



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

July 23, 2001

J. William Vinzant
Regional Environmental Manager
Corporate Environmental Affairs
Kaiser Aluminum and Chemical Corporation
9141 Interline Avenue, Suite 1A
Baton Rouge, Louisiana 70809-1957

**SUBJECT: RESPONSE TO NRC INSPECTION REPORT 040-02377/00-02 DEVIATIONS
AND FOLLOWUP ITEMS**

Dear Mr. Vinzant:

Thank you for your letters of April 16 and May 25, 2001, in response to our letter of February 15, 2001, and inspection report. In our letter, we requested information on your proposed corrective actions related to five deviations identified in Inspection Report 40-2377/00-02.

We have reviewed your reply to the deviations and the Inspection Followup Items. Additionally, on May 7, 2001, we held a teleconference with you and members of your staff to further discuss your response to the deviations. The teleconference was held, in part, to discuss information that seemed to be missing from the April 16, 2001, letter and to understand why Kaiser seemed to disagree with Deviations Nos. 1, 2, and 5. Subsequently, by letter dated May 25, 2001, you provided supplemental information regarding Deviations Nos. 1, 2, 3, and 5. Overall, we found that the information Kaiser provided during the teleconference and the supplemental letter were responsive to the concerns raised in our deviations and inspection report. We have concluded that your corrective actions appear appropriate and responsive to our concerns.

Your letter dated April 16, 2001, also addressed the Inspection Followup Items (IFI) identified in Inspection Report 40-2377/00-02. During the May 7, 2001, teleconference, NRC staff expressed concerns with your response to IFI-011 regarding soil sample preparation prior to performing gamma spectroscopy on the sample. You provided information in the May 25, 2001, supplemental letter regarding your position that soil samples do not have to be dried or ground [sieved] as discussed in Section 7.3 of NUREG/CR-5849 which Kaiser committed to follow in the offsite remediation plan approved by NRC. The NRC's review of your forthcoming final status survey report will determine whether significant problems exist with your soil sample results that may warrant further evaluation. This IFI remains open pending resolution of this issue.

We will review the implementation of your corrective actions to the deviations during a future inspection and during the NRC's review of your forthcoming final status survey report to determine whether full compliance with the remediation plan has been achieved and will be maintained.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be made 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/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Should you have any questions concerning this inspection, please contact Mr. Louis C. Carson II at (817) 860-8234 or D. Blair Spitzberg at (817) 860-8191.

Sincerely,

/RA/

Dwight D. Chamberlain, Director
Division of Nuclear Materials Safety

Docket No.: 040-02377
License No.: STB-472 (Terminated March 1971)

cc w/copy of licensee's letters dated 04/16/01 & 05/25/01:
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