

October 2, 2003

Mr. Rory O'Kane
Plant Manager
Honeywell International, Inc.
P.O. Box 430
Metropolis, IL 62690

SUBJECT: NRC INSPECTION REPORT 04003392/2003-004(DNMS)
AND NOTICE OF VIOLATION - HONEYWELL

Dear Mr. O'Kane:

On September 12, 2003, the NRC concluded a routine inspection at your Metropolis, Illinois, facility. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. The NRC inspectors discussed the findings with members of your staff at the conclusion of the inspection on September 12, 2003.

Areas examined during the inspection are identified in the enclosed report. Within these areas, the inspection included a selective examination of procedures and representative records, interviews with personnel, and observations of activities in progress.

Based on the results of the inspection, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding the violation are described in the enclosed report. The violation was cited for the failure to follow your Radioactive Waste Management Manual.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

R. O'Kane

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We will gladly discuss any questions you have concerning this inspection.

Sincerely,

/RA/

Kenneth G. O'Brien, Chief
Fuel Cycle Branch

Docket No. 04003392
License No. SUB-526

- Enclosures:
- 1. Notice of Violation
 - 2. Inspection Report No. 04003392/2003-004(DNMS)

cc w/encls: Gary Wright, Illinois Department of Nuclear Safety

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NOTICE OF VIOLATION

Honeywell International, Inc.
Metropolis Works

Docket No. 04003392
License No. SUB-526

During an NRC routine inspection conducted from August 25 through September 12, 2003, a violation of NRC requirements was identified. In accordance with NUREG-1600, "General Statement of Policy and Procedure for NRC Enforcement Actions," the violation is listed below:

License Condition 10 of NRC License No. SUB-526, Amendment No. 15, authorized in part, the use of licensed materials in accordance with the statements, representations, and conditions in Chapters 1 through 7 of the license application dated January 30, 2003.

Chapter 2, Section 2.6 of the application dated January 30, 2003, required that "Plant operations shall be conducted in accordance with written Standard Operating Procedure Manuals." The licensee's Standard Operating Procedure Manuals included the Procedure for Radioactive Waste Disposal.

The "Purpose" section of the Procedure for Radioactive Waste Disposal required, "In order to assure disposal site acceptance of low-level radioactive waste materials, Metropolis Works must comply with the following procedures, rules, and regulations...2. MTW [Metropolis Works] Waste Management Manual."

Contrary to the above, on August 28, 2003, the inspectors determined that Step 1.2.1 of the MTW Waste Management Manual (Manual) which required that cleaned and monitored material be marked with white spray paint and Step 1.1.3 of the Manual which required that radioactive waste storage areas be inspected quarterly by Health Physics (HP) were not being followed.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Honeywell International, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, Region II, U.S. Nuclear Regulatory Commission, Sam Nunn Atlanta Federal Center, 23 T85, 61 Forsyth Street, S.W., Atlanta, GA 30303-3415, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for the violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken to avoid further violations; and (4) the date when full compliance will be achieved. Your Notice of Violation response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (for example, explain why the disclosure of information will create an unwarranted invasion of personal privacy, or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 2nd day of October 2003

U. S. NUCLEAR REGULATORY COMMISSION

REGION III

Docket No. 04003392

License No. SUB-526

Report No. 04003392/2003-004(DNMS)

Licensee: Honeywell International, Inc.

Facility: Metropolis Works

Location: P.O. Box 430
Metropolis, Illinois 62690

Dates: August 25 through September 12, 2003

Inspectors: Bruce L. Bartlett, Senior Resident Inspector
Mary L. Thomas, Resident Inspector
Paducah Gaseous Diffusion Plant

Approved by: Kenneth G. O'Brien, Chief
Fuel Cycle Branch
Division of Nuclear Materials Safety

EXECUTIVE SUMMARY
Honeywell International, Incorporated
Metropolis Works
NRC Inspection Report 04003392/2003-004(DNMS)

This inspection included aspects of the licensee's radioactive waste management and environmental protection programs.

