

SAFETY AND COMPLIANCE INSPECTION REPORT

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| 1. LICENSEE OR CERTIFICATEE/LOCATION INSPECTED: Honeywell International, Inc. P. O. Box 430 Metropolis, IL 62960 REPORT NO: 2008-003 | 2. NRC/REGIONAL OFFICE: U.S. Nuclear Regulatory Commission Region II 61 Forsyth Street, Suite 23T85 Atlanta, GA 30303 | |
| 3. DOCKET NUMBER(S): 40-3392 | 4. LICENSE OR CERTIFICATEE NUMBER: SUB-526 | 5. DATE(S) OF INSPECTION: June 23, 2008 – June 26, 2008 |

6. INSPECTION PROCEDURE(S) COMPLETED: 88020

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)

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 | Stephen Subosits | D. Hartland for | 7/17/08 |

**DOCKET FILE INFORMATION
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6. INSPECTOR(S): Stephen Subosits

7. INSPECTION PROCEDURES USED: 88020

SUPPLEMENTAL INSPECTION INFORMATION

EXECUTIVE SUMMARY

Summary of Plant Status

The Honeywell Specialty Chemicals (licensee) uranium conversion facility in Metropolis, IL is authorized to possess 150 million pounds of natural uranium ore and to convert the material to uranium hexafluoride (UF₆). The uranium conversion process occurs in the Feed Materials Building (FMB). During the inspection period, routine operations were conducted.

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

Plant Operations

- The inspector performed field walkdowns of select portions of piping and instrumentation (P&ID) drawings for the green salt and distillation processes. The inspector verified the as-built configuration of plant equipment matched the current revision of the P&ID drawings.
- The inspector interviewed control room operations personnel in the FMB. In their responses to the inspector, the operators demonstrated adequate knowledge of process operations, plant features and procedures (PFAPs), and applicable operations procedures for the green salt and ore preparation process areas.
- The inspector reviewed four incident/investigation reports generated in the past four months related to PFAPs. The inspector determined the licensee performed adequate investigation and review of the PFAP issues identified in the reports. The licensee initiated appropriate corrective actions to address the issues and prevent recurrence.
- During the observation of a pre-job briefing to perform maintenance in the hydrofluoric acid storage area of the tank farm, the inspector noted that maintenance personnel appropriately questioned an indication of line pressure as the system was locked out. Personnel donned appropriate personal protective equipment and performed trouble shooting which determined the line was not pressurized and the in-line pressure gauge was not providing an accurate reading. No issues were identified in the maintenance activities observed.

Executive Summary (Cont.)

List of Items Opened, Closed, Discussed

| <u>Item Number</u> | <u>Status</u> | <u>Description</u> |
|------------------------|---------------|---|
| VIO 40-3392/2007-07-01 | Closed | Failure to implement management measures for PFAP 26 and 28. The licensee revised the green salt process emergency operating procedure (EOP) to include a hydrogen analyzer failure or fault as an entry condition for the EOP. The inspector reviewed training documentation on the changes to the EOP and interviewed operations personnel to verify their understanding of the EOP. No issues were identified. The inspector concluded that the corrective action was adequate, and the item is considered closed. |