

ArcelorMittal Indiana Harbor
Flat Carbon, Health & Safety



April 29, 2010

RESPONSE TO AN APPARENT VIOLATION IN INSPECTION REPORT No. 030-04353/2010-001 (DNMS); EA-10-044

DIVISION OF NUCLEAR MATERIALS SAFETY
U.S. NUCLEAR REGULATORY COMMISSION, REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

Attn: Steven A. Reynolds, Director

Dear Mr. Reynolds:

This letter is in response to three cited Severity Level IV violations, and an apparent violation resulting from an inspection conducted at Indiana Harbor on February 17 and 18, 2010, and March 2, 2010. We are also addressing an un-cited violation.

Violation - Failure to ensure annual refresher training: The violation identified by the inspector was caused by the failure to ensure that authorized individuals had received annual refresher training as required. It was found in our investigation of the circumstances leading to the violation that the lack of training was discovered during a third party audit and reported to the RSO. The RSO attempted to contract a consultant to provide training in early 2008. However, due to scheduling problems, the training was never conducted, and senior management was not notified by the RSO.

Refresher training sessions were conducted on March 5, March 25, and April 26, 2010. 51 employees received the authorized user training as required. The training was conducted by Glenn Huber, CHP of Stan A. Huber Consultants, Inc. Additional training and retraining will be scheduled as required. Management is committed to ensuring future training is conducted in compliance with license requirements.

Violation - Failure to issue whole body dosimeters to individuals involved in service activities on the source portion of licensed gauges: The plant has had a personnel dosimetry program as described in its application for renewal of the byproduct material license. However, because of an erroneous interpretation of the dosimetry requirement in 10 CFR 20.1502(a) (1), the program has

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been voluntary. This was based on the fact that historical dosimetry records do not indicate potential annual doses in excess of 500 millirem would be received by authorized users.

The operating management and authorized users have been instructed that anyone conducting service activities on the source portion of licensed gauges must be issued, and wear, their assigned personnel dosimeter while conducting such activities. In addition, notification was made in an email to all applicable departments on April 28, 2010.

Violation - Failure to notify the NRC of a gauge shutter failure: On December 4, 2009, during operations, the shutter for a fixed gauge at the IH7 blast furnace had a build up of dust and debris resulting from normal operation. This build up would not allow the gauge shutter mechanism to completely close, and the shutter could not be moved to a fully closed position. The gauge is located behind a massive material flow control valve at the top of a chute leading into a material hopper. The source beam is approximately 15 feet away and 10 feet above the area where non-gauge maintenance work was scheduled that day, and was not physically accessible. The work area inside the chute was surveyed for radiation, and there was no radiation exposure potential. The plant RSO misinterpreted the criteria in 10 CFR 30.50 in determining whether the event was reportable. He determined that the event was not reportable because a closed shutter was not required to safely perform the planned work, and there was no potential exposure to radiation above background where the work was to be performed. The gauge manufacturer was called out to evaluate the gauge. The gauge was cleaned, the shutter was closed, and the gauge was taken out of service.

Whenever a gauge shutter fails to operate as intended the event will be reported to the NRC's Control Center.

Apparent Violation: The apparent violation identified by the inspector pertains to our failure to ensure that three employees who removed a gauge from service had completed the required training to perform such work. Plant operating management was notified by the General Manager the morning of the closing conference of the apparent violation, and its serious nature. Operating management was instructed that only personnel who had received training meeting the requirements in 8.B. of the November 16, 1995 letter to Region III are permitted to perform service on radiation gauges.

Compliance to licensed requirements has typically been managed by the plant RSO. Our investigation of the circumstances leading to the cited violations, and apparent violation, has revealed a need to improve management over site of the activities of the RSO, and compliance to the license requirements. As a result, the RSO will, on a quarterly basis, report to the General Manager status of compliance activities and any potential compliance issues. This will begin with a report on the second quarter of 2010. The RSO has also been instructed to immediately report any license violations, or potential violations, to the Safety Manager and General Manager.

As of April 28, the RSO made available to all departments a complete list of employees who have completed the authorized training. The RSO, or authorized representative, will on a quarterly basis, review the maintenance records of each department having licensed gauges to insure only properly trained authorized users are performing maintenance. If it is found that an unauthorized worker was

used by a department to provide service activities on the source portion of licensed gauges, the RSO will notify the operating management responsible, and request a corrective action plan. In addition, the General Manager, and Safety Manager, will be notified at that time. The review process will begin May 1, 2010.

In addition, the plant RSO incumbent at the time of these violations will be reassigned. An Indiana Harbor Safety Engineer has been trained, and will be assuming the responsibilities of the RSO. We will be submitting an amendment to the license by June 1st, 2010 to that effect.

Un-cited failure to perform a quarterly inventory of generally licensed devices in storage:

This requirement was not understood by the plant RSO. The inventory was performed on February 18, 2010 at the time of the U.S. NRC inspection. The plant is investigating whether it is best to transfer the generally licensed devices to the plant's specific license. The devices will be inventoried on a quarterly frequency until a determination is made.

Respectfully,



Mark Whalen,
Vice President and General Manager
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