Operations

- The inspectors identified a minor violation regarding "B" Safety Council training. The licensee was taking corrective actions to ensure that all employees receive the required training. (Section O5.1)
- The inspectors reviewed three event notifications related to fire water piping failures and determined that there was a delay in the licensee's determining the root cause, and implementing appropriate corrective actions. (Section O5.2)

Waste Generation

- The inspectors concluded that the licensee maintained adequate management control of procedures and processes to ensure compliance with regulatory requirements for low level radioactive waste form, classification, stabilization, and shipping manifests. Management controls and responsibilities were clear. (Section R1.1)

Waste Management

- The inspectors determined that, overall, radioactive waste storage, segregation, characterization, and processing were done in compliance with NRC regulatory requirements. However, the inspectors identified one violation for the licensee's failure to comply with its Waste Management Manual. (Section R1.2)

Waste Storage

- The inspectors determined that the licensee stored low level radioactive waste in accordance with NRC regulatory requirements. Licensed material was properly stored at the licensee's facility and the documentation was adequate to account for the radioactive waste being stored. (Section R1.3)

Environmental Monitoring

- The inspectors determined that the licensee's environmental monitoring program was conducted in accordance with NRC regulatory requirements. However, the inspectors also determined that the licensee's efforts to ensure accurate flow data was obtained at liquid effluent Outfall Number 2 was weak. (Section R1.4)

Management Organization and Controls

- The inspectors verified that individuals who filled the staff positions which directly relate to the administration and supervision of the NRC regulatory compliance program were qualified as required. The inspectors determined that the licensee established onsite safety review committees that functioned as required. The inspectors identified a weakness in the licensee's control of procedures. (Section MC1)

Report Details

I. Operations

O5 Operator Training and Qualification

O5.1 Operator Training and Re-Training

a. Inspection Scope (88010)

The inspectors assessed licensee training and re-training of operators to ensure compliance with 10 CFR 19.12, "Instructions to Workers" and Sections 2.5, 10.6, and 13.4.7 of the application dated January 30, 2003. The inspectors discussed training with several operators and supervisors. The inspectors reviewed records of training for selected employees, records of monthly "B" Safety Council meetings, and the annual health physics quiz. The inspectors also reviewed the following documents:

- Metropolis Works Training Administration Manual;
- Policy AD-3, Physical Examinations;
- Policy AD-8, Process Retraining Requirements Policy;
- Policy PD-5, Annual Testing; and
- Plant Training Program Audit, July 21-29, 2003.

b. Observations and Findings

The inspectors compared the training required by the license to that which the licensee conducted. For new employees, the required training (i.e., safety orientation, health physics orientation, hearing conservation, and hazard communication) was entered into the licensee's training record database as "New Employee Safety Indoctrination (NESI)." With respect to hearing conservation training, the inspectors noted there was a requirement for an audiometric test in Policy AD-3, but there was no specific item for hearing conservation training. The inspectors determined that the plant nurse conducted the hearing conservation training and the audiometric test with each new employee and annually with each employee as part of the physical examination.

The inspectors determined that an employee's training record maintained by the Training Coordinator indicated that the employee was not given the NESI. The licensee hired the employee on September 10, 2001. Human Resources maintained a check-sheet used to document that each employee attended the NESI. The licensee subsequently located the check-sheet in the employee's Human Resources file because it had not been turned over to the Training Coordinator for entry into the plant's training record database.

The inspectors determined that several employees missed several "B" Safety Council meetings. Condition 10 of NRC License No. SUB-526 requires that licensed materials be used in accordance with the statements, representations, and conditions in the license application dated January 30, 2003. Section 2.5 of the application dated

January 30, 2003, required all experienced employees to be re-instructed in safety hazards and proper radiation protection procedures at monthly "B" Safety Council meetings. The failure of several employees to attend the "B" Safety Council meetings is a violation of Condition 10 of the NRC license. Licensee staff stated that make-up monthly "B" Safety Council meetings would be held to ensure that all employees receive the required training. The inspectors determined that the violation is of minor safety significance and it is not subject to formal enforcement action in accordance with Section IV of the NRC Enforcement Policy. (NRC Identified)

Other records indicated that each employee had received the initial safety training and each employee was current with regard to job specific refresher training, "B" Safety Council meetings, and the annual health physics quiz.

Each department administered refresher training. The Operations Department generated a weekly list for operations personnel indicating the schedule for refresher training. The inspectors determined that the operators were cognizant of their training requirements.

c. Conclusions

The inspectors identified a minor violation regarding "B" Safety Council training. The licensee was taking corrective actions to ensure that all employees receive the required training.

