

Nelson

APR 30 1973

Nuclear Metals, Incorporated
Attention: Mr. W. B. Tuffin,
President
2229 Main Street
Concord, Massachusetts 01781

Docket No. 70-82

Gentlemen:

This refers to the inspection conducted by Mr. Kinney of this office on April 4-5, 1973 of activities authorized by AEC License No. SNM-65 and to the discussions of our findings held by Mr. Kinney with Mr. Tuffin and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection included: organization; scope of operations; criticality safety including records of criticality safety inspections from September 1, 1972 through March 5, 1973; fire protection system; training including records of evacuation drills held in August and November, 1972 and briefing of a new employee during January, 1973; receiving and shipping of radioactive materials including shipping records from June 29, 1972 through February 23, 1973; evaluation and control of personnel radioactive contamination; and guard coverage. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Our inspector also examined those activities conducted under your license relating to Item 3 covered in your letter to Directorate of Regulatory Operations dated September 18, 1972, and in the telephone conversation between your Mr. Gilman and our Mr. Crocker on September 28, 1972. We have no further questions regarding this matter.

During this inspection, it was found that certain of your activities appeared to be in violation of AEC requirements. The items and references to the pertinent requirements are listed in the enclosure to this letter. This letter constitutes a notice sent to you pursuant to the

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provisions of Section 2.201 of the AEC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within 20 days of your receipt of this notice, a written statement of explanation in reply, including: (1) corrective steps which have been or will be taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved.

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

Sincerely,

James P. O'Reilly
Director

Enclosure:
Description of Violations

bcc: RO Chief, Materials & Fuel Facilities Branch (2)
RO:HQ (4)
L:D/D for Fuels & Materials
DR Central Files
PDR
NSIC
State of Massachusetts

ENCLOSURE

Description of Violations

Nuclear Metals, Inc.
2229 Main Street
Concord, Massachusetts 01781
Docket No. 70-82
License No. SNM-65

Certain activities under your license appear to be in violation of AEC requirements as indicated below:

1. 10 CFR 20.205, "Procedures for opening packages," requires that, "Each licensee shall establish and maintain procedures for safely opening packages in which licensed material is received, and shall assure that such procedures are followed and due consideration is given to special instructions for the type of packages being opened." 10 CFR 71.51(b), "Establishment and maintenance of procedures," requires that, "The licensee shall establish and maintain: (b) Procedures for opening and closing packages in which licensed material is transported to provide safety and to assure that, prior to delivery to a carrier for transport, each package is properly closed for transport."

Contrary to these requirements, Nuclear Metals, Inc. does not have written approved procedures for opening packages in which licensed material is received or for closing packages in which licensed material is transported.

2. License Condition No. 8 incorporates the "Application for Renewal of License to Process Special Nuclear Material" dated January 1, 1969. Sections II.(a)2. and IV.(a)3(a)v. require, in part, that special nuclear material (SNM) in an exclusion area will not approach closer than 3 feet from the physical boundaries of the exclusion area.

Contrary to this requirement, SNM was stored closer than 3 feet to the boundary of an exclusion area surrounding the saw used to cut CP-5 fuel tubes to length.

3. License Condition No. 6 incorporates the "Application for Renewal of License to Process Special Nuclear Material" dated January 1, 1969.

Section II.(a)6. requires, in part, that an inspection of fire extinguishers for mechanical defects is made once every six months.

Contrary to this requirement, two fire extinguishers located in Building C were not inspected in October, 1972 as required by the six month schedule.

4. License Condition No. 8 incorporates the "Application for Renewal of License to Process Special Nuclear Material" dated January 1, 1969. Section II.(a).11. requires, in part, that guards are on duty 24 hours a day on a three-shift basis with one guard per eight-hour shift. Also, the radiation, fire and security alarm control panels are under the constant surveillance of a guard at the central guard station. And, each guard is armed; all guards are special police officers of the Town of Concord.

Contrary to this requirement, no guard is on duty on the day shift Monday through Friday when the normal work force is present at the plant.