



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

APR 10 1979

Docket No. 50-54

Union Carbide Corporation
ATTN: Mr. James J. McGovern
Production Manager, Radiochemicals
P. O. Box 324
Tuxedo, New York 10987

Gentlemen:

Subject: Inspection 50-54/79-01

This refers to the inspection conducted by Mr. R. Architzel of this office on February 27 and 28, 1979 of activities authorized by NRC License No. R-81 and to the discussions of our findings held by Mr. Architzel with Mr. D. B. Holtzgraf and other members of his staff at the conclusion of the inspection.

Areas examined during this inspection are described in the Office of Inspection and Enforcement Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Our inspector also verified the steps you have taken to correct the item of noncompliance brought to your attention in a letter dated May 8, 1978. We have no further questions regarding your action at this time.

In addition, our inspector examined those activities conducted under your licenses relating to the subjects (IE Bulletins 78-07, 08 and Circular 77-14) covered in our letters to you dated November 28, 1977 and June 12, 1978 (2 letters). Please confirm, in writing, within 60 days of the date of this letter, that you have instituted management control measures to effect proper distribution and action on Circulars and Bulletins issued by the NRC Office of Inspection and Enforcement. That confirmation should include a description of the actions you have taken on this matter.

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements as set forth in the Notice of Violation, enclosed herewith as Appendix A. These items of noncompliance have been categorized into the levels as described in our correspondence to you dated December 31, 1974. This notice is sent to you pursuant to the provisions of Section 2.201 of the

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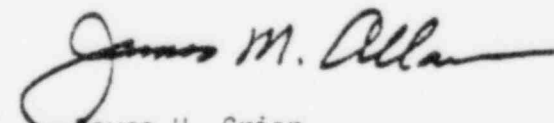
APR 10 1973

NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within twenty (20) days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further items of noncompliance; and (3) the date when full compliance will be achieved. In addition to the need for corrective action regarding these specific items of noncompliance, we are concerned about the implementation of your management control systems that permitted them to occur. Consequently, in your reply, you should describe in particular, those actions taken or planned to improve the effectiveness of your management control systems.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must be accompanied by an affidavit executed by the owner of the information, which identifies the document or part sought to be withheld, and which contains a statement of reasons which addresses with specificity the items which will be considered by the Commission as listed in subparagraph (b) (4) of Section 2.790. The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,


Royce H. Grier
Director

Enclosures:

1. Appendix A, Notice of Violation
2. Office of Inspection and Enforcement Inspection
Report Number 50-54/79-01
3. IE Bulletin No. 78-07, Protection Afforded by Air Line Respirators
and Supplied Air Hoods
4. IE Bulletin No. 78-08, Radiation Elements From Fuel Element
Transfer Tubes
5. IE Circular No. 77-14, Separation of Contaminated Water Systems
from Noncontaminated Plant Systems

APR 10 1973

Union Carbide Corporation

3

cc w/encls:

D. B. Holzgraf, Nucleonics Manager

J. W. Paradiso, Reactor Supervisor

C. Konnerth, Health Physicist

R. Bollinger, Vice President, Medical Products Division