O5.2 High Pressure Fire Water Piping Failures

a. Inspection Scope (88010 and TI 2600/003)

The inspectors performed routine follow up of the licensee's reports of three fire water piping failures during training exercises. The inspectors walked down the new hydrogen fluoride (HF) mitigation system and fire water pump, and they reviewed the following documents:

- Event Number 39899, Safety Equipment Failure, dated June 2, 2003, and associated 30-day written report;
- Event Number 40015, Safety Equipment Failure, dated July 23, 2003, and associated 30-day written report;
- Event Number 40089, Safety Equipment Failure, dated August 19, 2003, and associated 30-day written report; and
- Honeywell internal interoffice memo from J.P. Bryan to Darren Mays, dated August 21, 2003, "Recent Fire Water Piping Failures."

b. Observations and Findings

During training exercises involving the new HF mitigation towers, the licensee discovered leaks coming from various segments of the fire protection system piping which supplied water to the new towers. These leaks began on June 2, 2003, and the licensee repaired the leaks as soon as they were identified. However, the licensee's

repair of the leaks also caused the operations staff to shut down portions of the plant to permit segments of the fire protection piping to be isolated.

The licensee's root cause analysis team did not identify the root cause for the leaks until August 19, 2003, after the third event. At that time, the licensee utilized additional resources to compare their new HF mitigation towers to the new HF mitigation towers that were installed at the licensee's other chemical manufacturing facilities. The licensee determined that the new towers were being maintained empty in order to avoid freezing during the upcoming winter; however, this approach appeared to create a potential for a sudden pressure surge (water hammer) during tower filling. The HF mitigation towers at the other facilities were installed to preclude a water hammer event. The licensee modified the new HF mitigation towers so they remained full of water and, during subsequent testing, a water hammer condition was not observed. The licensee initiated planning for the modifications needed to ensure that the towers do not freeze during the winter.

The inspectors had no further questions. These event notifications and their written reports are closed.

c. Conclusions

The inspectors reviewed three event notifications related to fire water piping failures and determined that there was a delay in the licensee's determining the root cause, and implementing appropriate corrective actions. The three event notifications and their written reports were closed.

IV. Plant Support

R1 Waste Generation, Waste Management , and Environmental Monitoring

R1.1 Waste Generation

a. Inspection Scope (84850)

The inspectors verified that the licensee established and maintained adequate management control of procedures and processes to ensure compliance with regulatory requirements for low level radioactive waste form, classification, stabilization, and shipping manifests. The inspectors reviewed selected radioactive waste shipping manifests in order to verify that the documentation included the required information. The inspectors also interviewed licensee personnel and reviewed selected records to ensure that low-level radioactive wastes were properly classified in accordance with NRC requirements. The inspectors also reviewed the following documents:

- Low Level Radioactive Waste Manifest RACE 03-06, shipped July 25, 2003;
- Low Level Radioactive Waste Manifest RACE 03-05, shipped May 30, 2003;
- Waste Management Manual, dated August, 1998, revised September 2001;
- Procedure for Radioactive Waste Disposal, dated January 11, 2002;

- License Section 5.6, Radioactive Waste Management; and
- License Chapter 9, Facility Description.

b. Observations and Findings

Based upon an initial review of shipping records, the inspectors determined that the records documented an excessive delay between shipment from the facility and receipt of the shipments. However, the licensee supplied additional information from which the licensee determined that the original documentation supplied by the waste receiver was unusable due to computer software problems. The actual receipts were within reasonable time frames.

Management controls and responsibilities were clear. No significant issues were identified.

c. Conclusions

The inspectors concluded that the licensee maintained adequate management control of procedures and processes to ensure compliance with regulatory requirements for low level radioactive waste form, classification, stabilization, and shipping manifests. Management controls and responsibilities were clear.

