



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

March 22, 2006

Mr. David Edwards
Plant Manager
Honeywell Specialty Chemicals
P.O. Box 430
Metropolis, IL 62690

SUBJECT: NRC INSPECTION REPORT 40-3392/2006-002

Dear Mr. Edwards:

This letter refers to the inspection conducted on February 22 and 23, 2006, at the Honeywell Specialty Chemicals facility. The purpose of the inspection was to perform a review of operations to determine whether activities authorized by the license were conducted in accordance with NRC requirements. At the conclusion of the inspection on February 23, 2006, the findings were discussed with those members of your staff identified in the enclosed report.

The inspection consisted of an examination of activities conducted under the license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of the license. Areas examined during the inspection are identified in the enclosed report. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations of activities in progress, and interviews with personnel.

Based on the results of this inspection, the NRC did not identify any violations.

In accordance with 10 CFR 2.390 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>.

Should you have any questions concerning this letter, please contact us.

Sincerely,

/RA/

Jay L. Henson, Chief
Fuel Facility Inspection Branch 2
Division of Fuel Facility Inspection

Docket No. 40-3392
License No. SUB-526

Enclosures: see page 2

Honeywell Specialty Chemicals

2

cc w/encl:
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PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE

ADAMS: Yes ACCESSION NUMBER: _____

OFFICE	RII:DFFI	RII:DFFI					
SIGNATURE	/RA/	/RA/					
NAME	J. Pelchat	D. Hartland					
DATE	03/22/2006	03/22/2006	03/22/2006	03/22/2006	03/22/2006		
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

U.S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.: 40-3392

License No.: SUB-526

Report No.: 40-3392/2006-002

Licensee: Honeywell International, Inc.

Facility: Metropolis Works

Location: P. O. Box 430
Metropolis, IL 62960

Dates: February 22 and 23, 2006

Inspectors: David J. Hartland, Senior Fuel Facility Inspector
John M. Pelchat, Senior Fuel Facility Inspector

Approved by: Jay L. Henson, Chief
Fuel Facility Inspection Branch 2
Division of Fuel Facility Inspection

Enclosure

EXECUTIVE SUMMARY

Honeywell International, Inc.
NRC Inspection Report 40-3392/2006-002

The purpose of this inspection was a regional initiative to observe and evaluate the licensee's plant operations as well as management organization and controls. The inspection involved observation of work activities, a review of selected records, and interviews with plant personnel. The inspection identified the following aspects of the program as outlined below:

Operational Safety Review

- Operators were attentive and cognizant of current process conditions. Plant personnel were observed to be wearing required personal protective equipment.
- Licensee facilities were in adequate condition and no obvious physical defects in plant equipment were observed. The inspectors did not observe any housekeeping-related issues that would pose an increased risk of fire. Licensee personnel were observed to be complying with required hot work permits. However, the inspectors did observe numerous drums in the drum storage building that showed extensive corrosion and decay. The licensee is repackaging these materials into new drums.

Management Organization and Controls

- The inspectors observed nuisance alarms in the Feed Materials Building (FMB) that were expected and did not indicate an abnormal condition. The licensee has identified reduction or elimination of "nuisance" alarms in the FMB control room as an item for further assessment.

Attachment:

Partial List of Persons Contacted
Inspection Procedures Used
Items Opened, Closed, and Discussed
List of Acronyms Used

REPORT DETAILS

1. Summary of Plant Status

During the inspection period, routine operations were conducted in the Feeds Materials Building (FMB) and other areas of the plant.

2. Operational Safety Review (Temporary Instruction 2600/003)

a. Observation of Plant Activities

(1) Scope and Observations

The inspectors toured the plant and observed that operators were attentive and cognizant of current process conditions. The areas toured included the FMB, the Power House, and the cylinder handling yard.

The inspectors observed uranium hexafluoride (UF_6) cylinder filling operations including the installation and filling of empty cylinders, as well as the removal, lifting, weighing and transfer of filled cylinders. The inspectors verified that plant personnel used in-hand procedures and calibrated tools such as torque wrenches as required. During cylinder filling and maintenance activities, licensee personnel were observed to be wearing required personal protective equipment including hard hats, respirators, gloves and hearing protection as required. No issues were observed.

