



Office for Nuclear Regulation (ONR) Quarterly Site Report for Urenco UK Limited Capenhurst

Report for period 1 July – 30 September 2014

Foreword

This report is issued as part of ONR's commitment to make information about inspection and regulatory activities relating to the above site available to the public. Reports are distributed quarterly to members of the Urenco UK Limited Local Liaison Committee and are available on the ONR website (<http://www.onr.org.uk/lc/>).

Site inspectors from ONR usually attend the Urenco UK Limited Local Liaison Committee meetings and will respond to any questions raised there. Any person wishing to inquire about matters covered by this report should contact ONR.

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1 INSPECTIONS

1.1 Dates of inspection

The ONR Site Inspector and other ONR Inspectors conducted interventions on the following dates during the quarter:

July	2, 8 & 31
August	6, 7, 14, 21, 27 & 28
September	4, 9, 12, 17, 22, 23, 25, 29 & 30

On 30 September, the ONR Deputy Chief Inspector responsible for the regulation of both the ONR Decommissioning, Fuel and Waste Programme, (within which Urenco UK Limited is regulated) and the Defence Programme, together with the ONR Superintending Inspector, met with the licensee's Managing Director and others, during a visit to the site.

2 ROUTINE MATTERS

2.1 Inspections

Inspections are undertaken as part of the process for monitoring compliance with:

- the conditions attached by ONR to the nuclear site licence granted under the Nuclear Installations Act 1965 (NIA65) (as amended);
- the Energy Act 2013
- the Health and Safety at Work Act 1974 (HSWA74); and
- regulations made under HSWA74, for example The Ionising Radiations Regulations 1999 (IRR99) and The Management of Health and Safety at Work Regulations 1999 (MHSWR99).

The inspections entail monitoring licensee's actions on the site in relation to incidents, operations, maintenance, projects, modifications, safety case changes and any other matters that may affect safety. The licensee is required to make and implement adequate arrangements under the conditions attached to the licence in order to ensure legal compliance. Inspections seek to judge both the adequacy of these arrangements and their implementation.

In this period, routine inspections of the Urenco UK Limited licensed site covered the following:

Nuclear Safety Case.

Aspects of the nuclear safety case, justifying the nuclear chemical processes being proposed at the Tails Management Facility, (TMF), currently under construction on the licensed site, were inspected by ONR inspectors, at a meeting held with the licensee on 28 August, followed by a further site meeting, including ONR and HSE Hazardous Installations Directorate, (HID), inspectors, on 4 September. The licensee readily agreed to develop further some aspects of the nuclear safety case, exemplified by further justification of the use of hydrogen within the TMF process. Regulatory advice on aspects of the TMF nuclear safety case was also provided by ONR specialist inspectors, at site meetings with the licensee on 31 July, 7, 14, 28 August, 1, 4 and 30 September.

The licensee sent a 'preliminary safety report' safety case. This related to the proposed construction of a 'Legacy Cylinder Facility', on part of the licensed site leased to Capenhurst

Nuclear Services Limited. This facility is intended to decant and filter legacy “Hex Tails” uranium hexafluoride, from ageing cylinders, stored within a building on the site, into modern transport cylinders. The modern transport cylinders will be used to transfer these legacy “Hex Tails” to the Tails Management Facility, currently under construction on the Capenhurst licensed site. The Tails Management Facility will ‘deconvert’ the uranium hexafluoride to a form of uranium oxide, more suitable for safer long term storage on the site. The safety case was assessed as adequate and ONR issued an “Acknowledgement” licence instrument, (see Section 4). The operation of this facility is timed to meet the commitment to ONR, from both the licensee and the Nuclear Decommissioning Authority, (NDA), to start the ‘deconversion’ of the legacy “Hex Tails”, by 2020. This commitment is contained within the extant Urenco UK Limited (“Hex Tails policy”) and Nuclear Decommissioning Authority (Storage Strategy for NDA Owned Uranium Hexafluoride Tails 2010, www.nda.gov.uk/publication/storage-strategy-for-nda-owned-uranium-hexafluoride-tails-2010/# policies, for reducing the hazard from legacy “Hex Tails”, in accordance with regulatory advice. This policy is due for periodic review in 2015 and ONR has arranged to participate in this review with NDA and the licensee.

Emergency Preparedness.

An ONR inspector provided regulatory advice on the licensee’s proposed scope for a forthcoming Level One (‘on site’) demonstration emergency exercise, to be observed by a team of ONR inspectors.

An ONR fire Safety specialist inspector provided regulatory advice regarding improvements required to the licensee’s information, provided to Cheshire Fire & Rescue Service, when they respond to the site, at a site meeting on 12 September.

Accumulation of radioactive waste, leakage and escape of radioactive material and radioactive waste, and decommissioning.

