REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

October 19, 2009

Docket No. 03034313 License No. 07-30359-01

Victor Clark
Vice President & General Manager
Evraz Claymont Steel Inc.
4001 Philadelphia Pike
Claymont, DE 19703

SUBJECT: NRC INSPECTION REPORT NO. 03034313/2009001, EVRAZ CLAYMONT STEEL INC., CLAYMONT, DELAWARE SITE AND NOTICE OF VIOLATION

Dear Mr. Clark:

On September 16, 2009, Scott Wilson and Randolph Ragland of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspectors, interviews with personnel, and a selective examination of representative records. The findings of the inspection were discussed with you, Mr. John DeMarco, V.P. Human Resources, and Mr. David Knapp, Safety & Health Manager, at the conclusion of the inspection on September 30, 2009.

Based on the results of this inspection and in accordance with the NRC Enforcement Policy, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. The violations involved: 1) the failure to obtain approval in writing from NRC prior to transferring control of your licensed program to a new company; 2) the failure to review, at least annually, the content and implementation of your radiation protection program as required by 10 CFR 20.1101(c); and, 3) the failure to test your sealed source for leakage at intervals that do not exceed the intervals specified in the certificate of registration for the source.

The violations are cited in the enclosed Notice of Violation (Notice), because the violations were identified by the NRC. Also, the second and third violations as listed in the Notice are repeat violations that were identified during previous inspections of your licensed program. These were documented in the Notice of Violations enclosed with our letters dated September 11, 2003, and October 30, 2007. Although we had verified that you took corrective action to address the previous violations, the current violations are of concern, because your preventative actions were not effective in preventing recurrence and indicate a lack of attention to detail. The NRC expects licensees to conduct their programs with meticulous attention to detail and high standards of safety and compliance. Because of the potential for radiation exposure to employees and the public which could result from failure to comply with NRC requirements, you must conduct your program according to NRC regulations, the conditions of your NRC license, and the representations made in your application.

During our inspection exit meeting on September 30, 2009, you indicated that your radiation safety officer (RSO) has primary responsibility for oversight of your licensed program, and you attributed the current and previous violations to incomplete communications that occurred when

you changed personnel assigned as the RSO. You stated that you have taken corrective and preventative actions to address each violation and that Evraz Claymont Steel, Inc. is committed to radiation safety and to compliance with NRC regulations and licensed conditions. Further, you stated verbally and you documented in your September 30, 2009, correspondence, that you have taken the following corrective and preventative actions:

1) Submitted a Transfer of Control notification to NRC to transfer control of licensed activities from Claymont Steel, Inc. to Evraz Claymont Steel, Inc.

2) Established a contract with a vendor to perform sealed source leak tests on a quarterly basis and will include the leak test requirement in calendar tracking software that will alert the RSO and three others of the schedule for leak testing the sealed source; and

3) Conducted an annual program review using the guidance in NUREG 1556, Volume 4, Appendix H: Fixed Gauge Audit Checklist on September 29, 2009, and included the requirement for an annual review in calendar tracking software that will alert the RSO and three others of the schedule for performing the annual review.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violation and prevent recurrence is already adequately addressed in our records and in your correspondence dated September 30, 2009. Therefore, you are not required to respond to this letter unless the description of your corrective actions in this letter and your September 30, 2009, correspondence does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC website at http://www.nrc.gov/reading-rm/adams.html. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material;** then **Regulations, Guidance, and Communications Page.** The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select **About NRC; How We Regulate; Enforcement;** then **Enforcement Policy.** You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

Please contact Mr. Ragland at 610-337-5083, if you have any questions regarding this matter.

Sincerely,

Original signed by Marie Miller

Marie Miller, Chief
Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure:
Notice of Violation

cc:
David Knapp, Radiation Safety Officer
John DeMarco, V.P. Human Resources
State of Delaware

Please contact Mr. Ragland at 610-337-5083, if you have any questions regarding this matter.

Sincerely,

Original signed by Marie Miller

Marie Miller, Chief
Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure:
Notice of Violation

cc:
David Knapp, Radiation Safety Officer
John DeMarco, V.P. Human Resources
State of Delaware

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OFFICE	DNMS/RI	N	DNMS/RI		DNMS/RI			
NAME	SWilson/MTM for		RRagland/MTM for		M. Miller			
DATE	10/19/09		10/19/09		10/19/09			

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NOTICE OF VIOLATION

Evraz Claymont Steel Inc.
Claymont, DE

Docket No. 03034313
License No. 07-30359-01

During an NRC inspection conducted on September 16, 2009, three violations of NRC requirements were identified. The violations were discussed during the exit meeting on September 30, 2009. In accordance with the NRC Enforcement Policy, the violations are listed below:

A. 10 CFR Part 30.34(b) states "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing."

   Contrary to the requirement stated above, License 07-30359-01 was transferred without the written consent of the Commission. Specifically, the license control was transferred from Claymont Steel, Inc. to Evraz Claymont Steel, Inc. on January 25, 2008 without obtaining prior consent in writing by the Commission as required by 10 CFR Part 30.34(b).

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

B. 10 CFR Part 20.1101(c) states that the licensee shall periodically (at least annually) review the radiation protection program content and implementation.

   Contrary to the requirement stated above, a review of the radiation protection program content and implementation was not performed in 2008. Specifically, between October of 2007 and September of 2009 an annual review was not performed, in Violation of 10 CFR Part 20.1101(c). This is a repeat violation.

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

C. License Condition 13.A of License No. 07-30359-01, Amendment No. 8, states in part that sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR Part 32.210.

   Contrary to the license condition stated above, the sealed source was not tested for leakage and/or contamination every six months as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR Part 32.210. Specifically, a required leak test was not performed between May of 2008 and March of 2009 in Violation of License Condition 13.A. This is a repeat violation.

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

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance will be achieved is already adequately addressed in our records and your letter dated September 30, 2009. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

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

Dated This 19th day of October 2009