

## UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II 245 PEACHTREE CENTER AVENUE NE, SUITE 1200 ATLANTA, GEORGIA 30303-1257

March 3, 2015

Mr. Jim Pritchett Plant Manager Honeywell Specialty Chemicals P.O. Box 430 Metropolis, IL 62960

SUBJECT: HONEYWELL INTERNATIONAL, INC., PROGRAM ADJUSTMENT REVIEW OF

LICENSED ACTIVITIES (NUCLEAR REGULATORY COMMISSION INSPECTION

REPORT 40-3392/2015-001)

Dear Mr. Pritchett:

The Nuclear Regulatory Commission (NRC) Region II and Headquarters staff completed a program adjustment review of the Honeywell Metropolis Works' (Honeywell) performance in conducting NRC licensed activities. In accordance with NRC Inspection Manual Chapter (IMC) 2604, "Licensee Performance Review," the program adjustment review provides an opportunity for adjustments to the inspection program to reflect emergent performance issues that may reveal themselves during the normal 24-month performance assessment period. This review covered the period January 1 through December 31, 2014. The performance of Honeywell was evaluated in the following areas: Safety Operations, Radiological Controls, Facility Support, and Other Areas. This letter provides the results of our review and constitutes the basis for adjusting the NRC oversight program for your facility.

Overall, the staff determined that Honeywell has continued to conduct its activities in a manner that protected the safety and security of workers and the public. Based on our review of activities, no area needing improvement (ANI) was identified. Therefore, the NRC will conduct the core inspection program for a uranium conversion facility as described in NRC IMC 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the period of January 1, 2015, to December 31, 2015.

However, due to the ongoing lock-out of union operators, we will continue to perform additional inspections to ensure that replacement workers, and the union workers upon their return, are properly trained and qualified and are operating the facility in a safe and compliant manner as necessary. In addition, our review of the apparent violation identified during our follow-up of an event involving a uranium hexafluoride leak that occurred in the Feeds Material Building (FMB) on October 26, 2014, is in progress. The apparent violation involves the failure to declare an Alert in response to the release as required by their Emergency Response Plan. The details of the follow-up inspection were documented in NRC Inspection Report (IR) 40-3392/2014-005. The apparent violation is being considered for escalated enforcement action in accordance with the NRC Enforcement Policy.

As stated in our previous licensee performance review letter (IR 40-3392/2014-001), an ANI remained open in the area of Special Topics. The open ANI covers the facility retrofits and other actions necessary to comply with the requirements of the Confirmatory Order (Order) EA-12-157 regarding the design of the process equipment in the FMB that lacked seismic restraints, supports, and bracing needed to ensure equipment integrity during credible seismic events or tornados. The ANI remained open pending completion of the remaining action associated with the Order. On June 17, 2014, NRC staff concluded that the revised ISA Summary contained information that was adequately detailed and consistent with the safety basis documented previously by the licensee in accordance with the Order. The Order was closed in a letter to you dated July 21, 2014. No additional actions are required as all the actions associated with this issue are complete. Therefore, the ANI identified is closed.

The NRC expects to issue a generic letter to request that licensees submit information to demonstrate compliance with regulatory requirements regarding the treatment of natural phenomena hazard events in the facilities' integrated safety assessments. Once licensees provide this information, additional NRC inspection hours beyond the core inspection hours may be implemented in 2015 or 2016.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>.

Please refer questions and comments regarding your performance review to James Hickey, Projects Branch 1, by telephone at 404-997-4628.

Sincerely,

/RA/

Mark. S. Lesser, Director Division of Fuel Facility Inspection

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

cc: (See page 3)

As stated in our previous licensee performance review letter (IR 40-3392/2014-001), an ANI remained open in the area of Special Topics. The open ANI covers the facility retrofits and other actions necessary to comply with the requirements of the Confirmatory Order (Order) EA-12-157 regarding the design of the process equipment in the FMB that lacked seismic restraints, supports, and bracing needed to ensure equipment integrity during credible seismic events or tornados. The ANI remained open pending completion of the remaining action associated with the Order. On June 17, 2014, NRC staff concluded that the revised ISA Summary contained information that was adequately detailed and consistent with the safety basis documented previously by the licensee in accordance with the Order. The Order was closed in a letter to you dated July 21, 2014. No additional actions are required as all the actions associated with this issue are complete. Therefore, the ANI identified is closed.

The NRC expects to issue a generic letter to request that licensees submit information to demonstrate compliance with regulatory requirements regarding the treatment of natural phenomena hazard events in the facilities' integrated safety assessments. Once licensees provide this information, additional NRC inspection hours beyond the core inspection hours may be implemented in 2015 or 2016.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>.

Please refer questions and comments regarding your performance review to James Hickey, Branch 1, by telephone at 404-997-4628.

Sincerely,

/RA/

Mark. S. Lesser, Director Division of Fuel Facility Inspection

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

cc: (See page 3)

□ PUBLICLY AVAILABLE □ NON-PUBLICLY AVAILABLE □ SENSITIVE □ NON-SENSITIVE
 □ ADAMS: □ Yes □ ACCESSION NUMBER: ML15062A457 □ SUNSI REVIEW COMPLETE □ FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	FCSE				
SIGNATURE	/RA/	/RA/	CErlanger for				
NAME	DHartland	JHickey	MBailey				
DATE	2/27/2015	2/27/2015	3/2/20153/	3/ /2015	3/ /2015	3/ /2015	3/ /2015
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: MIDCYCLE\HONEYWELL 2015 LPR MID-CYCLE LETTER.DOCX

G:\DFFI\ASSESS

LPR\HONEYWELL\2015 LF

CC:

Jonathan Monken, Director Emergency Management Agency Division of Nuclear Safety 2200 South Dirksen Parkway Springfield, IL 62704

Brigadier General John W. Heltzel, Director Kentucky Emergency Management Agency EOC Building 100 Minuteman Parkway Building 100 Frankfort, KY 40601-6188

Doug Harnice, Deputy-Judge Executive, Interim Director McCracken County Emergency Management Agency 3700 Coleman Road Paducah, KY 42001

Keith E. Davis, Director Metropolis Emergency Management Agency 213 West Seven Street Metropolis, IL 62960

Matthew McKinley, Manager Kentucky Department of Health and Family Services Radiation Health Branch 275 East Main Street Mail Stop HS-1CA Frankfort, KY 40601-0001

Xavier Ascanio, Director
Office of Nuclear Materials Integration
NA-73-GTN
U. S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1290

Gary Bodenstein
Department of Energy
Regulatory Management Branch, NS-52
Paducah Gaseous Diffusion Plant Site
Mail Stop 103
P.O. Box 1410
Paducah, KY 42002

Joe Miller, Jr., Director Massac County Emergency Management Agency 1 Superman Square, Room 1B P.O. Box 716 Metropolis, IL 62960-0716 Letter to Mr. Jim Pritchett from Mark S. Lesser dated March 3, 2015

SUBJECT: HONEYWELL INTERNATIONAL, INC., PROGRAM ADJUSTMENT REVIEW OF

LICENSED ACTIVITIES (NUCLEAR REGULATORY COMMISSION INSPECTION

REPORT 40-3392/2015-001)

## **DISTRIBUTION**:

M. Bailey, NMSS

B. Smith, NMSS

T. Liu, NMSS

M. Lesser, RII

J. Hickey, RII

D. Hartland, RII