R1.2 Radioactive Waste Management

a. Inspection Scope (88035)

The inspectors assessed the licensee's radioactive waste management program for solid wastes. The assessment included a review of radioactive waste storage, segregation, characterization, and processing. The inspectors also reviewed the following documents:

- Waste Management Manual, dated August, 1998, revised September 2001;
- Procedure for Radioactive Waste Disposal, dated January 11, 2002;
- Section 5.6, "Radioactive Waste Management" of the licensee's application dated January 30, 2003; and
- Chapter 9, "Facility Description" of the licensee's application dated January 30, 2003.

b. Observations and Findings

The inspectors determined that licensee personnel did not implement some internal procedural requirements. The inspectors observed that some radioactive waste was stored near non-radioactive waste and the waste vessels were not controlled near the maintenance shop. The inspectors observed that two small skids of non-radioactive waste metals were next to an inter-modal container of metal waste that was awaiting shipment to a local metals recycler. Another skid of radioactive waste was nearby and some material in the skid, near the skid and in the inter-modal container of

non-radioactive waste was marked with red spray paint. The licensee's Waste Management Manual Step 1.2.1, indicated that non-radioactive metals would be marked with white spray paint. During the inspectors' tour of non-radioactive metals waste bins on site, no material was found that was marked with white spray paint.

In response to the inspector's observations, the licensee monitored the material near the maintenance shop. The material in the inter-modal container was determined to be non-radioactive. Licensee staff informed the inspectors that the Waste Management Manual was not routinely used, that the health physics (HP) Supervisor had recently requested his technicians to use red spray paint to designate contaminated metals, and that a maintenance supervisor used red spray paint to designate some non-radioactive metals to be scrapped.

The HP Supervisor informed the inspectors that he would request other departments to stop using red spray paint, that the material on the skids and in the inter-modal container would be monitored for radiation, and the inter-modal container would be placed in a locked area to prevent loading with radioactive material.

Step 1.1.3 of the Waste Management Manual required that radioactive waste storage areas be inspected quarterly by HP. The inspectors determined that the required quarterly inspections were not performed. Although licensee staff conducted tours and inspections more frequently than quarterly, the tours and inspections were not done in accordance with the Waste Management Manual and they were not documented.

Condition 10 of NRC License No. SUB-526 requires that licensed materials be used in accordance with the statements, representations, and conditions in the license application dated January 30, 2003. Chapter 2, Section 2.6 of the application required that "Plant operations shall be conducted in accordance with written Standard Operating Procedure Manuals." The licensee's Procedure for Radioactive Waste Disposal was part of the Standard Operating Procedure Manuals. The "Purpose" section of the Procedure for Radioactive Waste Disposal, requires that, "In order to assure disposal site acceptance of low-level radioactive waste materials, Metropolis Works must comply with the following procedures, rules, and regulations...2. MTW [Metropolis Works] Waste Management Manual." Contrary to the above, on August 28, 2003, the inspectors determined that Step 1.2.1 which required that cleaned and monitored material be marked with white spray paint and Step 1.1.3 which required that radioactive waste storage areas be inspected quarterly by HP were not followed.

(VIO 04003392/2003004-01)

c. Conclusions

The inspectors determined that, overall, radioactive waste storage, segregation, characterization, and processing were done in compliance with NRC regulatory requirements. However, the inspectors identified one violation for the licensee's failure to comply with its Waste Management Manual.

R1.3 Low Level Radioactive Waste Storage

a. Inspection Scope (84900)

The inspectors reviewed the licensee's procedure for storage of low-level radioactive waste, toured the site to observe storage areas, and discussed the waste storage program with a cognizant licensee representative.

b. Observations and Findings

The inspectors observed that radioactive waste was stored close to standing water inside of a storage shed. Licensee staff stated that a sump pump in one corner of the shed was degraded and unreliable. Rain came through the open doors of the storage shed but the water was not always pumped out in a timely manner. The inspectors did not observe standing water near the area where the barrels of radioactive waste were stored, but did observe water stains and other evidence that water occasionally accumulated near the barrels. Licensee staff stated that the sump pump was operated in a manual mode and that they did not allow water to be standing where the radioactive waste was stored.

The licensee was in the process of reducing the amount of radioactive waste being stored on site. Substantial progress had been made; however, due to contractual problems, no work was being performed until new contractors were selected.

The inspectors determined that the licensee complied with its possession limits, radiation surveys were performed, and records were adequate to account for stored radioactive waste.

c. Conclusions

The inspectors determined that the licensee stored low level radioactive waste in accordance with NRC regulatory requirements. Licensed material was properly stored at the licensee's facility and the documentation was adequate to account for the radioactive waste being stored.

