Lic. No 34-17306-01

DCD

CARGILL CORN STARCH AND SYRUP
Milling Division

8201 Needmore Road
P.O. Box 1400A
Dayton, Ohio 45414
513/236-1971

September 25, 1989

Regional Administrator Region III
U. S. Nuclear Regulatory Commission
799 Roosevelt Road
Glen Ellyn, IL 60137

To whom it may concern:

This letter is a Reply to a Notice of Violation. A Notice of Violation letter dated September 13, 1989 and signed by a A. Bert Davis, Regional Administrator has been received by Cargill, Incorporated.

On the following pages each violation is listed as it appears in the Notice of Violation letter dated September 13. Following each violation will be:

1. Reason for the violation.
2. Corrective steps that have been taken.
3. Corrective steps that will be taken to avoid further violations.
4. Date when full compliance will be achieved.

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Violation A:

"License Condition No. 17 requires that relocation or removal from service of devices containing sealed sources be performed by the device manufacturer or by persons specifically licensed by the Commission or an Agreement State to perform such services.

Contrary to the above, on July 26, 1989, a vessel with an attached Ohmart Model SH-100 sourceholder containing an 8.24 millicurie cesium-137 sealed source was removed from its mounted location inside a building by licensee employees who were not specifically authorized by the Commission or an Agreement State to perform such services. Specifically, on July 26, 1989, the licensee relocated the vessel/sourceholder outdoors adjacent to the building and on July 27, 1989 it relocated the vessel/sourceholder to a fenced area on its property. On July 29, 1989, a scrap contractor removed the sourceholder from the vessel and placed it in a dumpster. On July 31, 1989, the licensee again relocated the sourceholder by transferring it to a scrap metal dealer."

1. Reason for the violation:

   This violation occurred as a result of a lapse in judgement and an inadequate formal program for handling radioactive devices.

2. Corrective steps:

   Action: Signs have been ordered for attachment to all gauge supports. They read:
   WARNING: THE ATTACHED INSTRUMENT CONTAINS RADIOACTIVE MATERIAL. BEFORE PERFORMING ANY TESTING, MAINTENANCE, MOVING, OR REMOVING THIS UNIT, A FULLY EXECUTED PERMIT MUST BE OBTAINED FROM THE CARGILL RADIATION PROTECTION OFFICER. These signs will be in place by 9/30/89.

   Action: No radiation gauge will be installed or removed without a fully executed permit which needs the approval of the Plant Superintendent, Operations Manager, or General Superintendent. (See Attachment #1 and #2)

   Two permits have been fully executed since their development.

   Action: All present and new employees will be advised of the radioactive gauges, their use in our process and we will explain the requirement for a permit system for installation, removal and maintenance only by authorized personnel and in compliance with our NRC license. This will be complete by September 30.

Violation B:

"10 CFR 20.207(a) requires that licensed materials stored in an unrestricted area be secured from unauthorized removal from the place of storage. As defined in 10 CFR 20.3(a)(17), an unrestricted area is any area access to which is not controlled by the licensee for purposes of protection of individuals from exposure to radiation and radioactive materials.

Contrary to the above, between July 26, 1989 and July 31, 1989, an Ohmart Corporation Model SH-100 sourceholder containing an 8.24 millicurie cesium-137 sealed source was not secured from unauthorized removal while stored in unrestricted areas at the licensee's facility."

1. Reason for the violation:

   Inadequate formal program for handling radioactive devices.

2. Corrective steps:

   Action: A secure area, specifically prepared for radioactive devices only, has been completed at the plant site.

   Action: The Nuclear Gauge Removal/Installation Permit contains specific language to insure proper storage.

Violation C:

"10 CFR 30.41(a) requires that no licensee may transfer byproduct material to any persons or entity except as specifically authorized in Section 30.41(b).

Contrary to the above, on July 31, 1989, the licensee transferred an Ohmart Corporation Model SH-100 sourceholder containing an 8.24 millicurie cesium-137 sealed source to Franklin Iron and Metal Corp. in Dayton, Ohio, an entity not authorized to receive this byproduct material under the terms of 10 CFR 30.41(b)."

