



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

April 18, 2008

EA-08-132

Mr. Mitch Tillman
Plant Manager
Honeywell Specialty Chemicals
P.O. Box 430
Metropolis, IL 62690

SUBJECT: RESPONSE TO DISPUTED NOTICE OF VIOLATION NO. 40-3392/2007-07-01

Dear Mr. Tillman:

Thank you for your response dated February 8, 2008, to the subject Notice of Violation issued on January 11, 2008, concerning activities conducted at your facility.

In your response, you disputed the violation on the basis that NRC guidance states that accident sequences with low consequences are not required to be addressed in the Integrated Safety Analysis. After careful consideration of the bases for your disagreement with the violation, we have concluded, for the reasons presented in the enclosure to this letter, the violation occurred as stated in the Notice of Violation. The violation will remain open until we have verified implementation of your corrective actions during a future inspection.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Should you have any questions concerning this letter, please contact me at (404)-562-4700.

Sincerely,

/RA/

Douglas M. Collins, Director
Division of Fuel Facility Inspection

Docket No. 40-3392
License No. SUB-256

Enclosure: (See page 2)

M. Tillman

2

Enclosure: Evaluation and Conclusion

cc w/encl:
Gary Wright
Emergency Management Agency
Division of Nuclear Safety
1035 Outer Park Dr., 5th Floor
Springfield, IL 62704

Distribution w/encl:

J. Henson, RII
J. Pelchat, RII
S. Sparks, RII
C. Carpenter, OE
B. Smith, NMSS
M. Raddatz, NMSS
C. Evans, RII
OEMAIL
OEWEB

*see previous concurrence

X PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE

ADAMS: XYes ACCESSION NUMBER: _____

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII:EICS	OE	
SIGNATURE	MC4/15/08	JP 4/15/08	CFE 4/18/08		e-mail 4/14/08	
NAME	MCrespo*	JPelchat	JHenson	CEvans	CCarpenter*	
DATE	5/ /2008	5/ /2008	5/ /2008	5/ /2008	5/ /2008	5/ /2008
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\FFBI\ENFORCE\HONEYWELL\WIO 2007-07 DENIAL\HONEYWELL DENIALRESPONSE.DOC

EVALUATION AND CONCLUSION

The violation was identified during a routine NRC inspection conducted between December 10 and 14, 2007, at Honeywell Specialty Chemicals facility in Metropolis, IL. Honeywell disagreed with the violation by letter dated February 8, 2008, stating that it was not committed to implementing management measures for the Plant Features and Procedures (PFAP) identified for low consequence accident sequences identified in the Integrated Safety Analysis (ISA) Summary cited in License Condition 18.

Specific Basis for Disputing the Violation

Honeywell's position is that the violation is based on statements from the ISA that do not constitute requirements. The ISA, referenced in License Condition 18, stated that PFAP 26 and 28 were administrative safety controls that were identified to prevent the occurrence of an accident sequence with a low safety consequence. The administrative safety controls involved the manual shutdown of the relevant process systems in response to failures of the hydrogen analyzers installed to monitor the process. Honeywell cited the following reasons as the basis for disputing the violation:

1. NUREG 1513, the NRC ISA guidance document, states that the ISA should be designed specifically to identify those accidents capable of producing high and intermediate consequences.
2. Honeywell procedures were in place that categorized PFAPs 26 and 28 as Non-Safety Significant Functions, which is consistent with the ISA analysis. Further procedures stated that PFAPs in this category would be managed according to the normal work management process.
3. NUREG 1520, the NRC Standard Review Plan, states that "management measures may be graded commensurate with risk." Honeywell believed that, as stated in the guidance, the low consequence of the accident sequence justified their approach to addressing the management measure issue, which was commensurate with its low risk.

Therefore, Honeywell requests that the NRC withdraw this violation cited against the failure to implement management measures on PFAPs it was not required to identify.

NRC Evaluation of Licensee's Response

The NRC staff has carefully reviewed Honeywell's response and has concluded that the violation occurred as stated in our letter dated January 11, 2008, "Inspection Report 40-3392/2007-007 and Notice of Violation." The basis for the determination is as follows:

- NUREGs are staff issuances which contain guidance and information related to regulatory issues. They do not constitute, nor do they impose, regulatory requirements. While the NUREGs referenced by the licensee addressed the kinds of accidents for

Enclosure

which ISAs should be specifically designed – high and intermediate consequence accidents – neither the referenced NUREGs, nor regulatory guidance, prohibit a licensee from developing and identifying measures that go beyond those specified in applicable requirements. In this case, the licensee developed an ISA for a low consequence event and committed, in its license, to have in place formal procedures and training for these PFAPs.

- Honeywell procedures do not exempt Honeywell from the requirements of the License, and, therefore, the ISA. Moreover, and contrary to the licensee’s assertion, low safety consequence accident sequences are not “non safety significant.”

Honeywell stated in its ISA that “formal procedures and training” would be implemented as management measures which, as of the inspection in December, had not been implemented.

NRC Response

The NRC recognized during its review of this issue that the administrative controls for the hydrogen analyzers were associated with accident sequences of low safety consequence. However, it is important to reiterate that the safety consequence of the accident sequence does not determine whether management measures for identified PFAPs should be implemented. As stated above, Section 9.4.1 of the ISA states that management measures will ensure that PFAPs are designed, implemented, and maintained, as necessary, to be available and reliable to perform their safety function when needed. For PFAP 26, and 28, the ISA stated that “formal procedures and training” would be implemented as management measures which, as of the inspection in December, had not been implemented.

PFAP 26, and 28, as listed in the ISA, are regulatory requirements. Therefore, the failure to implement management measures to ensure that the PFAPs are designed, implemented, and maintained, as necessary, to be available and reliable to perform their safety function when needed constitutes a violation of these requirements.

NRC Conclusion

The NRC disagrees with Honeywell’s position and maintains that the licensee was required to implement management measures for PFAPs identified in the ISA with low safety consequences. Section 9.4.1 of the ISA requires Honeywell to implement management measures to ensure that PFAPs were designed, implemented, and maintained, as necessary, to be available and reliable to perform their safety function when needed. Failure to implement management measures for PFAPs 26 and 28 constituted a violation of NRC requirements.

For the above reasons, the NRC staff concludes that the violation occurred as stated in the Notice of Violation.

Enclosure