

Shieldalloy Corporation

DIVISION OF METALLURG. INC.
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CABLE REGISTRATION
SHIELDALLOY

October 30, 1980

Mr. John D. Kinneman, Chief
Materials Radiological Protection Section
U. S. Nuclear Regulatory Commission
Region I
631 Park Avenue
King of Prussia, Pennsylvania 19406

Re: License No. SMB-743
Inspection No. 80-01
Docket No. 40-7102

Dear Mr. Kinneman:

We are in receipt of your letter dated October 15, 1980, in which you list two infractions and one deficiency that were discovered in the September 26 visit to our facility. You requested in the letter that we supply your office with a written statement or explanation in reply to the alleged violations. This letter is being written to respond to the violations notice.

Each of the violations will be addressed separately.

1. "Condition 12 of your license limits the use, or supervision of use, of licensed material to certain named individuals. Contrary to this requirement, as of September 26, 1980, individuals not authorized by this license condition supervised the use of licensed material."

If you will note on our initial application, my name did appear as one of the supervisors of our radiation program; however, it did not appear on the final license. When supplying the names of supervisory personnel, we assumed it to mean those directly responsible for the proper procedures in handling the licensed material. We have since been informed that it is not what the NRC intended. We will send a letter today requesting your Washington office to revise our license to show the changes in our supervisory personnel.

2. "Consideration 16 of your license requires that licensed material be possessed and used in accordance with the statements, representations, and procedures contained in certain referenced applications and letters. Chapter V, Page 1, Paragraphs 2, 3 and 4 of your application dated December 23, 1977 requires air sample surveys in the blending area and the furnace

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area of Building 111. Contrary to this requirement, the required air sample surveys were not performed from April 26, 1978 to June 26, 1980."

We have no "Consideration 16" on our license, therefore, we assume you are referring to Condition 13 of our license. Due to the resignation of Ms. Jane Ricciuti, our Radiation Safety Officer, there was a problem in scheduling the air sampling of Department 111 over the past few months. This problem has been rectified and sampling has resumed and will continue at two month intervals as required by our license, or as frequently as ferrocolumbium is produced.

It should be noted that over the two year period cited, ferrocolumbium was only produced in our facility during three or four week-long campaigns. So, although it appears we were extremely negligent in our sampling, we actually only failed to sample on three occasions.

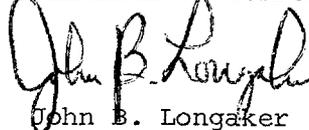
3. "10 CFR 20.203 (e) (2) requires that each area or room in which natural uranium or thorium is used or stored in any amount exceeding ten millicuries be conspicuously posted with signs bearing the radiation caution symbol and the words: 'Caution - Radioactive Materials.' Contrary to this requirement, on September 26, 1980, the slag dump area and the columbium ore storage area containing uranium and thorium were not posted as required."

This deficiency was pointed out to us by Mr. Jerman and the signs have been ordered. The new signs will be posted by November 17, 1980.

We hope the above satisfies all of the requirements of Section 2.201 of the NRC's "Rules of Practice." If you require further information, please contact the undersigned.

Sincerely,

SHIELDALLOY CORPORATION



John B. Longaker
Asst. to the Vice President

JBL/ljb

cc: CFS/WLS