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

May 7, 2008

Mr. Mitch Tillman
Plant Manager
Honeywell Specialty Chemicals
P.O. Box 430
Metropolis, IL 62960

SUBJECT: NRC INSPECTION REPORT NO. 40-3392/2008-002 AND NOTICE OF VIOLATION

Dear Mr. Tillman:

This letter refers to the inspection conducted from April 7–10, 2008, at the Honeywell Specialty Chemicals facility in Metropolis, IL. The purpose of the inspection was to determine whether activities authorized under the license were conducted safely and in accordance with NRC requirements. On April 10, the findings were discussed with you and your staff.

The inspection consisted of an examination of activities conducted under the license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of the license. Areas examined during the inspection are identified in the enclosed report. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations of activities in progress, and interviews with personnel.

Based on the results of these inspections, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy that may be found on the NRC's web site at http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html.

The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding it are described in the NRC Form 591FF, SAFETY AND COMPLIANCE INSPECTION REPORT, Parts 1 and 3. The violation involves the failure to implement explicit written procedures for the loading and closing of radiological waste packages for transport and disposal. If you contest the violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to: (1) the Director, Office of Nuclear Material Safety and Safeguards, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; (2) the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, and its enclosures 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 regarding this letter, please contact us.

Sincerely,

/RA/ D. Hartland for

Jay L. Henson, Chief
Fuel Facility Inspection Branch 2
Division of Fuel Facility Inspection

Docket No. 40-3392
License No. SUB-526

Enclosures: 1. NRC Form 591FF Parts 1 and 3
2. Notice of Violation

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

Distribution w/encls:
J. Henson, RII
J. Pelchat, RII
B. Smith, NMSS
T. Liu, NMSS
M. Raddatz, NMSS

X PUBLICLY AVAILABLE ☐ NON-PUBLICLY AVAILABLE ☐ SENSITIVE X NON-SENSITIVE

ADAMS: **X** Yes ACCESSION NUMBER:

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	RII:DFFI	RII:DFFI		
SIGNATURE	MC 5/6/08			JP 5/7/08			
NAME	M Crespo			J Pelchat			
DATE	/ /2008	/ /2008	/ /2008	/ /2008	/ /2008		
E-MAIL COPY?	YES	YES	NO	YES	YES	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: G:\REPORTS\Final Reports\Honeywell\2008\Honeywell IR 2008-001.doc

NRC FORM 591FF PART 1
(11-2005)
10 CFR 2.201

U.S. NUCLEAR REGULATORY COMMISSION

SAFETY AND COMPLIANCE INSPECTION REPORT

1. LICENSEE OR CERTIFICATEE/LOCATION INSPECTED:	2. NRC/REGIONAL OFFICE:
Honeywell International, Inc. P.O. Box 430 Metropolis, IL 62960 REPORT NO: 2008002	**U.S. Nuclear Regulatory Commission** **Region II** **61 Forsyth Street, Suite 23T85** **Atlanta, GA 30303**

3. DOCKET NUMBER(S):	4. LICENSE OR CERTIFICATEE NUMBER:	5. DATE(S) OF INSPECTION:
40-3392	SUB-526	April 7–10, 2008

6. INSPECTION PROCEDURE(S) COMPLETED: 88035, 86740

LICENSEE OR CERTIFICATEE:

The inspection was an examination of the activities conducted under your license or certificate as they related to safety and/or safeguards and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license or certificate. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation by the inspector. The inspection findings are as follows:

☐ 1. Based on the inspection findings, no violations were identified.

☐ 2. Previous violation(s) closed.

