



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

November 17, 2010

Mr. Kelly D. Trice
President and Chief Operating Officer (Acting)
Shaw AREVA MOX Services
Savannah River Site
P.O. Box 7097
Aiken, SC 29804-7097

SUBJECT: APPLICANT PERFORMANCE REVIEW (APR) OF AUTHORIZED
CONSTRUCTION ACTIVITIES FOR SHAW AREVA MOX SERVICES, MIXED
OXIDE FUEL FABRICATION FACILITY (MFFF), DOCKET NUMBER 70-3098

Dear Mr. Trice:

The NRC staff has completed a performance review of the MOX Fuel Fabrication Facility (MFFF) construction activities authorized by the NRC. The review covered the period from October 1, 2009, through September 30, 2010. This letter provides the results of the review and our plans for future inspections at your facility.

The review concluded that overall MFFF construction activities were conducted in an acceptable manner. Our inspections indicated that your construction program and procedure development, along with project staffing, were sufficiently implemented to support ongoing construction activities. Management and quality assurance oversight adequately monitored and assessed onsite construction activities with exceptions as noted below. The corrective action program implementation activities, including initiation, classification, disposition, and trending were deemed satisfactory. In conclusion, project performance for this assessment period was acceptable. Because no actual or potentially risk significant recurring items were identified, no areas were identified as meeting the definition of an area needing improvement in accordance with NRC Inspection Manual Chapter (IMC) 2630, "Mixed Oxide Fuel Fabrication Facility Construction Inspection Program," and IMC 2604, "Licensee Performance Review." Therefore, we plan to conduct routine inspections in accordance with IMC 2630.

During the previous assessment, the NRC identified design control as an area needing improvement per IMC 2604. This resulted in additional NRC inspections of design control during the latest assessment period. These inspections identified a number of findings that had low, but more than minor, safety significance and Shaw AREVA MOX Services has taken corrective actions to improve performance. This area was not identified as an area needing improvement during this assessment period. Therefore, the NRC plans to return to routine inspections of design control processes at the MFFF.

Although no areas needing improvement were identified per IMC 2630 and IMC 2604, we encourage your continued focus on design control to ensure regulatory requirements are met. Specifically, we encourage Shaw AREVA MOX Services to strengthen the process of ensuring that design requirements and codes are accurately translated into field design and construction specifications and documents.

Additionally, Shaw AREVA MOX Services has responsibility for the oversight of its suppliers and vendors. Several issues of low, but more than minor, safety significance were identified during supplier and vendor inspections conducted during this assessment period. The NRC will continue to conduct inspections in this area, and we encourage Shaw AREVA MOX Services to strengthen its oversight of suppliers and vendors.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please refer questions and comments about our review of Shaw AREVA MOX Services' performance and planned inspections to William Gloersen, who can be reached by telephone at 404-997-4443.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Construction Projects

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

Enclosure: Applicant Performance Review

cc w/encl: (See page 3)

Additionally, Shaw AREVA MOX Services has responsibility for the oversight of its suppliers and vendors. Several issues of low, but more than minor, safety significance were identified during supplier and vendor inspections conducted during this assessment period. The NRC will continue to conduct inspections in this area, and we encourage Shaw AREVA MOX Services to strengthen its oversight of suppliers and vendors.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Please refer questions and comments about our review of Shaw AREVA MOX Services' performance and planned inspections to William Gloersen, who can be reached by telephone at 404-997-4443.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Construction Projects

Division of Construction Projects
Docket No. 70-3098
Construction Authorization No. CAMOX-001

Enclosure: Applicant Performance Review

cc w/encl: (See page 3)

PUBLICLY AVAILABLE
 NON-PUBLICLY AVAILABLE
 SENSITIVE
 NON-SENSITIVE
 ADAMS: Yes
 ACCESSION NUMBER: ML103210588
 SUNSI REVIEW COMPLETE

OFFICE	RII:DCP	RII:DCP	RII:DCI	HQ:NMSS			
SIGNATURE	WCB	Via Email	Via Email	Via Email			
NAME	WGloersen	DSeymour	COgle	MTschiltz			
DATE	11/17/2010	11/17/2010	11/10/2010	11/16/2010	11/ /2010	11/ /2010	11/ /2010
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

cc w/encl:

Mr. Clay Ramsey, Federal Project Director
NA-262.1
P.O. Box A
Aiken, SC 29802

Mr. Sam Glenn, Deputy
Federal Project Director
NA-262.1
P.O. Box A
Aiken, SC 29802

A.J. Eggenberger, Chairman
Defense Nuclear Facilities Safety Board
625 Indiana Ave., NW, Suite 700
Washington, DC 20004

Mr. Joseph Olencz, NNSA/HQ
1000 Independence Ave., SW
Washington, DC 20585

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

D. Silverman
Morgan, Lewis, & Bockius
1111 Penn. Ave., NW
Washington, DC 20004

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

Diane Curran
Harmon, Curran, Spielberg & 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

Letter to Mr. Kelly Trice from Richard P. Croteau dated November 17, 2010

SUBJECT: APPLICANT PERFORMANCE REVIEW (APR) OF AUTHORIZED ACTIVITIES
FOR MOX SERVICES, MIXED OXIDE FUEL FABRICATION FACILITY (MFFF),
DOCKET NUMBER 70-3098

Distribution w/encl:

M. Tschiltz, NMSS
M. Bailey, NMSS
L. Campbell, NMSS
D. Tiktinsky, NMSS
K. Morrissey, NMSS
R. Croteau, RII
C. Ogle, RII
A. Gody, RII
J. Moorman, RII
D. Seymour, RII
M. Lesser, RII
E. Michel, RII
R. Jackson, RII
M. Shannon, RII
B. Adkins, RII
W. Gloersen, RII
PUBLIC

**APPLICANT PERFORMANCE REVIEW
FOR SHAW AREVA MOX SERVICES
ASSESSMENT PERIOD: October 1, 2009– September 30, 2010**

The following is a summary of the performance of Shaw AREVA MOX Services in the conduct of NRC authorized activities.

I. PERFORMANCE AREA: MANAGEMENT MEASURES AND FACILITY CONSTRUCTION

This area is comprised of quality assurance program implementation and facility construction activities. Quality assurance includes program implementation; design and document control; control and inspection of materials, equipment and services; problem identification, resolution, and corrective action; 10 CFR Part 21 reporting; control of electronic management data; and safety interfaces. Facility construction included onsite construction activities, engineering activities, and supplier and vendor fabrication activities.

Program Area Needing Improvement

No specific areas needing improvement were identified.

II. PERFORMANCE AREA: SPECIAL TOPICS

This area is comprised of licensing activities, including the Fundamental Nuclear Material Control Plan and the Security Plan.

Program Areas Needing Improvement

No specific areas needing improvement were identified.