R1.4 Environmental Monitoring

a. Inspection Scope (88045)

The inspectors reviewed the licensee's environmental protection program to verify that commitments were being met, adequate management controls were being maintained, and that the impact on the environment and the public was minimal. The inspectors accompanied the environmental technician during the daily gathering of data from Outfall Number 002 (all plant liquid effluent discharges through Outfall Number 2). The inspectors reviewed the following documents:

- License Condition 11.8.1, Gaseous Effluent Monitoring Program;
- License Condition 11.8.2, Liquid Effluent Monitoring Program;
- License Chapter 4, Environmental Protection;

- Procedure for Control of Gaseous Effluents, dated August 19, 1996;
- Procedure for Control of Liquid Effluents, dated August 19, 1996;
- Procedure for Collecting Environmental Samples, dated August 19, 1996;
- Procedure for Determination of Uranium in Environmental Materials, dated August 19, 1996;
- Procedure for Review of Radiological Environmental Monitoring Program (REMP) Data, dated August 19, 1996;
- Semi-Annual Effluent Report submitted to NRC, dated August 25, 2003;
- Semi-Annual Effluent Report submitted to NRC, dated September 6, 2002;
- Liquid Effluent Report for First Quarter 2003;
- Liquid Effluent Report for Second Quarter 2003;
- Gaseous Effluent Report for First Quarter 2003; and
- Gaseous Effluent Report for Second Quarter 2003.

b. Observations and Findings

The inspectors observed that the material condition of the flow measuring instruments and the sample gathering pumps was good. Health Physics personnel determined that the total measured uranium content in the effluents was significantly less than plant and regulatory limits. In addition, historical data indicated that the measured values were regularly low and consistent from day to day.

The inspectors determined that licensee personnel did not regularly calibrate an ultrasonic level indicator that was used to determine the flow rate of water through the Outfall Number 2 weir (weirs are structures which are inserted in channels to measure flow). Licensee staff stated that they performed periodic calibration checks of the ultrasonic gage by comparing the distance measured by the gage to a calibrated tape measure, but that this was neither proceduralized nor required. The inspectors determined that the ultrasonic gage was used for approximately two years without any periodic calibrations.

The inspectors also determined that the flow rate determined using the weir at the outfall did not correspond to alternative measurements. A significant fraction of the flow measured at the outfall was from the output of two deep well pumps. The pumps did not have flow measuring instruments but the inspectors estimated a flow value using the pump's total developed head (TDH) and the pump operating curves supplied by the pump manufacturer. Total flow from the two operating pumps was calculated to be approximately 4.2 million gallons per day (GPD) while flow using the weir at the outfall was estimated to be 3.4 million GPD. The flow value indicated by the pump TDH was subject to large uncertainties due to a lack of data on the height of the water table and wear of the pump impellers. Nevertheless, the difference of 800,000 GPD (or 23.5

percent of the weir value) was excessive. The inspectors re-assessed the location of the ultrasonic level indicator and determined that it was located too close to the weir notch.

The licensee installed the rectangular, sharp-crested weir in the early 1980s. Originally, level was measured using a stilling basin; however, sometime later the stilling basin was abandoned and an ultrasonic level measuring device was suspended over the flume. Industry guidance states that level should not be measured any closer to the weir notch than four times the height of the weir notch to avoid the effects of draw down. Since the weir notch was 15 inches, the recommended minimum distance would be 60 inches. The inspectors determined that the ultrasonic head was mounted 30.25 inches from the weir and so it was adversely affected by the velocity head.

The inspectors compared the level (and thus flow) measured by the ultrasonic head to the level indicated by the imbedded metal plate on the side of the flume. The measurements differed by 0.443 inches or about 260,000 GPD. The 260,000 GPD difference equated to a 6.5 percent non-conservative bias at that flow rate (higher or lower flow rates would increase or decrease the non-conservative bias to as much as 30 percent).

The inspectors also observed that sand, gravel and other small debris settled in the flume immediately prior to the weir, and the resulting increase in fluid velocity introduced level perturbations. Licensee staff stated that they believed the amount of debris in the flume was greater than expected due to construction activities for the new HF mitigation activities that washed gravel and sand into the storm drains. Licensee staff stated that they would move the regular cleaning of the flume from next summer to later this year.

