H5-08475-02

Smurfit-Stone

ContainerBoard Mill Division
West Point Mill

Human Resources Department

Gerry Barnes Manager, Human Resources

March 28, 2005

Mr. Sattar Lodhi, Ph.D.
Division of Nuclear Materials Safety
US Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406

VIA FAX (610)337-5269

Dear Dr. Lodhi:

I appreciate you returning my call this morning, and the opportunity to discuss your findings when you visited the mill last week. I apologize for being unavailable to meet with you at that time.

As you pointed out, we have a pressing need to re-establish a more effective process of management oversight, to ensure full and consistent compliance with NRC regulations governing radiation sources that we use in the mill. I assure you that those practices and procedures will be implemented right away, and that we will send you complete details of our actions.

With respect to the most recent management review, which was part of our environmental audit in April of 2004, I have found that it does not meet all of the oversight requirements. A more comprehensive process will be implemented before the end of April, 2005. This will encompass an inventory and safety (leak) inspection at least every 6 months, so that we do not miss any cycle.

We have investigated the radiation source you identified during your visit as being scheduled for removal, but not included on our inventory list. This device, model #104P has been in the mill, and properly accounted for since 1987. In 1994, our Paper Mill personnel shipped it back for repairs, and simultaneously requested an upgrade. They purchased a model 104 source in 1995, without review by our Radiation Safety Officer (RSO), so that it could be added to our inventory. After completion of repairs, the original model 104P was returned to us. Both of these sources are in the process of being properly disposed of, and hetter management practices will ensure that such an event is not repeated.

forward to receiving your report, to which we will respond with additional details concerning the actions

My Barnes

Smurfit-Stone Container Corporation 19th and Main Streets, P.O.Box 100 West Point, Virginia 23181