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BY U.S. MAIL AND EMAIL

March 8, 2016

Chris Cahill, PE
Acting Branch Chief
Division of Nuclear Materials Safety
Commercial, Industrial, R&D, and Academic Branch,
United States Nuclear Regulatory Commission, Region I
2100 Renaissance Boulevard, Suite 100
King of Prussia, PA 19406-2713

Re: Novelis Corporation
Docket No. 03008804
License No. 47-13348-02
EA-15-213
NRC Inspection Report 03008804/2014001
and Investigation Report 1-2015-004
Response to NRC Letter of 27 January 2016

Dear Mr. Cahill:

This letter is Novelis' "Option 4" submission of additional written information in response to the above-referenced Inspection and Investigation Reports (collectively, "NRC Reports"). Among other things, this submission is intended to provide additional context for the Commission's consideration before issuing a final determination.

Novelis understands the facts and conclusions identified in the NRC Reports, acknowledges their significance and does not dispute NRC's findings that certain missteps resulted in violations of the Commission's requirements. Importantly, no exposures occurred beyond regulatory limits, and, as outlined below, Novelis believes that the issues contained within the NRC Reports resulted from mistakes of fact and errors of judgment, not from deliberate misconduct or an intent to ignore safety and regulatory requirements.

Novelis Corporation
P.O. Box 912
Fairmont, WV 26554

Based on the NRC Reports and on information gathered to date, the following appear to be the essential facts relevant to the events of September 12, 2014:

- [REDACTED] has had a decades-long career at Novelis and, in September 2014, was an Electronics Specialist reporting to [REDACTED], EMRA Leader, and also a long-time employee at Novelis-Fairmont.
- [REDACTED] has worked at Novelis since 2006 and, in September 2014, was a Process Automation Engineer reporting to [REDACTED]. Mr. [REDACTED] identified as the RSO affiliated with the NRC Materials License at issue (which Materials License, as shown on Attachment 1, has since been terminated by the NRC at Novelis' request).
- [REDACTED] knew that [REDACTED] and [REDACTED] had both received Radiological Training Certificates after successfully completing the Radiation Safety Awareness Training for Authorized Users and Instruction required by NUREG-1556, Volume 4, Appendix G & N, in February 2013. (Attachments 2 and 3.) As a result, Mr. [REDACTED] believed that both were equally qualified regarding the matters at hand. He knew that [REDACTED] as the designated RSO; he believed, mistakenly, that [REDACTED] – who previously received the Radiological Training Certificate – was designated as secondary RSO.
- On September 12, 2014, the shutter on the #1 Mill thickness gauge malfunctioned in the closed position. Later on September 12, 2014, the same shutter malfunctioned, apparently in the open position, though that was not clear to those undertaking the repair at the time. No employees were exposed to unsafe levels of radiation from either shutter failure.
- NRC Materials License Section 17.A. authorizes performance of “non-routine maintenance or repair of components not related to the radiological safety of the gauge” by the RSO or “other individuals who have completed the training specified in Application dated January 9, 2013...” Thus, both [REDACTED] and Mr. [REDACTED] would have been authorized to effect repairs that were within the scope of Section 17.A. Section 17.B. prohibits “non-routine maintenance or repair of components related to the radiological safety of the gauge.”
- NRC Materials License Section 19.A. provides that “the licensee may maintain, repair, or replace device components that are not related to the radiological safety of the device and that do not result in the potential for any portion of the body to come into contact

with the primary beam or increased radiation levels in accessible areas." Section 19.B. prohibits the licensee from "maintain[ing], repair[ing] or replac[ing] an enumerated list of components including the "on-off mechanism (shutter)," unless otherwise permitted by "specific condition of this license."

- Mr. [REDACTED] who was in the manufacturing area at the time of the first shutter failure, undertook to repair each of the malfunctions at issue here, apparently under the mistaken view that Section 17.A. authorized repair of malfunctions arising from a shutter failure in the closed position. He apparently did not consider the applicability of the prohibition against work on the "on-off mechanism (shutter)." Wrong though he may have been, Mr. [REDACTED] appears to have reached his interpretation of the NRC Materials License and undertaken his actions in good faith, on his own, without pressure or encouragement.
- After Mr. [REDACTED] first repair was well underway, Mr. [REDACTED] arrived, stopped the ongoing repair, and expressed his view that NRC Materials License Section 19.B. prohibited the ongoing repair. Like Mr. [REDACTED], Mr. [REDACTED] appears to have reached his interpretation of the Materials License in good faith, on his own and without pressure or encouragement.
- When presented with (1) repairs that were well underway, and (2) conflicting interpretations of the NRC Materials License by two respected and equally certified employees, Mr. [REDACTED] decided to allow Mr. [REDACTED] to finish the near-complete repairs. Although this judgment may have been erroneous, Mr. [REDACTED] reached his decision in good faith, on his own and without pressure or encouragement.
- The second malfunction occurred only hours after the repair of the first malfunction, and the second appears to have been viewed as an extension of the first. Mr. [REDACTED] also performed the second repair, and the RSO did not try to stop the repair or express a view that it was prohibited at the time.
- After the malfunctions and repairs, the incidents were timely reported to the NRC. Since then, Novelis has brought in a qualified and licensed contractor to inspect the gauge, has transferred the radioactive material to a licensed contractor for permanent disposal, and has applied for the termination of its NRC Materials License, which the NRC effected on January 12, 2016. Novelis also has cooperated fully with the NRC in all inspections and investigations.

- No information has been presented to support a finding that anyone, including Mr. [REDACTED] deliberately compromised safety or regulatory requirements in favor of production. Indeed, qualified repair resources were just a couple of hours down the road, so production was not at risk of being materially impacted if the repairs had been outsourced. This further supports that any missteps here were because of misinterpretations or errors in judgment, not because of any improper economic incentive to favor production over safety.

Based on the above, Novelis does not contest the finding that its personnel were not authorized by the NRC Materials License to perform the gauge repairs made in September 2014. But the decisions made on September 12 and 13, 2014, involved good faith mistakes and erroneous judgments in the face of conflicting information about already-in-progress circumstances unfolding in real time, not deliberate misconduct. As a result, Novelis respectfully requests that the finding of deliberate misconduct contained in the NRC's Reports be changed to a simple violation.

Thank you again for your courtesies and for your consideration of this submission.

Respectfully submitted,



Anthony Ellis
Plant Manager

ATTACHMENT 1

U.S. NUCLEAR REGULATORY COMMISSION
MATERIALS LICENSE

Licensee	
1. Novelis Corporation 2. P.O. Box 912 Fairmont, West Virginia 26555-0912	3. License number 47-13348-02 4. Expiration date Not Applicable 5. Docket No. 030-08804 Reference No.

In accordance with the letter dated October 14, 2015, this license is hereby terminated.
(ML15306A382)

For the U.S. Nuclear Regulatory Commission

Date January 12, 2016

By Original signed by Scott Wilson
 Scott Wilson
 Commercial, Industrial, R&D and Academic Branch
 Division of Nuclear Materials Safety
 Region I
 King of Prussia, Pennsylvania 19406

ATTACHMENT 2

ATTACHMENT 3

