



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

November 29, 2016

Mr. David Del Vecchio
President and Chief Operating Officer
CB&I AREVA MOX Services
Savannah River Site
P.O. Box 7097
Aiken, SC 29804-7097

**SUBJECT: ASSESSMENT FOLLOWUP LETTER OF AUTHORIZED CONSTRUCTION
ACTIVITIES FOR CB&I AREVA MOX SERVICES MIXED OXIDE FUEL
FABRICATION FACILITY, DOCKET NUMBER 70-3098**

Dear Mr. Del Vecchio:

The U.S. Nuclear Regulatory Commission (NRC) staff has completed a periodic performance review of the Mixed Oxide (MOX) Fuel Fabrication Facility (MFFF) construction activities authorized by NRC Construction Authorization Number (No.) CAMOX-001. The NRC reviewed inspection results and enforcement actions during the last quarter from July 1, 2016, through September 30, 2016. The purpose of this letter is to inform you of the NRC's assessment of the safety performance at your facility during this period and any changes to our planned inspections at your facility.

The NRC determined the performance at the MFFF during the most recent calendar quarter was within the Regulatory Response Column (Column 2) of the NRC's Inspection Manual Chapter (IMC) 2630, Exhibit 1 Construction Action Matrix (CAM) because of a Severity Level III problem identified during the third calendar quarter as described in Inspection Report 07003098/2016006 dated September 28, 2016 (ML16272A4444). Plant performance for the first two quarters in 2016 at the MFFF was within Licensee Response Column (Column 1) based on only non-cited violations being identified.

The NRC recognizes that the Severity Level III problem pertaining to the procurement of safety-related ledger assemblies between June 2008 and November 2010 that did not meet MOX Services procurement specifications is not indicative of current plant performance. Subsequent to the delivery of the subject ledger plate assemblies, the NRC noted that MOX Services had recognized the need for increased oversight of its vendors. The NRC also noted that similar issues were not identified at other suppliers during MOX Services' investigation of this issue as documented in Condition Report 15-112.

Due to the corrective actions already implemented by MOX Services, including a root cause evaluation and the age of the issue, the NRC only plans to conduct a follow-up inspection to verify the corrective actions as described in your letter dated August 17, 2016.

Your letter addressed the apparent violations identified in Inspection Report 07003098/2016005 (ML16207A604) which subsequently led to the Severity Level III problem identified in Inspection Report 07003098/2016006 (ML16272A4444). Your letter dated August 17, 2016, indicated that full compliance will be achieved by March 31, 2017. The NRC will conduct the follow-up inspection after you notify us that you are ready for this inspection. The NRC will inform you in separate correspondence of any updated assessment that transitions MOX Services to the Licensee Response Column (Column 1) of the NRC's IMC 2630, Exhibit 1 CAM.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management 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 regarding this matter, please contact Michael Ernstes at (404) 997-4540.

Sincerely,

/RA/

William Jones, Director
Division of Construction Oversight

Docket No. 70-3098
Construction Authorization No.: CAMOX-001

cc w/encl: (See next page)

Your letter addressed the apparent violations identified in Inspection Report 07003098/2016005 (ML16207A604) which subsequently led to the Severity Level III problem identified in Inspection Report 07003098/2016006 (ML16272A4444). Your letter dated August 17, 2016, indicated that full compliance will be achieved by March 31, 2017. The NRC will conduct the follow-up inspection after you notify us that you are ready for this inspection. The NRC will inform you in separate correspondence of any updated assessment that transitions MOX Services to the Licensee Response Column (Column 1) of the NRC's IMC 2630, Exhibit 1 CAM.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter, its enclosure, and your response (if any) will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management 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 regarding this matter, please contact Michael Ernstes at (404) 997-4540.

Sincerely,

/RA/

William Jones, Director
Division of Construction Oversight

Docket No. 70-3098
Construction Authorization No.: CAMOX-001

cc w/encl: (See next page)

✓ Publicly Available □ Non-Publicly Available □ Sensitive ✓ Non-Sensitive ✓ SUNSI Review Complete ✓ Form 665 Attached
ADAMS Accession No.

OFFICE	RII: DCO	RII: DCO	RII: DCO	NMSS: FCSE	RII:DCO	NMSS: FCSE	
SIGNATURE	/RA/	/RA via email/	/RA/	/RA via email/	/RA/	/RA via email/	
NAME	W. Gloersen	N. Karlovich	M. Ernstes	D. Tiktinsky	W. Jones	R. Johnson	
DATE	11/09/2016	11/09/2016	11/09/2016	11/18/2016	11/28/2016	11/29/2016	
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\CC\DCP\CPB1\MOX FFF\Assessments\2016\3rd
Quarter\Column Transition letters\mfff_2016q3 - r1.docx

cc w/encl:

Mr. Scott Cannon, Federal Project Director
NA-262. 1
P.O. Box A
Aiken, SC 29802

Ms. Joyce Connery, Chairman
Defense Nuclear Facilities Safety Board
625 Indiana Ave., NW, Suite 700
Washington, DC 20004

Mr. Joseph Olencz, NNSNHQ
1000 Independence Ave., SW
Washington, DC 20585

Ms. Susan Jenkins
Division of Radioactive Waste Management
Bureau of Health and Environmental Control
2600 Bull St.
Columbia, SC 29201

Kathryn M. Sutton
Morgan, Lewis, and Bockius
1111 Penn. Ave., NW
Washington, DC 20004

G. Carroll
Nuclear Watch South
P.O. Box 8574
Atlanta, GA 30306

Ms. Diane Curran
Harmon, Cutran, Spielburg and Eisenberg, LLP
1726 M St., NW, Suite 600
Washington, DC 20036

L. Zeller
Blue Ridge Environmental Defense League
P.O. Box 88
Glendale Springs, NC 28629

Mr. Dealis Gwyn, Licensing Manager
CB&I AREVA MOX Services
Savannah River Site
P.O. Box 7097
Aiken, SC 29804-7097

Letter to D. Del Vecchio from William Jones dated November 29, 2016.

SUBJECT: ASSESSMENT FOLLOWUP LETTER OF AUTHORIZED CONSTRUCTION
ACTIVITIES FOR CB&I AREVA MOX SERVICES MIXED OXIDE FUEL
FABRICATION FACILITY, DOCKET NUMBER 70-3098

Distribution w/encl.:

C. Erlanger, NMSS
R. Johnson, NMSS
D. Tiktinsky, NMSS
C. Haney, RII
L. Dudes, RII
R. Hannah, RII
J. Ledford, RII
J. Pelchat, RII
W. Jones, RII
M. Ernstes, RII
J. Heisserer, RII
R. Musser, RII
R. Nease, RII
W. Gloersen, RII
N. Karlovich, RII
PUBLIC