



Homestake Mining Company of California

David W. Pierce
Closure Manager

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Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Regional Administrator
Materials Licensing and Decommissioning Branch
Division of Nuclear Materials Safety
Region IV
1600 East Lamar Boulevard
Arlington, TX 76011-4511

RE: Reply to a Notice of Violation – NRC Inspection Report 040-08903/2019-001 and Notice of Violation; Homestake Mining Company of California – Grants Reclamation Project – Docket No. 040-08903, License No. SUA-1471

Dear Regional Administrator:

Pursuant to the letter received on August 19, 2019 titled "*Homestake Mining Company, Response to Notice of Violation and Nuclear Regulatory Commission Inspection Report 040-08903/2019-001*", Homestake Mining Company of California (HMC) has revised its responses, which were initially submitted to NRC on July 12, 2019 to the referenced notice of violations below:

Notice of Violations (NOVs) are provided below in italics, followed by HMC's revised response.

- A. *Title 10 of the Code of Federal Regulations (10 CFR) 40.41(c) states that each person licensed by the Commission pursuant to the regulations in this part shall confine his possession and use of source or byproduct material to the locations and purposes authorized in the license. Materials License SUA-1471, Amendment 52, License Condition 16 states, in part, that before engaging in any activity not previously assessed by the NRC, the licensee shall prepare and record an environmental evaluation of such activity.*

Contrary to the above, in late-February or early-March 2019, the licensee failed to prepare and record an environmental evaluation before engaging in an activity not previously assessed by the NRC. Specifically, the licensee added approximately 12-15 gallons of an algaecide to the microfiltration break tank in the reverse osmosis system over the course of approximately 1.5 days without preparing and recording an environmental evaluation.

This is a Severity Level IV violation (Section 6.3).

IED7
RGN04
RGN-IV

HMC Response:

HMC acknowledges the deficiency and recognizes that despite SERP training provided to site personnel HMC staff did not identify the addition of algaecide to the microfiltration break tank as a significant change in operational parameters for the reverse osmosis (RO) water treatment system that required evaluation for Nuclear Regulatory Commission (NRC) review. In its review, HMC identified as the cause for this NOV that training was not understood by all personnel and additional clarification and training was required. HMC has taken the following actions to address this NOV:

- Corrective action has been taken in the form of steps to ensure that virtually any change in operational systems at the Site is evaluated for the need for an environmental evaluation and possibly a SERP evaluation. These steps that HMC has adopted include implementing weekly site operations meetings to screen upcoming projects and/or proposed site changes, introducing a pre-project checklist, and completing a SERP evaluation checklist (SOP 10) prior to initiating project work. HMC weekly meetings include the closure manager, Radiation Safety Officer (RSO), professional staff, and supervisory staff. HMC adopted these steps immediately after the March 2019.
- In addition, HMC is committed to improving our systems to prevent recurrence. Ongoing professional staff training in this area is planned for Q3 and Q4 2019. By implementing these steps since the March 2019 inspection, HMC is currently in compliance with License Condition 16 and is committed to remaining in compliance with this SUA-1471 requirement.

B. Materials License SUA-1471, Amendment 52, License Condition 32 states, in part, that the licensee shall follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring that Occupational Radiation Exposure at Uranium Recovery Facilities will be As Low As is Reasonably Achievable (ALARA)," or NRC-approved equivalent.

Contrary to the above, as of March 21, 2019, the licensee failed to follow the guidance set forth in Regulatory Guide 8.31, "Information Relevant to Ensuring that Occupational Radiation Exposure at Uranium Recovery Facilities will be As Low As is Reasonably Achievable (ALARA)," or NRC-approved equivalent. Specifically, the licensee failed to conduct weekly inspections of all facility areas and daily walk-through inspections of all work and storage areas to observe general radiation practices, provide three months of specialized training to its radiation safety technicians, and conduct fire drills on a semi-annual basis, as required by Sections C.2.3.1, C.2.4.2.2, and C.3.4 of Regulatory Guide 8.31 respectively.

This is a Severity Level IV violation (Section 6.3).

