



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-4005**

January 11, 2005

Mr. Bill Boycott, Plant Manager  
Agrium U.S., Inc.  
P.O. Box 575  
Kenai, Alaska 99611

**SUBJECT: NRC INSPECTION REPORT 030-11717/04-002 (FORM 591M)**

Dear Mr. Boycott:

This letter and the enclosed NRC Form 591M refer to the inspection conducted on December 16, 2004, at your facility in Kenai, Alaska. This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records. The inspection results were discussed with John Coston, Radiation Safety Officer, at the conclusion of the onsite inspection and on December 22, 2004.

The NRC has determined that two non-cited violations (NCVs) of NRC requirements occurred involving the failures to: (1) conduct an annual radiation protection review in 1999, and (2) provide dosimetry to workers from July 2000 to April 2004. These violations are being treated as NCVs consistent with Section VI.A of the Enforcement Policy. If you contest the violation or significance of the NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011; and the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

With regard to the NCV on dosimetry, you are reminded that an written evaluation to determine the need for dosimetry may be substantial evidence to offset the need for periodic monitoring as is currently required in your license.

No response to this letter or the enclosed NRC Form 591M is required.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response 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>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Please note that on October 25, 2004, the NRC suspended public access to ADAMS, and initiated an additional security review of publicly available documents to ensure that potentially sensitive information is removed from the ADAMS database accessible through the NRC's web site. Interested members of the public may obtain copies of the referenced documents for review and/or copying by contacting the Public Document Room pending resumption of public access to ADAMS. The NRC Public Document Room is located at NRC Headquarters in Rockville, MD, and can be contacted at 800-397-4209 or 301-415-4737 or [pdr@nrc.gov](mailto:pdr@nrc.gov).

Should you have any questions concerning this letter, please contact the undersigned at (817) 860-8140.

Sincerely,

***/RA JCruz for/***

Lawrence Donovan, Health Physicist  
Nuclear Materials Inspection Branch

Docket No.: 030-11717  
License No.: 50-16832-01

Enclosure: As stated

cc w/enclosure:  
Alaska Radiation Control Program Director

bcc w/enclosure (via ADAMS distrib):

CLCain

JEWhitten

JCruz

LDonovan

KEGardin

NMIB

RIV Nuclear Materials File - 5<sup>th</sup> Floor

ADAMS: X Yes     No    Initials: ld  
X Publicly Available     Non-Publicly Available     Sensitive    X Non-Sensitive

DOCUMENT NAME: s:\dnms\!nmib\donovan\41171702-591M.wpd

RIV:DNMS:NMIB	C:NMIB
LDonovan	JCruz
<b>/RA JCruz for/</b>	<b>/RA/</b>
01/04/05	01/11/05

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

1. LICENSEE/LOCATION INSPECTED: Agrium U.S., Inc. P.O. Box 575 Kenai, Alaska 99611  REPORT NUMBER(S)    04-002	2. NRC/REGIONAL OFFICE  <b>USNRC Region IV</b> <b>611 Ryan Plaza Drive</b> <b>Arlington, Texas 76011-4005</b>	
3. DOCKET NUMBER(S) 030-11717	4. LICENSEE NUMBER(S) 50-16832-01	5. DATE(S) OF INSPECTION December 16, 2004

**LICENSEE:**

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

\_\_\_\_\_ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 1. Failure to conduct an annual radiation protection review in 1999;
- 2. Failure to provide dosimetry from July 2000 to April 2004

- 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)

**Licensee's Statement of Corrective Actions for Item 4, above.**

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	<b>Lawrence Donovan</b>	<b>/RA JCruz for/</b>	<b>01/11/05</b>