

OCT 15 1976

Shieldalloy Corporation
Attention: Mr. C. F. Seybold
Vice President
West Boulevard
Newfield, New Jersey 08344

License No. SMB-743
Inspection No. 76-01
Docket No. 40-7102

Gentlemen:

This refers to the inspection conducted by Mr. J. Kinneman of this office on October 6, 1976 of activities authorized by NRC License No. SMB-743 and to the discussions of our findings held by Mr. Kinneman with yourself and Mr. Risi of your staff at the conclusion of the inspection.

The inspection was an examination of activities conducted under your license as they relate to radiation safety and to compliance with the Commission's rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, measurements made by the inspector, and observations by the inspector.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. These items of noncompliance have been categorized into the levels as described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved.

From the discussions during the inspection, it is our understanding that there have been changes in your procedures and processes utilizing uranium and thorium bearing ores. You are advised that all changes which affect your radiation safety program, as well as all changes in your surveys and evaluations, should be submitted to the USNRC, Division of Fuel Facility and Materials Safety Licensing, USNRC, Washington, D.C. 20555. If any of these changes are proprietary in nature, this should be stated as provided for in 10 CFR 2.790(a)(4) and 2.790(b).

OFFICE ▶	W.P.C.				
NAME ▶	<i>W.P.C.</i> Kinneman/bm	<i>W.P.C.</i> McClintock	<i>W.P.C.</i> Nelson		
DATE ▶	10/14/76	10/15/76	10/15/76		

In accordance with Section 2.790 of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations, a copy of this letter and your reply will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

Paul R. Nelson, Chief
Fuel Facility and Materials Safety
Branch

Enclosure:
Appendix A, Notice of Violation

bcc:
IE Mail & Files (For Appropriate Distribution)
Central Files
Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
REG:I Reading Room
State of New Jersey

FORM NRC-318 (1-78)
DATE
SUBMIT

APPENDIX A

NOTICE OF VIOLATION

Shieldalloy Corporation
Newfield, New Jersey 08344
License No. SMB-743

Based on the results of an NRC inspection conducted on October 6, 1976, it appears that certain of your activities were not conducted in full compliance with NRC regulations as indicated below:

- A. 10 CFR 20.201(b) requires you to make such surveys (evaluations) as may be necessary for you to comply with all sections of Part 20.
1. Contrary to this requirement, as of October 6, 1976, you have failed to make such surveys as were necessary to determine that persons who handled significant quantities of uranium and thorium bearing ore were not exposed to airborne concentrations exceeding the limits specified in 10 CFR 20.103, "Exposure of individuals to concentrations of radioactive material in restricted areas."
 2. Contrary to this requirement, as of October 6, 1976, you have failed to make such surveys as were necessary to assure compliance with 10 CFR 20.106, "Radioactivity in effluents to unrestricted areas," a regulation that limits the average yearly concentration of uranium and thorium and their daughter radioisotopes in air discharged to unrestricted areas.

We note that you have made measurements and evaluations that were intended to meet these requirements; however, these evaluations are inadequate in that they do not reflect your current operating conditions and do not contain all of the calculations and evaluations necessary to assure compliance with 10 CFR 20.103 and 10 CFR 20.106.

These are infractions.

- B. 10 CFR 19.12 requires that you instruct all individuals working in your restricted area in the precautions and procedures to minimize exposure to radioactive materials, in the purposes and functions of protective devices employed and in the applicable provisions of the Commission's regulations and licenses.

REC-318 (A) (B)
JACZ
AUG 6 1976

Contrary to this requirement, as of October 6, 1976, you failed to instruct individuals working with ores containing uranium and thorium in the required subjects.

This is an infraction.

- C. 10 CFR 19.11(a) and (b), requires that current copies of Part 19, Part 20, the license, license conditions, documents incorporated into the license, license amendments and operating procedures be posted, or that a notice describing these documents and where they may be examined, be posted.

Contrary to this requirement, on the day of the inspection, October 6, 1976, neither the documents nor the notice were posted.

This item is a deficiency.

OFFICE▶						
SURNAME▶						
DATE▶						