(2) Conclusions

Operators were attentive and cognizant of current process conditions. Plant personnel were observed to be wearing required personal protective equipment.

b. Plant Walk-downs

(1) Scope and Observations

During a walk-down of the FMB and the power house, including the standby diesel generator room, the inspectors observed that plant areas were generally free of debris and accumulation of combustible materials. Examination of several fire extinguishers found them to be in good condition and to have been inspected within the previous 12 months. The inspectors did not observe any instances of stored or accumulated combustible material such as paint or solvents near hazardous material storage areas. The inspectors observed maintenance on a system condenser being conducted by plant personnel that included welding work. Licensee personnel had a hot work permit and were observed to be conforming with the requirements of that permit.

However, during a walk-down of the drum storage building, the inspectors did observe a number of drums containing uranium-bearing materials that were corroded and leaking. An examination of the building found that areas of the building were open to the weather. The inspectors further noted that the building floor was diked by short concrete walls and that the floor surface was sloped to lead water to a drain. An interview of a licensee employee indicated that the drain water was directed to settling

Honeywell Specialty Chemicals

tanks. The licensee employee further stated that he was one of a number of licensee employees that were repackaging materials stored in the building into new drums. No other issues were observed.

(2) Conclusions

Licensee facilities were in adequate condition and no obvious physical defects in plant equipment were observed. The inspectors did not observe any housekeeping-related issues that would pose an increased risk of fire. Licensee personnel were observed to be complying with required hot work permits. However, the inspectors did observe numerous drums in the drum storage building that showed extensive corrosion and decay. The licensee is repackaging these materials into new drums.

3. Management Organization and Controls (IP 88005)

a. Control Room Annunciators

(1) Scope and Observations

During observation of routine operations in the FMB control room, the inspectors noted the frequent annunciation of various alarms, such as the "Still Feed Tank High Temperature" alarm, and the illumination of status lights. Interviews of licensee personnel indicated that in many cases the only operator action in response to these alarms was to silence the annunciator and acknowledge the alarm on the panel by depressing the illuminated status light as the alarms were expected and were not indicative of abnormal plant conditions. The inspectors noted that the licensee had an item in the corrective actions program matrix to examine and reduce the number of "nuisance" alarms so as to prevent potential desensitization of plant operators to alarms. Licensee staff stated that the control room alarm issue remained to be reviewed to distinguish those alarms that require a response to correct off-normal plant conditions and eliminate or change the setpoints to those alarms being used as process indications. No other issues were observed.

(2) Conclusions

The inspectors observed nuisance alarms in the Feed Materials Building (FMB) that were expected and did not indicate an abnormal condition. The licensee has identified reduction or elimination of "nuisance" alarms in the FMB control room as an item for further assessment.

4. Exit Meeting Summary

The inspector presented the inspection results to members of the plant staff and management at the conclusion of the inspection on February 23, 2006. The plant staff acknowledged the findings presented. The inspector asked the plant staff whether any materials examined during the inspection should be considered proprietary. No proprietary information was identified.

ATTACHMENT

3. PARTIAL LIST OF PERSONS CONTACTED

- *D. Edwards, Plant Manager
- *J. Tortorelli, Regulatory Affairs Manager
- *S. Patterson, Health Physics Supervisor
- D. Mays, Environmental, Health and Safety Manager
- *B. Vandermeulen, Quality Assurance/Supply Chain Manager
- *J. Johnson, Safety Supervisor

* Denotes those present at the exit meeting on February 23, 2006

Other licensee employees contacted included engineers, technicians, and office personnel.

4. INSPECTION PROCEDURES USED

- IP 88005 Management Organization and Control
- TI 2600/003 Operational Safety Review

5. ITEMS OPENED, CLOSED, AND DISCUSSED

None

6. LIST OF ACRONYMS USED

- ADAMS Agency Document Access and Management System
- CFR Code of Federal Regulations
- FMB Feeds Material Building
- NRC Nuclear Regulatory Commission
- TI Temporary Instruction
- UF₆ Uranium Hexafluoride