



NRC NEWS

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NRC ISSUES CONFIRMATORY ORDERS TO NUCLEAR FUEL SERVICES AND ITS CONTRACT PHYSICIAN

The Nuclear Regulatory Commission has issued four Confirmatory Orders requiring Nuclear Fuel Services and the company's contract physician to correct deficiencies stemming from a former senior company executive's violation of the NRC's fitness for duty requirements and the failure to administer required hearing tests to security officers.

The orders related to the fitness for duty issue require the Erwin, Tenn., based nuclear fuel fabrication facility to modify its fitness for duty procedures and training and establish avenues for the reporting of substance abuse-related concerns, including the creation of a corporate ethics hotline and policies allowing for anonymous reporting.

An extensive NRC investigation and review found that a senior executive at NFS consumed alcohol less than five hours before a scheduled working tour of the facility in 2006, an apparent violation of federal regulations. The NRC determined that the company failed to immediately relieve the executive of his duties and also failed to administer testing to determine his fitness for duty. Additional apparent violations were identified related to the company's review of the matter and the executive's return to work. That executive is no longer employed by NFS and the company was acquired by the Babcock & Wilcox Co. in early 2009.

The company's contract physician provided incomplete information to a contract professional retained by NFS to determine whether the senior executive was fit for duty. The NRC found that this lack of information caused NFS to make a less than fully-informed decision about the executive's status before he was returned to duty.

The contract physician also provided inaccurate information to NFS about the executive having entered a substance abuse rehabilitation program when he had not done so.

The order noted that NFS has completed "disciplinary action and organizational change with respect to the senior executive."

Two separate and unrelated orders require NFS and its contract physician to review processes, establish appropriate standards and take other corrective actions after a process error led to two security officers not being given required hearing tests. The contract physician certified that guards were medically qualified for duty despite not having taken the hearing test, but the officers were tested later and passed.

The Confirmatory Orders document the commitments NFS and the physician have made to the NRC, and those detailed were agreed upon as a result of the NRC's Alternative Dispute Resolution process. The ADR process uses a neutral mediator with no decision-making authority to assist the NRC and its license holders in resolving differences regarding enforcement actions. Often, the ADR process is more effective than traditional enforcement in developing broad, long-term corrective actions, thus producing a greater benefit for employee and public safety than a one-time fine or other enforcement action.

The NRC will not issue any violation or take any other enforcement action related to these issues. However, the NRC staff will evaluate the commitments during future inspections. Copies of the Confirmation Orders will be available on the NRC Web site at: www.nrc.gov/reading-rm/adams.html.

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