The inspectors assessed the non-conservative bias and determined that, even if the licensee's flow measurements were in error by 30 percent, the regulatory limits on liquid effluent releases to the environment would not be exceeded. The licensee agreed to initiate an internal tracking item to re-evaluate the accuracy of the Outfall Number 2 flow measurement and to revise any liquid effluent reports as necessary. The inspectors will continue to monitor the licensee's efforts regarding liquid effluent flow measurements and this item will remain an Inspectors Follow-up Item (04003392/2003-004-02). The inspectors identified a weakness in the licensee's efforts to ensure accurate flow data was obtained.

The inspectors reviewed the data gathered from the ambient air monitoring stations on a weekly basis. The data was reasonable and consistent with previous data. The inspectors determined that the material condition of the monitoring stations was good. The inspectors assessed the exterior of several monitoring stations to verify that the monitoring stations were in good material condition.

The inspectors determined that required data was submitted to the NRC and there were no adverse trends or obvious mistakes. The inspectors also determined that the semi-annual "Facility Effluent Report" for the time frame July 1, 2002, through December 31, 2002, was submitted late. The licensee's effluent report was dated March 6, 2003, five days past the "within 60 days of January 1" requirement in 10 CFR 40.65(a). The inspectors determined that the submittal of the required report five days late constituted a violation of minor safety significance and was not subject to formal enforcement action in accordance with Section IV of the NRC Enforcement Policy. (NRC Identified)

The inspectors determined that there were no significant program or procedure changes since the last inspection. The Environmental Supervisor reported to a new Manager of Regulatory Affairs. The inspectors determined that the new manager met the experience and education requirements and had several years experience at the licensee's facility. In addition, the HP Supervisor retired and was replaced. The inspectors verified that the new HP Supervisor met the education and experience requirements.

c. Conclusions

The inspectors determined that the licensee's environmental monitoring program was conducted in accordance with NRC regulatory requirements. The inspectors identified a minor violation for a late semi-annual effluent report. The licensee's efforts to ensure accurate flow data was obtained at liquid effluent Outfall Number 2 was weak. One Inspector Follow-Up Item related to licensee flow data was identified.

P8 Miscellaneous Emergency Preparedness Issues

P8.1 Open Items (92700)

P8.1.1 (Closed) IFI 04003392/2002-008-01: Licensee actions to address scenario management issues regarding the prompting of participants to take specific actions. The licensee's corrective action for this IFI was to train the exercise controllers not to prompt the exercise participants. This would ensure that the participants' performance would be accurately assessed. The inspectors had no further questions. This item is closed.

P8.1.2 (Closed) IFI 04003392/2002-008-02: Licensee actions to address the process/basis for downgrading an event declaration. The licensee's corrective action for this IFI was to re-train the incident commander and crisis manager to use the correct methodology to downgrade an event. The inspectors had no further questions. This item is closed.

MC1 Management Organization and Controls

MC1.1 Management Organization, Safety Review Committees, and Procedure Control

a. Inspection Scope (88005)

The inspectors evaluated whether the licensee had an established organization with defined qualifications, responsibilities, and functions to administer the technical programs. The inspectors also evaluated whether the licensee established onsite safety review committees (or their equivalents) that functioned in accordance with NRC regulatory requirements. In addition, the inspectors evaluated whether the licensee had governing policies and procedures and implemented a system of operating procedures to ensure the use of only approved and current procedures, and that approved procedures exist for all plant functions affecting safety. The inspectors reviewed the following documents:

- Policy AD-7, Procedure Control;
- Policy PT-2, Standard Operating Procedures;

- Calendar Year 2003 to date, "A" Council Meeting Minutes;
- Calendar Year 2003 to date, "B" Council Meeting Minutes; and
- Calendar Year 2002 and 2003 to date, ALARA Meeting Minutes.

b. Observations and Findings

Section 2.2 of the licensee's application dated January 30, 2003, required that staff with positions that directly relate to the administration and supervision of the NRC regulatory compliance program meet certain qualifications. These positions were: Manager - Regulatory Affairs, Health Physics Supervisor, Health Physics Team Leader, Health Physics Specialist, Manager Engineering, and Supervisor-Management Assurance/Training Specialist. Since the previous inspection, the individuals filling these positions had changed. The inspectors determined that the individuals now filling those positions met the regulatory requirements. The Manager Engineering position was vacant at the time of inspection.

