May 27, 2004

Mr. Rory J. O'Kane, Plant Manager
Honeywell International, Inc.
P. O. Box 430
Metropolis, Illinois 62960

Dear Mr. O'Kane:

We received your letter of September 30, 2003, as your response to U.S. Nuclear Regulatory Commission (NRC) Bulletin 2003-003 (BL-2003-003), "Potentially Defective 1-Inch Valves for Uranium Hexafluoride Cylinders," dated August 29, 2003. NRC has reviewed your response and finds it does not meet the intent of BL-2003-003 to the extent that it appears to provide for Honeywell filling and shipping customer-owned cylinders with Hunt valves installed without first adequately demonstrating that the valves on such cylinders meet the requirements of ANSI Standard N14.1.

NRC understands from its response that Honeywell will not ship any Honeywell-owned filled uranium hexafluoride (UF_6) cylinders after the 12-month transition period specified in the bulletin. However, Honeywell's response leaves open the prospect that it will ship a filled customer-owned UF_6 cylinder upon presentation of a certificate from the cylinder's owner demonstrating only that the 100 psig air test had been satisfactorily passed. Numerous other requirements of the ANSI N14.1 Standard would not be addressed. Demonstration that the 100 psig air test had been passed, in combination with the procedures Honeywell described in its response, is suitable for shipment of filled UF_6 cylinders during the 12-month transition period, but a more comprehensive demonstration of compliance with ANSI Standard N14.1 would be needed for any shipments that occurred after the transition period ended, considering that Action Addressees were instructed not to reference or rely on QA documentation provided by the Hunt Valve Company. BL-2003-003 specified numerous additional requirements for demonstrating that a Hunt valve met the ANSI N14.1 Standard in the bulletin's NRC Requested Action B for valves not yet installed.

NRC would find Honeywell's response to BL-2003-003 acceptable if amended to state that customer-owned UF_6 cylinders presented for filling by Honeywell would not be shipped after the end of the 12-month transition period unless and until any installed Hunt 1-inch valves were replaced with valves from an alternative manufacturer that can verify compliance of the valves with the ANSI N14.1 Standard. Based on the recently NRC-approved response of the United States Enrichment Corporation (USEC) to BL-2003-003, NRC does not expect USEC to be presenting empty cylinders with Hunt valves installed for filling by Honeywell beyond the 12-month transition period. Therefore, such an amendment to your response would not be likely to affect the domestic nuclear fuel cycle.

NRC staff are ready to engage in further discussion with Honeywell representatives if that is desired, before Honeywell resubmits a revised response to BL-2003-003. If you have any further questions, please contact Lance Lessler, of my staff, at (301) 415-8144.

Sincerely,

/RA/

Robert C. Pierson, Director
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-7003

cc: Rick Boyle, DOT
S. A. Toelle, USEC

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