

OCT 18 1989

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

Allied-Signal, Inc.
ATTN: Mr. J. C. Bishop
Plant Manager
P.O. Box 430
Metropolis, Illinois 62960

Gentlemen:

This refers to your letters dated December 5, 1988, May 11, 1989, and July 10, 1989, requesting rescission of the NRC Order issued on May 18, 1987, that prohibited filling with uranium hexafluoride (UF_6) or heating any 48-inch diameter cylinder, manufactured by the W. H. Stewart Company of Oklahoma City, Oklahoma, with the following serial numbers: 2309-2333, 2442-2617, and 2782-2828 (all inclusive).

The Order was to remain in effect until such time as the licensee (1) determined that the stiffening rings on the identified cylinders are not fabricated from ASTM A306, Grade 75 steel, or (2) certified to the NRC that the safety of the identified cylinders will not be compromised during in-plant operations, and (3) the Department of Transportation (DOT) authorized the cylinders to be transported after June 30, 1987.

With regard to Condition (1) of the Order, your letters of May 11 and July 10, 1989, identified a total of 25 cylinders purchased from W. H. Stewart having ASTM A306, Grade 75 steel stiffening rings. These cylinders were identified by the following manufacturer serial numbers: 2309-2333 inclusive (25 cylinders).

With regard to Condition (2) of the Order, your letter dated December 5, 1988, enclosed a letter dated November 28, 1988, from the American Society of Mechanical Engineers (ASME) which addressed the stiffening ring issue. The ASME Subcommittee-Boiler and Pressure Vessel Accreditation had determined that the cracking problem discovered in the stiffening ring material does not affect the status of the identified cylinders as "coded pressure vessels." Furthermore, in your letters of May 11 and July 10, 1989, you enclosed the results of your cylinder examinations and safety evaluation. Based on our review of the ASME determination, the staff's conversation with the ASME staff on January 30, 1989, and your safety evaluation, which included a review of the operating history of the cylinders and reiterated the ASME determination, the staff supports your conclusion that the safety of the identified cylinders will not be compromised during in-plant operations.

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Finally, DOT's revision to 49 CFR 173.420(a)(2), published in the Federal Register on August 29, 1989, 54 FR 35651, authorized the continued use of packagings in existence on or before June 30, 1987, for the transportation of uranium hexafluoride. Your certification that all the identified cylinders were in use prior to June 30, 1987, satisfies Condition (3), the final requirement of the Order.

Accordingly, based on the information submitted under oath in your letter dated July 10, 1989, and DOT's revision to 49 CFR 173.420(a)(2), the NRC Order issued to Allied Corporation (now Allied-Signal, Inc.) on May 18, 1987, is hereby rescinded. This rescision does not relieve Allied-Signal from compliance with any requirements in 10 CFR Part 71 or DOT regulations.

In accordance with Section 2.790 of the NRC's "Rule and Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter will be placed in the Public Document Room.

FOR THE NUCLEAR REGULATORY COMMISSION

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Robert M. Bernero, Director
Office of Nuclear Material Safety
and Safeguards

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