On 31 July, an ONR inspector conducted a site inspection of two facilities on the Capenhurst Nuclear Services Limited tenant operated part of the licensee’s site. This inspection provided assurance that the licensee was adequately complying with aspects of the requirements of the licensee’s arrangements for the relevant licence conditions. Regulatory advice was provided on a minor waste management issue, observed during the course of the site inspection, which the licensee promptly agreed to address.

Annual Review of Safety & Environment.

On 8 July, ONR, led by a Superintending Inspector, and the Environment Agency, participated in a joint meeting with the licensee and tenant organisations. The purpose was to assess the licensee’s overall review of the safety and environmental performance of the site, during the period of April 2013 to March 2014. The licensee’s review demonstrated an acceptable overall performance, with some opportunities for improvement clearly identified, which the licensee was promptly addressing. As part of this review, inspections were also made at an enrichment facility, together with storage areas for legacy uranium hexafluoride containers, pending eventual processing at site facilities.

Joint inspection, with the Environment Agency, of radioactive waste management arrangements and the ‘integrated waste strategy’, (IWS).

On 22 and 23 September, an ONR specialist inspector participated in a joint inspection, led by the Environment Agency, of the licensee’s arrangements for the management of radioactive waste on the licensed site and the implementation of an ‘integrated waste strategy’, by the licensee and the two major tenant organisations on the site. Regulatory advice was provided

by ONR to the licensee that a coordinated licensee IWS implementation plan across these three companies should be developed.

Leadership and Management for Safety.

An ONR Leadership and Management for Safety specialist inspector inspected aspects of the licensee's governance, the safety management system planning, monitoring performance, assurance and training, providing regulatory advice during meetings at the site on 6 and 20 August and 17 September.

Construction of the Tails Management Facility.

ONR assessment of the TMF Pre-Commencement Safety Reports is progressing, with associated ongoing interaction between the ONR assessment team and the licensee. At this stage, ONR has not identified any fundamental reason why the TMF could not operate safely.

Transport Compliance and Transport Permissioning.

ONR regulates radioactive materials transport through the Transport Compliance and Transport Permissioning sub-programmes, within the Cross-ONR Programme. On 9 September, the ONR Transport site inspector visited the site, to review progress with the actions raised during the ONR Transport inspection of aspects of the licensee's management system arrangements, in February 2014. We are pleased to report that all five actions were satisfactorily completed on time.

ONR Safeguards Programme.

There have been four routine safeguards inspections (Joint Euratom/IAEA) during this quarter which have not incurred any comments from the Inspectorates. Further to these, there have been two Limited Frequency Unannounced Access (LFUA) Inspections (a Type 1, triggered during routine inspection and a Type 3, triggered by IAEA). These have also raised no adverse comments. ONR Safeguards also addressed a minor incident on site, which involved a find of material. This has been resolved satisfactorily, following the licensee's investigation.

Conventional Fire Safety.

On 25 September, an ONR fire safety specialist inspector inspected a range of conventional fire safety matters at two of the enrichment facilities, providing regulatory advice during the course of these plant inspections.

Conventional Industrial Safety inspections.

The ONR investigation into the live 11 kV cable strike event has been progressed during this quarter, with a number of site visits. There have also been a number of incidents on the TMF construction site relating to conventional health and safety, which have been promptly reported to ONR under RIDDOR requirements and to which ONR is responding by commissioning timely investigation by construction safety specialist inspectors. The TMF construction site part of the Urenco UK Limited licensed site is leased to the Urenco ChemPlants Limited tenant organisation.

General comment.

In general, ONR judged the arrangements made and implemented by the site in response to safety requirements to be adequate in the areas inspected. However, where improvements

were considered necessary, the licensee made satisfactory commitments to address the issues, and the site inspector will monitor progress during future visits. Where necessary, ONR will take formal regulatory enforcement action to ensure that appropriate remedial measures are implemented to reasonably practicable timescales.

2.2 Other work

Meetings with the safety representatives.

Meetings are routinely held with the licensee's team of safety representatives and during plant inspections by ONR inspectors, such as at the annual review meeting on 8 July, to support their function of representing employees and receiving information on matters affecting their health, safety and welfare at work.

Local Liaison Committee.

The nominated site inspector participated in the meeting of the Local Liaison Committee, held near to the site on 2 July, addressing some minor queries on the ONR quarterly reports and explaining how ONR had assumed responsibility for the regulation of all aspects of safety at the site on 1 April 2014, when ONR had been established as a statutory corporation. ONR had formerly been an agency of the Health & Safety Executive, but was now separate from HSE. ONR is the independent safety and security regulator of the nuclear industry. Nuclear safety would continue to be inspected by ONR nuclear safety inspectors. Conventional industrial safety would be inspected by ONR conventional safety inspectors, except on construction sites, (such as at the Tails Management Facility), where ONR contracted specialist HSE construction safety inspectors to inspect on behalf of ONR. Similarly, for COMAH regulation, ONR had contracted HSE Hazardous Installations Inspectorate (HID) inspectors to regulate COMAH matters, (as part of the joint COMAH joint 'competent authority' of ONR and the Environment Agency). Consequently, the previous HSE HID inspector continued to regulate COMAH safety aspects of the Tails Management Facility. ONR aimed to achieve effective, efficient, joined up regulation of the entire Capenhurst licensed site. ONR also had responsibility for the regulation of civil nuclear security, Safeguards (nuclear materials accountancy) and the transport of radioactive materials. Further details of the work of ONR are on the ONR web site at www.onr.org.uk.

