

February 22, 1995

CAL No. 1-95-004

Mr. H. Nils Schooly
President
Shieldalloy Metallurgical Corporation
P.O. Box 768
Newfield, NJ 08344

SUBJECT: CONFIRMATORY ACTION LETTER

Dear Mr. Schooly:

During the NRC inspection of your facilities on February 15-17, 1995, several potential safety and regulatory concerns were identified. These concerns involved the adequacy of dose assessments to both occupational workers and members of the public. Significant inadequacies were identified in your determination of thorium and uranium intakes by workers and thus, you were not able to demonstrate compliance with the applicable regulatory limits in 10 CFR Part 20. As a result, your program was inadequate to demonstrate that the workers' occupational doses and doses to members of the public are as low as is reasonably achievable (ALARA).

Pursuant to a conversation between you and other members of your staff and Dr. Mohamed Shanbaky, Chief, Research and Development Section, of this division, on February 21, 1995, it is our understanding that you have taken or will take the following actions with regard to your licensed activities:

1. Perform an evaluation of workers' intakes of thorium and uranium, and determine the occupational doses for all potentially exposed workers, as required by 10 CFR 20.1501. These dose assessments will be based on accurate and validated thorium to alpha ratios, exposure times and air sampling data. This action will be completed and the results will be submitted to the NRC Region I office by March 15, 1995.
2. Perform an evaluation of doses for potentially exposed members of the public that may receive the highest whole body exposure in the unrestricted area surrounding your facility, as required by 10 CFR 20.1501. This action will be completed and the results will be submitted to the NRC Region I office by March 15, 1995.
3. Immediately following the completion of the above dose assessments, implement interim ALARA measures to minimize workers' thorium and uranium intakes. A comprehensive ALARA program showing your long term plans with documented procedures, equipment, engineering controls, and personnel training will be submitted to the NRC Region I office by May 15, 1995.

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H. N. Schooly

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Pursuant to Section 182 of the Atomic Energy Act, 42 U.S.C. 2232, you are required to:

1. Notify me immediately if your understanding differs from that set forth above;
2. Notify me in writing when you have completed all of the actions addressed in this Confirmatory Action Letter; and
3. Notify me if for any reason you cannot complete the actions within the specified schedule and advise me in writing of your modified schedule in advance of the change.

Issuance of this Confirmatory Action Letter does not preclude issuance of an order formalizing the above commitments or requiring other actions on the part of the licensee; nor does it preclude the NRC from taking enforcement action for violations of NRC requirements that may have prompted the issuance of this letter. In addition, failure to take the actions addressed in this Confirmatory Action Letter may result in enforcement action.

The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Sincerely,

**Original Signed By:
Charles W. Hehl**

Charles W. Hehl, Director
Division of Radiation Safety
and Safeguards

License No. SMB-743
Docket No. 040-07102

cc:
State of New Jersey

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| DATE | 02/22/95 | 02/22/95 | | 02/22/95 | | 02/22/95 |
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