

March 20, 2003

Mr. Bradley A. Okoniewski, Manager
Safety, Health, Environmental & Facility Services
Cabot Corporation
P.O. Box 1608
County Line Road
Boyertown, PA 19512

SUBJECT: INSPECTION REPORT NO.40-6940/2003-201

Dear Mr. Okoniewski:

The U.S. Nuclear Regulatory Commission (NRC) conducted a pre-licensing chemical safety inspection at your facility in Boyertown, Pennsylvania, on February 28, 2003. The purpose of the inspection was to support the license renewal process by determining whether activities involving licensed materials were conducted safely and in accordance with NRC requirements. An exit meeting was held on February 28, 2003, during which time the inspection findings were discussed with you and members of your staff.

The inspection, which is described in the enclosure, focused on: 1) the most hazardous materials, activities, and plant conditions; 2) the most important controls relied on for safety; and 3) the principal management measures for ensuring controls are available and reliable to perform their function relied on for safety. The inspection consisted of facility walkdowns, selective examinations and discussion of relevant procedures and records, examinations of safety-related equipment, interviews with plant personnel, and observations of plant conditions and activities in progress. Throughout this inspection, observations were discussed with your managers and staff. Based on the inspection, your activities involving chemical hazards were found to be conducted safely and in accordance with regulatory requirements.

In accordance with 10 CFR 2.790 of NRC's "Rules of Practice," this document may be accessed on the internet through the NRC's public electronic reading room of the Agencywide Documents Access and Management System (ADAMS) at <http://www.nrc.gov/reading-rm/ADAMS.html>.

Bradley Okoniewski

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If you have any questions concerning this report, please contact Merritt Baker of my staff, at (301) 415-6155.

Sincerely,

/RA/

John Lubinski, Chief
Inspection Section
Special Projects and Inspection Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards

Docket No.: 40-6940

Enclosure: Inspection Report No. 40-6940/2003-201

cc: Timothy Knapp, Cabot
Timothy Hornig, Cabot
Kevin Harriger, Cabot

Bradley Okoniewski

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cc: Timothy Knapp, Cabot
Timothy Hornig, Cabot
Kevin Harringer, Cabot

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U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Docket No: 40-6940

License No.: SMB-920

Report No.: 40-6940/2003-201

Licensee: Cabot Corporation

Location: Boyertown, PA

Inspection Dates: February 28, 2003

Inspector: Merritt N. Baker, NMSS/FCSS/SPIB

Accompanied by: Diana Diaz-Toro, NMSS/FCSS/FCFB

Approved: John W. Lubinski, Chief
Inspection Section
Special Projects and Inspection Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards

ENCLOSURE

**Cabot Corporation
NRC Inspection Report
40-6940/2003-201**

EXECUTIVE SUMMARY

Introduction

Staff of the U. S. Nuclear Regulatory Commission (NRC) performed an announced chemical safety inspection of the Cabot Corporation facility in Boyertown, Pennsylvania, on February 28, 2003. The inspection focused on the most risk-significant plant operations.

Results

- ▶ No safety concerns were identified during the inspection.
- ▶ Plant operations in the observed areas were conducted safely and in accordance with regulatory requirements.
- ▶ Process safety management programs were in place and functioning.

REPORT DETAILS

1.0 Mechanical Integrity

a. Scope

The inspector examined the most recent records for inspection of the bulk hydrofluoric acid (HF) storage tank, performed by Honeywell Corporation, and performed a field examination of the tank and its ancillary components.

The inspector examined work instructions for relief valve replacement for the HF storage tank.

b. Observations and Findings

The inspector determined that the tank examinations and relief valve maintenance were performed at the prescribed frequency, with no unusual conditions identified. Material conditions of the tank, supports, piping, valves, instruments, berm area, and accessories were satisfactory.

c. Conclusions

The inspector concluded that the mechanical integrity program was capable of ensuring satisfactory condition of the tank and its safety instrumentation.

2.0 Critical Equipment List - Maintenance and Inspection [88062]

a. Scope

The inspector reviewed the licensee's critical equipment list to ensure that items relied on for safety, as identified by the hazard analysis, have been listed.

The inspector interviewed licensee staff regarding the backlog of maintenance activities and how it is controlled.

b. Observations and Findings

The inspector determined that the method for identifying components and designating preventive maintenance and inspection schedules was appropriate given the hazards identified.

The licensee presented the most recent management indicators, which showed that approximately 85% of maintenance activities were performed as scheduled. Records and tracking of maintenance activities provided reasonable assurance that safety related equipment is reliable and available to perform its designated function.

c. Conclusions

The inspector concluded that the licensee has developed an adequate preventive maintenance program for safety related equipment located on-site.

3.0 Open Items and Corrective Actions Tracking [88105]

a. Scope

The inspector reviewed the status of the licensee's corrective action tracking program for chemical operations, and interviewed licensee staff regarding the procedure for entering, documenting, prioritizing, and assigning responsibility for corrective actions.

b. Observations and Findings

The licensee presented a spreadsheet of corrective actions in the chemical operations area, which showed that less than 1 percent of the total number of corrective actions were past their internal due date. The program was capable of adequately investigating incidents to reduce the likelihood of recurrence on an incident.

c. Conclusions

The inspector concluded that the program is capable of tracking recommendation implementation and closure.

4.0 Conduct of Operations [88100]

a. Scope

The inspector performed a field walkdown of plant operating areas, including, but not limited to:

- ▶ bulk Hydrofluoric Acid storage tank;
- ▶ ore handling and preparation;
- ▶ digestion;
- ▶ extraction;
- ▶ filter press;
- ▶ control rooms;
- ▶ various outdoor locations.

At each location, the inspector interviewed licensee staff regarding important equipment and operations.

b. Observations and Findings

The material conditions of plant equipment in the observed areas was satisfactory. In the observed areas, housekeeping, postings, use of procedures, logbooks, data sheets, operator aids, and industrial safety were adequate. Safety showers and eyewash stations were in satisfactory condition.

c. Conclusions

Plant operations in the observed areas were conducted safely.

5.0 Management Meeting

The licensee presented an overview of all the aspects of the Process Safety Management programs, including: Process Hazard Analysis, operating procedures, training, contractors, pre-startup safety review, mechanical integrity, hot work permits, management of change, incident investigation, emergency planning and response, compliance audits, and trade secrets. The inspector interviewed the cognizant managers regarding details of the programs.

The results of the inspection were discussed with facility management at an exit meeting on February 28, 2003. Facility management acknowledged the inspection results. No proprietary information was discussed during the inspection.

6.0 Partial List of Persons Contacted

T. Dorward	Cabot-Chemicals Supervisor
*K. Harriger	Cabot-Chemicals Manager
*T. Hornig	Cabot-Safety, Health, & Environmental Manager
*T. Knapp	Cabot-Radiation Safety Officer
*J. McElwee	Cabot-Maintenance Manager
*R. Micklus	Cabot-Chemicals-Operations
*B. Okoniewski	Cabot-Safety, Health, Environmental, and Facilities Services Manager

*Denotes those present at the exit meeting on February 28, 2003.