1. Reason for violation:

   Inadequate control of scrap material leaving the plant.

2. Corrective steps:

   Action: All metal scrapping was temporarily suspended. A permit system has been developed to handle metal scrapping. Two items that are an integral part of the procedure:

   a. No metal will be scrapped without written approval from Cargill management or maintenance employee. (Visual inspection required)

   b. No scrap will be removed from the property without the written approval of Cargill manangement or maintenance employee. (Visual inspection required)

   This permit was used recently to allow stainless steel scrap metal to leave the plant premises. (See Attachment #3)

Violation D:

"License Condition No. 12 provides that the Radiation Protection Officer for the activities authorized by this license is Gerard J. Curti.

Contrary to the above, in December 1988, Mr. Curti terminated employment with the licensee and from December 1988 through August 2, 1989, licensed activities were supervised by an individual who was not authorized."

1. Reason for violation:

   J. Curti left the company unexpectedly. Although two employees had completed an Ohmart radiation safety course, they were not authorized by the NRC to supervise licensed activities.

2. Corrective steps:

   Action: Carl Stumpe's RPO application has been resubmitted to the NRC.

   Action: Billy Gwaltney will be the proposed alternate Radiation Safety Officer. (See Attachment #4)

Violation E:

"License Condition No. 14 requires that the licensee conduct a physical inventory every six months to account for all sealed sources received and possessed under the license. It requires that records of inventories include, among other things, the quantities and kinds of byproduct material, location of sealed sources, and the date of the inventory.

Contrary to the above, inventories were conducted on June 9, 1988 and July 6, 1989, a period greater than six months. The July 6, 1989, inventory did not include a nominal 10 millicurie cesium-137 sealed source, Serial No. 69741, contained in an Ohmart Model SH-100 sourceholder. In addition, the June 9, 1988 inventory did not include the location of the sealed sources."

1. Reason for violation:

   Inadequate form 1 program for handling radioactive devices.

2. Corrective steps:

   Action: The physical inventory, shutter checks and leak tests will be entered into the Daniel's Computerized Maintenance Management System (CMMS). A quarterly notice to follow up will be provided to the Maintenance Superintendent and a semi-annual notice to follow up will be provided to the Operations Manager. The license renewal and nuclear audit will be a part of the above exercise. (See Attachment #5)

   Action: A radiation management spreadsheet has been developed to include all gauge activities, tracking physical inventories, shutter checks and wipe tests. (See Attachment #6)

In addition to the corrective steps listed above, the following items are part of the overall preventative action plan that has been developed:

1. We will continue to eliminate gauges in a manner which is in full compliance with our license and any applicable NRC regulation.

2. All vessels which can be entered will have a sign clearly marked "Radioactive monitoring device in use on this vessel. In addition to the entry permit, a radiation permit is required." This will be complete by September 30, 1989.

3. The six month physical inventory of gauges will include a check of warning signs, permit requirements and must be signed by the Plant Superintendent or Operations Manager.

4. Whenever a shutter is closed, a padlock will be used to secure the device.

5. We will conduct an updated training session for all Cargill production managers, maintenance personnel and outside contractor foremen. This session will include the following items:

   a. What are Ohmart and Ronan instruments?

   b. What is a nuclear gauge?

   c. How does it function?

   d. What are the safety aspects?

   e. Who is authorized to work on radiation devices?

   f. What are the NRC regulations governing our gauges?

   g. How does it function in our process?

   h. Full knowledge of the Cargill permit policy for gauges.

   i. Show them our license and read and explain the stipulations.

   j. Meetings to review the above items will be held annually with minutes maintained. The initial meeting was held September 6 and 7, 1989.

6. Cargill has recently established a corporate environmental office. Attached you will find Cargill's environmental policy and the policy on internal audit. The audit will include a section on radioactive devices. (See Attachment 7 and 8)

We are fully committed to resolving all of the violations noted in this letter. The program outlined above will not only resolve the violations, but is designed to raise and maintain our overall awareness and performance in the area of nuclear safety.

