

Specialty Materials

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December 30, 2008

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US Nuclear Regulatory Commission
Director, Office of Nuclear Material Safety & Safeguards
Attention: Document Control Desk
Mail Stop T8A33, Two White Flint N, 11545 Rockville Pike
Rockville, MD 20852-2738

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

Dear Sir or Madam:

This letter is our response to the NRC Inspection Report 40-3392/2008-007 and Notice of Violation dated December 5, 2008.

During an NRC inspection conducted on November 4 – 7, 2008, violations of NRC requirements were identified. In accordance with the requirements of NUREG 1600, "General Statement of Policy and Procedure for NRC Enforcement Actions," the violations described in the inspection report are listed below:

- A. 10 CFR 40.31(j)(2)(xii) requires, in part that the licensee invite offsite response organizations to participate in biennial onsite emergency exercises.

Contrary to the above, the licensee did not invite offsite response organizations to participate in the biennial onsite emergency exercise conducted on November 5, 2008.

This is a Severity Level IV violation (Supplement VIII)

- B. License Condition 18 of NRC License No. SUB-526, states, in part, that the licensee shall conduct authorized activities at the Honeywell Metropolis Works Facility in accordance with the statements, representations and conditions, in part, in the license application dated May 12, 2006, as supplemented by a letter dated March 20, 2007 and the Safety Demonstration Report dated May 12, 2006.

Section 2.6.1 of the license application, dated May 12, 2006, requires, in part, that the licensee establish a process to identify those process operations that require procedural guidance to ensure proper execution and require that these process operations be conducted in accordance with approved procedures.

IE07

Section 10.3 of the Safety Demonstration Report states that the FMB Control Room is configured as a "Safe Haven." Accordingly, the control room is equipped with systems for area isolation, protective clothing and equipment, and non-contaminated operator breathing air. Should there be a chemical release that threatens the safety of control room personnel, the FMB Control Room can be isolated, allowing the operators to proceed with safe shutdown of the licensed portion of the facility.

Contrary to the above, as of Nov 7, 2008, the licensee's FMB Safe Haven procedures were not adequate. Specifically, license procedure MTW-SOP-F2N-0122, "FMB Safe Haven Pressurization System Operation" procedure did not require that control room operators verify the proper air supply damper was closed prior to starting the blower to pressurize the control room. As currently sequenced, this procedure could result in the intake of UF6 or other hazardous materials into the control room's air supply. Additionally, the FMB Safe Haven Pressurization System Operation procedure failed to establish and implement what actions were to be taken by control room operators in the event of a damper failure, including steps describing the use and operation of the emergency breathing air system or the circumstances under which the system should be used.

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

1. Reason for violation:

Violation from Item A above: site procedures did not require personnel involved in Emergency Preparedness planning to invite offsite response organizations to participate in the biennial onsite emergency exercise. Personnel involved in preparations for the biennial onsite emergency exercise failed to recognize the 10 CFR 40.31(j)(2)(xii) requirements were not satisfied.

Violation from Item B above: procedures addressing implementation of the Control Safe Haven received inadequate preparation and review. Proper step sequences were not validated, and procedural controls were not established describing actions to be taken by control room operators in the event of a damper failure, including steps describing the use and operation of the emergency breathing air system or the circumstances under which the system should be used.

2. Actions taken and results achieved:

The issues described above were input into the MTW Corrective Action Program (CAP) to document actions taken.

3. Corrective actions planned to avoid further violations:

Note: identified actions have been entered into the MTW Corrective Action Program.

Action for NOV listed as item A:

Action 1) The requirements of 10 CFR 40.31(j)(2)(xii) will be reviewed by personnel assigned responsibility for EP exercise preparation. Procedure ERP-0008, "Maintaining Emergency Preparedness" will be revised to include the requirement to invite local emergency response organizations to participate in future MTW biennial exercises. Target date: Feb. 13, 2009

Action for NOV listed as item B:

Action 1) Demonstrate acceptable operation of the Control Room Safe Haven system including testing of blower, dampers, actuators and sensors.

Target Date: Jan. 09, 2009

Action 2) Revise MTW-SOP-F2N-0122, FMB Safe Haven Pressurization System Operation, to include appropriate notes describing system startup and normal operation, and including proper step sequencing based on the assumption a release has occurred.

Target Date: Jan. 21, 2009

Action 3) Train appropriate personnel on use of procedure MTW-SOP-F2N-0122, FMB Safe Haven Pressurization System Operation, to startup and operate the system.

Target Date: Jan. 30, 2009

Action 4) Develop and issue procedural guidance which describes use and operation of the emergency breathing air system, including the circumstances under which the system should be used.

Target Date: Jan. 21, 2009

Action 5) Train control room personnel on the use of the procedure developed in Action 4.

Target Date: Jan. 30, 2009

Action 6) Develop and issue guidance for conducting scheduled periodic testing of the FMB Safe Haven Pressurization System to demonstrate acceptable operation.

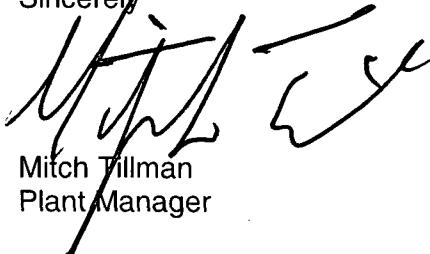
Target Date: Jan. 30, 2009

4. Date when full compliance will be achieved:

Actions described above to support MTW improved Emergency Preparedness plan implementation will be in place by Feb. 20, 2009.

If you have any additional questions, please contact Mr. Michael Greeno, Acting Regulatory Affairs Mgr., at 618-309-5005.

Sincerely,



Mitch Tillman
Plant Manager

cc: File – RMDC
M. Greeno

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