3 NON-ROUTINE MATTERS

Licensees are required to have arrangements to respond to non-routine matters and events. ONR inspectors judge the adequacy of the licensee's response, including actions taken to implement any necessary improvements.

ONR responses to two electrical cable strike events and other conventional safety events on the Tails Management Facility construction site area of the licensed site are noted earlier in this report.

ONR was promptly informed of relevant minor events on the licensed site during this period. ONR also participated in a constructive periodic regulatory liaison meeting, between the regulators and the licensee, addressing recent minor events, a range of nuclear safety performance metrics and other regulatory topics, at Capenhurst on 17 September.

4 REGULATORY ACTIVITY

ONR inspectors may issue formal documents to ensure compliance with regulatory requirements. Under nuclear site licence conditions, ONR issues regulatory documents, which either permit an activity or require some form of action to be taken; these are usually collectively termed 'Licence Instruments' (LIs), but can take other forms. In addition, inspectors may issue Enforcement Notices to secure improvements to safety.

No enforcement notices were issued in this period. Three 'Acknowledgement' Licence Instruments were issued during this period:

**Table 1
 Licence Instruments issued by ONR during this period**

Date	Type	Ref No	Description
17 July 2014	Licence Condition 19 Acknowledgement	533	Acknowledgement of receipt of a safety case, (a preliminary safety report) for the construction of a Legacy Cylinder Facility, planned to be constructed on part of the licensed site, which is leased to Capenhurst Nuclear Services Limited.
2 September 2014	Licence Condition 19 Acknowledgement	534	Acknowledgement of receipt of a safety case, relating to the Tails Management Facility Cylinder Handling Facility, currently under construction on part of the licensed site, which is leased to Urenco ChemPlants Limited.
2 September 2014	Licence Condition 19 Acknowledgement	535	Acknowledgement of receipt of a safety case, relating to the Tails Management Facility Hydrogen Fluoride Processing and Storage Facility, currently under construction on part of the licensed site, which is leased to Urenco ChemPlants Limited.
2 September 2014	The Ionising Radiations Regulations 1999 Certificate of Exemption	ONR No. 1	Ionising Radiations Regulations 1999 (IRR99) Exemption from Issuing Radiation Passbooks to Outside Workers Employed Solely at the Urenco UK Limited Capenhurst Nuclear Licensed site. Issued to Capenhurst Nuclear Services Limited
2 September 2014	The Ionising Radiations Regulations 1999 Certificate of Exemption	ONR No. 2	Ionising Radiations Regulations 1999 (IRR99) Exemption from Issuing Radiation Passbooks to Outside Workers Employed Solely at the Urenco UK Limited Capenhurst Nuclear Licensed site. Issued to Urenco UK Limited.

Changes to nuclear site licence conditions 1 and 3.

Licensees have been developing compliance arrangements in preparation for a change to licence condition 3, to be implemented on 1 October 2014. The new licence condition requires licensees to develop arrangements for handling property transactions, to allow for categorisation based on their nuclear safety significance. Licence condition 1 will also be amended, to include a new definition of 'property transaction'. Further changes to licence condition 1 are also being made to clarify ONR's interpretation of 'radioactive material'. An amendment to the Environmental Permitting Regulations 2010 had the potential to exclude

material ONR considers should be subject to nuclear safety regulation e.g. contaminated land. Variation number 1 to nuclear site licence 48E was issued by ONR on 23 September, for implementation on 1 October 2014.

Reports detailing regulatory decisions can be found on the ONR website at <http://www.onr.org.uk/pars/>.

5 NEWS FROM ONR

ONR is changing the way that it communicates enforcement action against licensees. With immediate effect, ONR will issue a press release to key journalists to communicate issue of prohibition notices (on the day the notice is issued), and improvement/other notices (after any applicable appeal period). The press release will be published on the [news centre](#) of the ONR website and via twitter, and will be reiterated in ONR's [Quarterly News](#).

Insight into ONR's work as an independent regulator of the nuclear industry can be found in ONR's Quarterly News. The online publication (<http://www.onr.org.uk/onr-quarterly-report.htm>) reports on the key themes and developments in each of ONR's regulatory programmes and provides an update about the ongoing changes at ONR. <http://www.onr.org.uk/index.htm>. For the latest news and updates from ONR, visit the website and sign up for our ebulletin at (<http://www.onr.org.uk/ebulletin/index.htm>).

6 CONTACTS

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