HMC Response:

HMC acknowledges the deficiency as listed above. In its review, HMC identified as the cause for this NOV that additional clarifications were necessary on RG 8.31 requirements and site

procedures that stem from that requirement. Pending NRC approval of a license amendment request (LAR) to replace generic citation of NRC regulatory guides in license condition 32, HMC has taken corrective actions to address this NOV as follows:

- Weekly site inspections of all facility areas are now conducted by the RSO or Assistant RSO (ARSO);
- Documentation procedures have been developed and implemented for Radiation Safety Technician (RST) daily walk-throughs of site facilities with potential for exposure to radioactive materials.
- The primary RST (Kyle Martinez) has accumulated over two years of relevant higher education at an accredited university (transcripts available upon request) and has completed 53 hours of formal RST training between May 2017 and March 2018. Mr. Martinez also has many years of direct RST experience at the Site, including more than two weeks of on-the-job training for the RST role which qualifies towards the 4 weeks of specialized radiation protection training specified by RG 8.31. To complete the remaining 27 hours of training under RG 8.31 specifications, HMC plans to send Mr. Martinez to a 40-hour RSO refresher course in December 2019, which under RG 8.31 specifications, will complete the necessary qualifications for the RST role;
- With respect to fire drills, implementation and documentation of a routine schedule for fire drills at the site began immediately upon notice that fire drills were required under Regulatory Guide 8.31. Initial fire drill was completed on March 22, 2019 with the second drill scheduled on or before September 22, 2019.

While acknowledging this NOV, HMC notes that it attempted to pre-empt this deficiency through submittal of a LAR to replace generic citation of NRC Regulatory Guides in LC 32 with reference to HMC's updated Radiation Protection Program (RPP) Manual. The initial LAR was submitted on December 5, 2018 and subsequently withdrawn (letter dated April 12, 2019) after discussions with NRC regarding specific language. An updated RPP LAR dated June 19, 2019 was re-submitted and is pending NRC review.

C. Materials License SUA-1471, Amendment 52, License Condition 41 states, in part, that the licensee shall have procedures which will evaluate the consequences of the spill or incident/event against 10 CFR 20, Subpart M, and 10 CFR 40.60 reporting criteria.

Contrary to the above, as of March 21, 2019, the licensee failed to have procedures which will evaluate the consequences of an incident/event against 10 CFR 20, Subpart M, and 10 CFR 40.60 reporting criteria.

This is a Severity Level IV violation (Section 6.3).

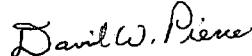
HMC Response:

HMC respectfully disagrees with the assessment that the current procedure (SOP-21) does not meet the requirements of LC 41 and thus warrants a NOV. In its review, HMC identified as the cause for this NOV that HMC's understanding of how SOP-1 and SOP-21 relate to LC 41 differed from that of the NRC. However, HMC respects the NRC's determination, and has thus taken the following corrective action:

- HMC has updated SOP-1 (Emergency Response Procedure) to specifically identify that any incident or event that results in a spill or unplanned release of licensed material must be evaluated and reported per SOP-21 (Spill Response and Reporting Procedure), which specifically addresses 10 CFR 20, Subpart M, and 10 CFR 40.60 reporting criteria. A draft of SOP-1 has been provided to the NRC previously and will be finalized and available for review onsite during subsequent site inspections/visits.

HMC appreciates your consideration of our responses in this matter. If you have any questions, please contact me via e-mail at dpierce@homestakeminingcoca.com or via telephone at 505.238.9701.

Respectfully,



David W. Pierce

Closure Manager
Homestake Mining Company of California
Office: 505.287.4456 x34 | Cell: 505.238.9701

Copy To:

R. Linton, NRC, Bethesda, MD (electronic copy)
M. McCarthy, Barrick, Salt Lake City, Utah (electronic copy)
G. George, Davis, Wright and Tremaine, San Francisco, California (electronic copy)
C. Burton, Barrick, Henderson, Nevada (electronic copy)
R. Whicker, Environmental Restoration Group, Albuquerque, New Mexico (electronic copy)