Section 2.3 of the licensee's application dated January 30, 2003, required the establishment of three committees, the "A" Council Safety Committee, the "B" Council Safety Committee, and an As-Low-As-Reasonably-Achievable (ALARA) Committee. The inspectors confirmed that the "A" and "B" Council Safety Committee meetings were conducted and the composition of the committees was in accordance with NRC regulatory requirements. In addition, the inspectors attended a "B" Council Safety Committee meeting and noted that attendees included the Health Physics (HP) Manager, various supervisors, and hourly personnel. The committee discussed recent safety accidents and the "chemical of the month" (i.e., hydrofluoric acid). In addition, the committee reviewed certain safety procedures, regulations, and the status of safety projects.

Section 13.4.4 of the licensee's application dated January 30, 2003, required standard operating procedures (SOP) to be reviewed at least every 3 years and to be certified as current at the beginning of each calendar year. The inspectors determined that certifying SOPs as current at the beginning of each calendar year was included in Policy PT-2, but Policy AD-7 did not contain any requirement to review existing procedures. The inspectors considered the lack of a requirement to review existing procedures a weakness in the licensee's control of procedures.

c. Conclusion

The inspectors verified that individuals who filled the staff positions which directly relate to the administration and supervision of the NRC regulatory compliance program were qualified as required. The inspectors determined that the licensee established onsite safety review committees that functioned as required. The inspectors identified a weakness in the licensee's control of procedures.

V. Management Meetings

X1 Exit Meeting Summary

The inspectors presented the inspection results to members of the plant staff and management at the conclusion of the inspection on September 12, 2003. The plant staff acknowledged the findings presented. The inspectors asked the plant staff whether any materials examined during the inspection should be considered proprietary. No proprietary information was identified.

PARTIAL LIST OF PERSONS CONTACTED

Honeywell International, Inc.

- *R. O’Kane, Plant Manager
- * D. Mays, Manager, Health, Safety and Regulatory Affairs
- *M. Ginzal, Health Physics Supervisor
- *R. Allshouse, Supervisor, Quality Assurance/Training
- *W. Becht, Manager, Maintenance
- B. Hemsley, Fluorine Products Leader
- P. Bryan, Nuclear Services

Other members of the licensee’s staff were also contacted during the inspection.

- * Denotes those attending the exit meeting on September 12, 2003

INSPECTION PROCEDURES USED

- IP 84850 Radioactive Waste Management - Inspection of Waste Generator Requirements of 10 CFR Part 20 and 10 CFR Part 61
- IP 84900 Low-Level Radioactive Waste Storage
- IP 88005 Management Organization and Controls
- IP 88010 Operator Training/Re-Training
- IP 88035 Radioactive Waste Management
- IP 88045 Environmental Protection
- IP 92701 Followup

ITEMS OPENED, CLOSED, AND DISCUSSED

Opened

- | | | |
|-----------------------|-----|---|
| 04003392/2002-004-001 | VIO | Failure to follow Radioactive Waste Management Manual |
| 04003392/2002-004-002 | IFI | Outfall instrumentation inaccuracies |

Closed

04003392/2002-008-01	IFI	Licensee actions to address scenario management issues regarding the prompting of participants to take specific actions.
04003392/2002-008-02	IFI	Licensee actions to address the process/basis for downgrading an event declaration.
Event Number 39899	LER	Safety Equipment Failure, dated June 2, 2003, and associated 30 day written report.
Event Number 40015	LER	Safety Equipment Failure, dated July 23, 2003, and associated 30 day written report.
Event Number 40089	LER	Safety Equipment Failure, dated August 19, 2003, and associated 30 day written report.

Discussed

None

ACRONYMS and INITIALISMS

ADAMS	Agencywide Document Access and Management System
ALARA	As-Low-As-Reasonably-Achievable
CFR	Code of Federal Regulations
GPD	Gallons Per Day
HF	Hydrogen Fluoride
HP	Health Physics
NESI	New Employee Safety Indoctrination
NRC	Nuclear Regulatory Commission
PARS	Publicly Available Records
PDR	Public Document Room
PERR	Public Electronic Reading Room
SOP	Standard Operating Procedure
TDH	Totaled Developed Head