



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL

March 1, 2017

EA-16-225

Ms. ShaKeia Reese
Radiation Safety Officer
U.S. Steel Corporation
1 North Broadway 91 E-2
Gary, IN 46402

SUBJECT: NOTICE OF VIOLATION - U.S. STEEL CORPORATION; NRC ROUTINE
INSPECTION REPORT 03029318/2016001(DNMS)

Dear Mrs. Reese:

This refers to a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on September 16, 2016, at your Midwest Plant in Portage, Indiana facility. The purpose of the inspection was to review activities performed under your NRC license to ensure that activities were being performed in accordance with NRC requirements. During the inspection, apparent Security-Related violations were identified. On November 8, 2016, an exit meeting was held with you to discuss the circumstances surrounding the apparent violations, the significance of the issues, and the need for lasting and effective corrective actions. Details regarding the apparent violation were provided in NRC Inspection Report No. 03029318/2016001(DNMS), dated November 30, 2016.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violations identified in the report by either attending a predecisional enforcement conference or by providing a written response before we made our final enforcement decision. In a letter dated December 15, 2016, you provided a response to the apparent violations.

Based on the information developed during the inspection and the information that you provided in your response to the inspection report dated, December 15, 2016, the NRC has determined that two Security-Related violations of NRC requirements occurred. The violations are cited in the enclosed Notice of Violation (Notice) provided in Enclosure 1 (Non-Public). The Final Determination of Significance in Enclosure 2 (Non-Public) provides the basis for the NRC's conclusion. The circumstances surrounding the violations are described in detail in the subject inspection report, dated November 30, 2016. Therefore, these violations have been categorized collectively, in accordance with the NRC Enforcement Policy, as a Severity Level III problem.

Enclosures 1 and 2 contain Sensitive
Unclassified Non-Safeguards Information.
Upon separation, this cover letter is
DECONTROLLED.

S. Reese

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In accordance with the NRC Enforcement Policy, a base civil penalty of \$7,000 is considered for a Severity Level III problem.

Because your facility has not been the subject of escalated enforcement actions within the last two inspections, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy. In Inspection Report No. 03029318/2016001(DNMS), the NRC described its understanding of the corrective actions taken to correct the violation. In your December 15, 2016, response, you described the corrective actions taken to correct the violation and to prevent recurrence. These corrective actions are also documented in Enclosure 2. Based on these corrective actions, the NRC has determined that *Corrective Action* credit was warranted.

Therefore, to encourage prompt and comprehensive correction of violations and in recognition of the absence of previous escalated enforcement actions, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III problem constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in Inspection Report No. 03029318/2016001(DNMS), dated November 30, 2016, and in your written response dated December 15, 2016. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with Title 10 of the *Code of Federal Regulations* (CFR) 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management Systems (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. However, the material in Enclosures 1 and 2 contain Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in Enclosures 1 and 2 will not be made available electronically for public inspection in the NRC Public Document Room or in ADAMS. If Security Related Information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information –

S. Reese

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Withhold Under 10 CFR 2.390” and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA Darrell J. Roberts Acting for/

Cynthia D. Pederson
Regional Administrator

Docket No. 030-29318
License No. 13-23600-01

Enclosure(s):

1. Notice of Violation (Non-public)
2. Final Determination of Significance (Non-public)

cc w/o encls: State of Indiana

S. Reese

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Letter to ShaKeia Reese from Cynthia D. Pederson dated March 1, 2017

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03029318/2016001(DNMS)
U.S. STEEL CORPORATION

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