Sincerely,

CARGILL, INCORPORATED

L. W. Chamberlin

L. W. Chamberlin
Operations Manager

cc: G. Helms, Vice President Domestic Corn Milling
B. Siegert, Assistant Vice President Operations and Engineering Domestic Corn Milling

ATTACHMENT #1

CARGILL
Dayton, Ohio

This permit must be issued by the Cargill Radiation Protection Officer (RPO) or Alternate RPO before any work may be performed on nuclear gauges or equipment with nuclear gauges.

PERMIT TO WORK ON OR AROUND NUCLEAR GAUGES

Building or Area_____ Date_____
Nature of Job_____ Floor_____
_____
Equipment Name_____
Gauge Description_____
Serial #_____ Model #_____
Shop Order #_____ ISO Type_____
Millicuries_____ Sealed Source_____
Source Holder_____ Manufacturer_____

BEFORE WORK BEGINS

[ ] Area Supervisor Notified?_____
[ ] Only Service technicians specifically licensed by NRC may work on gauges.
Service Technician's Name_____
Company Affiliation_____
[ ] RPO or Alt RPO supervising work_____
[ ] Maintenance Personnel performing work_____
[ ] Nature of work_____
[ ] Discuss safety aspects of work to be performed as it relates to nuclear safety. Signatures confirming that safety aspects have been discussed_____
[ ] Date of last leak test performed on device_____
[ ] Gauge must be locked out. Has RPO visually inspected that gauge is locked out with a padlock?_____

DURING WORK

[ ] This permit must be posted at work area and department control room.
[ ] The gauge must remain locked out while doing work which would put a body part in an exposed position.

PERMISSION IS GRANTED FOR THIS WORK

Permit Expires_____
Plant Superintendent, Operations Manager,
or General Manager _____ Date_____
Radiation Protection Officer_____ Date_____
Licensed Company Representative_____ Date_____

ATTACHMENT #2

CARGILL
Dayton, Ohio

This Permit Must be issued by the Cargill Radiation Protection Officer (RPO) or Alternate RPO before any nuclear gauge is installed or removed.

NUCLEAR GAUGE REMOVAL/INSTALLATION PERMIT

Date_____
Building or Area_____ Floor_____
Nature of Job_____
_____
Gauge Description_____
Serial #_____ Model #_____
Shop Order #_____ ISO Type_____
Millicuries_____ Sealed Source_____
Source Holder_____ Manufacturer_____

BEFORE WORK BEGINS

[ ] Area Supervisor Notified?_____
[ ] Removal or Installation?_____
[ ] Service technician specifically licensed by NRC must supervise operation.
Service Technician's Name_____
Company Affiliation_____
[ ] RPO or Alt RPO supervising work_____
[ ] Maintenance Personnel performing work_____
[ ] Date of last leak test performed on device_____
[ ] Has required leak test been performed just prior to gauge removal?_____ Leak Test Company_____
[ ] Gauge must be locked out. Has RPO visually inspected that gauge is locked out without a padlock?_____

DURING WORK

[ ] Removal of gauge is to be supervised at all times by service technician.
[ ] This permit must be posted at work area and department control room.

WORK COMPLETION

[ ] Receiving: Device must be in a locked secure area after receipt of device.
[ ] Shipping: Device must be stored in a locked secure area prior to shipment of device.
[ ] DOT labels, shipping papers and rules must be completed for gauge shipment. Complete?_____
[ ] Gauge Inventory sheet must be updated.
[ ] Date Gauge Shipped_____

PERMISSION IS GRANTED FOR THIS WORK

Permit Expires_____
Plant Superintendent, Operations Manager,
or General Manager _____Date_____
Radiation Protection Officer_____Date_____
Licensed Company Representative_____Date_____

ATTACHMENT #3

SCRAP METAL PERMIT

Date _____

This permit must be issued to contractor before any equipment is disassembled or cut up into scrap.

___ No radiation devices on equipment

___ No chemical drums or hazards present

___ No salvageable parts/material present

Contractor Name _____

has permission to scrap the identified equipment and material.

Signed _____ Maint. area Supervisor

_____ _____

Date _____

Final inspection conducted before any scrap material has approval to leave the premises.

Scrap hauler _____

Signed _____ Maint. area Supervisor

Return permit to Anderson Security at Guard Shack.