



CERTIFIED MAIL  
7007 1490 0001 3882 2244

November 26, 2007

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, D.C. 20555

Re: "Reply to a Notice of Violation"

To Whom It May Concern:

In accordance with the NRC Enforcement Policy, Claymont Steel is responding to the violations as outlined below with the associated corrected actions.

Violations cited with corrected action:

A. Violation:

10 CFR 20.1101 requires the licensee to periodically (at least annually) review the radiation protection program content and implementation. Contrary to the above, between January 1, 2005 and October 18, 2007, the licensee did not perform an annual review of their radiation protection program content and implementation. Specifically, the program was not reviewed for 2005 or 2006.

Corrected Action:

Claymont Steel is very concerned that the former Citisteel U.S.A. Inc. organization and management has allowed such inspections lapse. It is Claymont Steel's operating policy since acquiring Citisteel U.S.A. Inc. in 2006 to train and enhance the inspection frequency that meets all regulatory guidelines as outlined by the NRC. Therefore, as of October 24, 2007 the annual review has been completed and has been updated

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accordingly, as well as, will continue periodically with the new administrative changes that have been taken.

- B. Condition 13.a of License No. 07-30359-01 requires that sealed sources be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State. Contrary to the above, between September 16, 2005 and May 4, 2007, sealed sources were not tested for leakage and/or contamination every six months as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210.

Corrected Action:

Claymont Steel again is very concerned that the former Citisteel U.S.A. Inc. organization and management has allowed such inspections lapse. It is Claymont Steel's operating policy since acquiring Citisteel U.S.A. Inc. in 2006 to train and enhance the inspection frequency that meets all regulatory guidelines as outlined by the NRC. Therefore, as of May 4, 2007 and again October 2, 2007 the bi-annual testing for leakage and/or contamination has been completed. Likewise, Claymont Steel will continue bi-annually testing with the new administrative changes that have been taken.

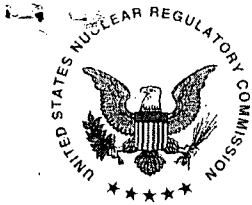
If you have any questions or concerns, please call me at (302) 792-5444.

Sincerely,



Brian Houghton  
Environmental Manager

cc. NRC - region 1



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

October 30, 2007

Docket No. 03034313

License No. 07-30359-01

Bryan Houghton  
Manager, Environmental  
Claymont Steel, Inc.  
4001 Philadelphia Pike  
Claymont, DE 19703-2794

SUBJECT: INSPECTION 03034313/2007001, CLAYMONT STEEL, INC., CLAYMONT,  
DELAWARE SITE AND NOTICE OF VIOLATION

Dear Mr. Houghton:

On October 18 and 25, 2007, Kathy Modes of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selected examination of representative records. The findings of the inspection were discussed with you at the conclusion of the inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed that categorizes each violation by severity level. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Item A in the Notice of Violation enclosed with this letter was identified during a previous inspection of your licensed activities and documented in a Notice of Violation enclosed with our letter dated September 11, 2003. From this inspection, it appears that your corrective actions were not effective since these items have recurred. Therefore, in your response to this letter, you should give particular attention to those actions taken or planned to ensure that identified items of noncompliance will be completely corrected and will not recur.

Current NRC regulations are included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material**; then **Regulations, Guidance, and Communications**. The current Enforcement Policy is included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **Site Map**; then scroll down to **Enforcement Policy**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at

B. Houghton  
Claymont Steel, Inc.

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1-866-512-1800. The GPO is open from 7:00 a.m. to 8:00 p.m. EST, Monday through Friday (except Federal holidays).

Please contact Kathy Modes at (610) 337-5251 if you have any questions regarding this matter.

Sincerely,



Marie Miller, Chief  
Security and Industrial Branch  
Division of Nuclear Materials Safety

Enclosure:  
Notice of Violation

cc:  
John Griggs, Radiation Safety Officer  
State of Delaware

**NOTICE OF VIOLATION**

Claymont Steel, Inc.  
Claymont, DE

Docket No. 03034313  
License No. 07-30359-01

During an NRC inspection conducted on October 18 and 25, 2007, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 20.1101 requires the licensee to periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, between January 1, 2005 and October 18, 2007, the licensee did not perform an annual review of their radiation protection program content and implementation. Specifically, the program was not reviewed for 2005 or 2006. *October 24, 2007*

This is a Severity Level IV violation (Supplement IV).

This is a REPEAT violation.

- B. Condition 13.a of License No. 07-30359-01 requires that sealed sources be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State. *May 4, 2007 - AND Oct. 2, 2007*

Contrary to the above, between September 16, 2005 and May 4, 2007, sealed sources were not tested for leakage and/or contamination every six months as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Claymont Steel, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Notice of Violation  
Claymont Steel, Inc.

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If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available 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.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated This 30th day of October 2007