 114101, NRC Fire Prot. Insp. - Evaluate Fire Pen. Seal Inspection Methodology, dated August 24, 2016

EV 114102, NRC Fire Prot. Inspection Question - Is IROFS35 Fire Barriers Labelling Required, dated August 24, 2016

Condition Reports:

EV 106994, 1006 Cascade 7 MF Transformer Fire - Business Critical Incident (BCI), dated September 8, 2015

EV 108786, Failed Objectives during NRC Evaluated Full Scale Exercise, dated October 15, /2015

EV 108958, Combustible Loading Violation, dated October 20, 2015

EV 109807, Un-accessible Fire Dampers, dated November 21, 2015

EV 110490, DFWP Will Not Start On Low Pressure, dated January 24, 2016

EV 112977

EV 112990

EV 113258

EV 113339

EV 113424

EV 113427

EV 113475

EV 111058

EV 112515

Other Documents:

FPE-REV-001, Fire Hazards Analysis, Rev. 19, dated October 17, 2014

Organization Charts

SA-3-2000-21-F-2, Pre-Job Brief/Job Hazard Analysis Form, Rev. 8

Transient Combustible Permit 1003-9-2016-230

LES-16-00133-NRC, Retraction of Event Notification 51776, received August 1, 2016

NCS-CSA-006, Criticality Safety Analysis of the Product Vent Pump and Chemical Trap Set, Rev. 08, dated November 7, 2014