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U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Report No.: 70-687/90-202 & 50-59/90-202

License No.: SNM-639 & R-81

Safeguards Group: II

Licensee: Cintichem, Inc.
P.O. Box 816, Tuxedo, NY 10987

Inspection Conducted: November 14-15, 1990

Inspectors: R. L. Jackson 12/11/90
R. L. Jackson, Safeguards Physical Scientist
Physical Security and MC&A Licensing and
Inspection Section
Domestic Safeguards Branch
Date Signed

T. N. Pham 12/13/90
T. N. Pham, MC&A Physical Scientist
Physical Security and MC&A Licensing
and Inspection Section
Domestic Safeguards Branch
Date Signed

Approved by: D. J. Kasun 12/13/90
D. J. Kasun, Section Leader
Physical Security and MC&A Licensing
and Inspection Section
Domestic Safeguards Branch
Date Signed

SUMMARY

Scope: The areas given limited examination during this routine unannounced MC&A safeguards inspection included facility organization and management controls, facility operation and internal controls, measurement systems, physical inventory as well as various MC&A related records and reports. The inspection covered certain applicable 10 CFR Part 70 MC&A requirements for SSNM held under both License Nos. SNM-639 and R-81.

As a result of Cintichem's announced closing of its facility, discussions were held with the licensee regarding the current status and projected plans for the required decommissioning and decontamination (D&D) activities. The D&D activities are expected to be completed by the end of calendar year 1992. The licensee's D&D Plan is under current NRC review.

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Results: The licensee is in compliance with those sections of his approved Fundamental Nuclear Material Control (FNMC) Plan (License No. SNM-639) reviewed during the inspection. In addition, the licensee is meeting the requirements of 10 CFR 70.51(b), (c), and (d) for SNM held under License R-81. Notwithstanding the foregoing statements, two Inspector Follow-Up Items (IFI's) were identified during the inspection as described in Enclosure 2 to this report.

As a result of observations and discussions with licensee management, it was determined that the announced Cintichem close-down has had no adverse MC&A safeguards implications to date. The conclusion was also drawn that at the present and foreseeable near-term, Cintichem staffing levels are adequate to perform required MC&A safeguards activities. Additional discussions and observations pertaining to current and planned licensee decommissioning activities were conducted as part of this inspection, as well as discussions relating to tentative SSNM shipping schedules.