☐ 3. Reported events reviewed

☐ 4. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were non-repetitive, licensee-identified, and corrective action was being taken, and the remaining criteria in the NRC Enforcement Policy to exercise discretion were satisfied.
Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

☑ 5. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.
(Violations and Corrective Actions)

See attached NOV

Statement of Corrective Actions

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE/CERTIFICATEE			
NRC INSPECTOR	M. Crespo	*/RA/*	5/6/08

DOCKET FILE INFORMATION
SAFETY AND COMPLIANCE INSPECTION REPORT

1. LICENSEE OR CERTIFICATEE/LOCATION INSPECTED:	2. NRC/REGIONAL OFFICE:
Honeywell International, Inc. P.O. Box 430 Metropolis, IL 62960 REPORT NO: 2008002	**U.S. Nuclear Regulatory Commission** **Region II** **61 Forsyth Street, Suite 23T85** **Atlanta, GA 30303**

3. DOCKET NUMBER(S):	4. LICENSE OR CERTIFICATEE NUMBER:	5. DATE(S) OF INSPECTION:
40-3392	SUB-526	April 7–10, 2008

6. INSPECTOR(S): M. Crespo

7. INSPECTION PROCEDURES USED: 88035, 86740

SUPPLEMENTAL INSPECTION INFORMATION

EXECUTIVE SUMMARY

Summary of Plant Status

The Honeywell Specialty Chemicals (licensee) uranium conversion facility is located on an 1100 acre site (60 acres within the fence line). The licensee is authorized to possess 150 million pounds of natural uranium ore and to convert this material to uranium hexafluoride (UF_6). The uranium conversion process occurs in the Feed Materials Building (FMB). During the inspection period, operations were normal. However, radiological waste shipments had been halted due to the departure of the program's manager, which occurred earlier in the year.

This routine, announced inspection included observations and evaluations of the licensee's transportation and radiological waste management programs. The inspection involved walk downs of the facility, observation of work activities, reviews of selected records, and interviews with plant personnel.

Transportation / Radiological Waste Management

- The licensee adequately packaged and classified shipments of UF_6 cylinders in accordance with the current procedures and regulations. No issues were noted with the manifest records of waste shipments that had occurred prior to the departure of the licensee's radiological waste manager earlier in the year.

- Following the departure of the radiological waste manager, the licensee properly halted shipments of radiological waste until a new radiological waste management program manager could be assigned. The licensee had recognized that the training/qualifications for radiological waste shipments were inadequate following the departure of the radiological waste manager.

- The licensee adequately received UF_6 cylinders in accordance with the current procedures and regulations.

- The licensee's shipping papers contained the information as required by the regulations.

- Current certificates of compliance (CoC) were on file and being properly implemented for the shipping containers used to transport UF_6 cylinders.

- Personnel responsible for the shipment and receipt of UF_6 cylinders were knowledgeable of NRC, DOT, and applicable plant procedure requirements. Quality assurance audits were conducted in accordance with certificate requirements.

Executive Summary (Cont.)

Transportation / Radiological Waste Management

- The licensee clearly delineated responsibility for the processing of radioactive waste to an organization separate from the UF_6 cylinder transportation organization.
- Violation (VIO) 40-3396/2008-002-01 was identified for failing to have procedures for the closing of radiological waste shipments as required by 10 CFR 71.87(f). Also, the licensee's procedures for loading radiological waste packages did not contain adequate detail.
- The licensee provided documentation for their contract with a radiological waste vendor. The agreement specified the type of waste to be shipped and its characterization. Limits specified met the federal regulation requirements.

List of Items Opened, Closed, Discussed

Item Number	Status	Type	Description
40-3392/2008-002-01	Opened	NOV	Failure to have written procedures for waste package closing

NOTICE OF VIOLATION

Honeywell International, Inc. Docket No. 40-3392
Metropolis, IL License No. SUB-526

During an NRC inspection conducted April 7 - April 10, 2008, a violation of an NRC requirement was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

> 10 CFR 71.87(f) states that for each shipment of licensed material, the licensee shall determine that the package has been loaded and closed according to written procedures.
>
> Contrary to the above, as of April 7, 2008, the licensee failed to ensure that radiological waste packages were closed according to written procedures. Specifically, the licensee's procedures for radiological waste were not adequate in that they failed to provide instructions on how to properly close radiological waste packages. Also, the procedures in place did not explicitly detail the requirements for loading packages.

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

Pursuant to the provisions of 10 CFR 2.201, Honeywell International, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region II, 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: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (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 previously 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 be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response 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 to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld, and provide in detail the basis for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

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

Dated this 7th day of May, 2008