



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

March 7, 2016

Mr. John Albritton
Plant Manager
Honeywell Metropolis Works
P.O. Box 430
Metropolis, IL 62960

**SUBJECT: HONEYWELL INTERNATIONAL, INC. – LICENSEE PERFORMANCE REVIEW
OF LICENSED ACTIVITIES (NUCLEAR REGULATORY COMMISSION
INSPECTION REPORT 40-3392/2016-001)**

Dear Mr. Albritton:

The U.S. Nuclear Regulatory Commission (NRC) staff in our Region II Office and the Office of Nuclear Material Safety and Safeguards have completed a review of the Honeywell Metropolis Works (Honeywell) performance in conducting NRC-licensed activities. The review covered the period January 1, 2014, through December 31, 2015. The performance of Honeywell was evaluated in the following areas: Safety Operations, Radiological Controls, Facility Support, and Special Issues (Other Areas). The enclosure to this letter provides the results of our review and constitutes the basis for establishing the NRC oversight program for your facility. The details regarding the Safeguards portion of the review are documented in a separate letter marked "Official Use Only" due to the sensitive nature of that information.

Overall, the NRC staff determined that Honeywell has continued to conduct activities safely and securely, and in a manner that protects public health and the environment. Based on our review of activities, no area needing improvement (ANI) was identified for the areas of Safety Operations, Radiological Controls, Facility Support and Other Areas. Therefore, the NRC staff will conduct the core inspection program for a uranium conversion facility, as described in NRC Inspection Manual Chapter (IMC) 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the assessment period of January 1, 2016, to December 31, 2017.

The NRC inspectors conducted two reactive inspections in response to uranium hexafluoride releases that occurred on October 24, 2014, and August 1, 2015. During those inspections, the NRC inspectors identified deficiencies in the licensee's implementation of its Emergency Response Plan. These deficiencies were documented in NRC Inspection Reports 40-3392/2014-005 and 40-3392/2015-007. The NRC staff evaluated the deficiencies and resulting violations of regulatory requirements in the aggregate to determine if the criteria for an ANI, as defined by IMC 2604, "Licensee Performance Review" were met. The NRC staff concluded that an ANI was not warranted because the licensee took the appropriate actions to address the deficiencies.

The NRC issued Generic Letter (GL) 2015-01: "Treatment of Natural Phenomena Hazards in Fuel Cycle Facilities" (Agencywide Documents Access and Management System (ADAMS) Accession No. ML14328A029) to request that licensees submit information to demonstrate compliance with regulatory requirements regarding the treatment of natural phenomena events in the facilities' integrated safety assessments. Honeywell submitted this information by letter dated September 16, 2015, and NRC staff is evaluating the response.

Additional NRC inspections, beyond the core inspection hours, may be warranted to support the review of licensees' activities in response to NRC GL 2015-01. The inspections will be conducted in accordance with Temporary Instruction 2600/016, "Inspection of Activities Associated with NRC Generic Letter 2015-01" (ADAMS Accession No. ML15317A506).

The NRC inspectors also intend to conduct an inspection, beyond the core inspection hours, to review the implementation of the licensee's actions taken as required by Confirmatory Order EA-14-144. The Order was issued on March 11, 2015, in response to a contract employee who was terminated, in part, for raising a safety concern.

The results of our Licensee Performance Review will be discussed with you at a meeting open to the public on May 5, 2016. During the meeting, you will have an opportunity to discuss your performance in the same major areas as evaluated by the NRC.

In accordance with Title 10 of the *Code of Federal Regulations* Section 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system ADAMS. The NRC's document system ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

Please refer questions and comments regarding your licensee performance review to Mr. Marvin Sykes, Chief, Projects Branch 1, by telephone at 404-997-4629.

Sincerely,

/RA/

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

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

Enclosure:
Licensee Performance Review

cc: (See page 3)

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PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE
 ADAMS: Yes ACCESSION NUMBER: ML16067A263 SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DFFI	RII:DFFI	RII:DFFI	FCSE		
SIGNATURE	/RA/	/RA/	/RA/	/RA/		
NAME	JGilliam	DHartland	MSykes	CErlanger		
DATE	3/1/2016	3/1/2016	3/2/2016	3/7/2016		
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

cc:

James K. Joseph, Director
Illinois Emergency Management Agency
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

Jerome Mansfield, 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

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

Scott Deming, Director
Massac County Emergency Management Agency
1 Superman Square, Room 1B
P.O. Box 716
Metropolis, IL 62960-0716

Letter to Mr. John Albritton from Mark S. Lesser dated March 7, 2016

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LICENSEE PERFORMANCE REVIEW FOR HONEYWELL INTERNATIONAL, INC

ASSESSMENT PERIOD: JANUARY 1, 2014 TO DECEMBER 31, 2015

The following is a summary of the performance of Honeywell in the conduct of NRC-licensed activities.

PERFORMANCE AREA: SAFETY OPERATIONS

This area is comprised of plant operations and fire protection.

Program Areas Needing Improvement

- No specific area needing improvement was identified in Safety Operations.

Recommended NRC Inspection Effort

- Maintain the core inspection effort in Safety Operations.

PERFORMANCE AREA: RADIOLOGICAL CONTROLS

This area is comprised of radiation protection, environmental protection, waste management, and transportation.

Program Areas Needing Improvement

- No specific area needing improvement was identified in Radiological Controls.

Recommended NRC Inspection Effort

- Maintain the core inspection effort in Radiological Controls.

PERFORMANCE AREA: FACILITY SUPPORT

This area is comprised of maintenance and surveillance, training, emergency preparedness, management organization and controls, and permanent plant modifications.

Program Areas Needing Improvement

- No specific area needing improvement was identified in Facility Support.

Recommended NRC Inspection Effort

- Maintain the core inspection effort in Facility Support.

Enclosure

PERFORMANCE AREA: OTHER AREAS

This area is comprised of special issues.

Program Areas Needing Improvement

- No specific area needing improvement was identified in Other Areas.

Recommended NRC Inspection Effort

- Maintain the core inspection effort in Other Areas.