

FEB 14 1990

Packet No. 70-371

UNC, Incorporated
UNC Naval Products
ATTN: Mr. N. C. Kaufman
President
67 Sandy Desert Road
Uncasville, Connecticut 06382

Gentlemen:

Subject: Inspection No. 70-371/89-04

This refers to your letter dated October 26, 1989, in response to our letter dated September 27, 1989.

Regarding your response to Violation A, it is important to understand that when (a) different methods of nuclear safety evaluation are used to establish different configurations of fissile material (e.g., storage boxes and transport carts) in the same work area, and (b) these different configurations are not in fixed locations (e.g., transport carts are movable), then a consistent use of a spacing control method (e.g., floor-markings) is needed within that work area.

Regarding your response to Violation B, the information provided as mitigating reasons is factually accurate, but it has no bearing upon the significance of the violation. Your lack of management control of the formal licensing process, as evidenced by this violation, raises the concern that a detrimental change to the safety organization and program described in the license specifications (Part 1 of the NRC-approved license application) could be implemented by the licensee without formal review and approval by the NRC-NMSS Headquarters. The basis for the significance of our concern is that the formal licensing function directly affects and supports the safety programs administered by the licensee. Therefore, the Severity Level of this violation remains unchanged.

Regarding the soil that was collected in the outside alcove area beneath a potentially-contaminated discharge point, we recommend that you proceed with your independent analysis of this sample, which was split between you and the NRC, so that we may fully characterize the nature of this discharge.

Thank you for informing us of the corrective and preventive actions documented in your letter and the supplemental information provided therein. These actions will be examined during a future inspection of your licensed program.

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Your cooperation with us is appreciated.

Sincerely,

[Faint signature]

Ronald R. Bellamy, Chief
Facilities Radiological Safety
and Safeguards Branch
Division of Radiation Safety
and Safeguards

cc w/encl:
Public Document Room (PDR)
Local Public Document Room (LPDR)
Nuclear Safety Information Center (NSIC)
State of Connecticut

bcc w/encl:
Region I Docket Room (with concurrences)
Management Assistant, DRMA (w/o encl)
J. Roth, DRSS
G. Bidinger, NMSS
M. Austin, DRSS

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Bellamy
02/8/90

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RL UNC 89-04 - 0002.0.0
02/08/90

R. Bruce Andrews
President

UNC Naval Products

UNC Naval Products
67 Sandy Desert Road
Uncasville, Connecticut 06382-0981
203/848-1511 Telecopy 203/848-0022

In Reply Please Refer To:
NIS-89-10-12

October 26, 1989

Mr. Ronald R. Bellamy, Chief
Facilities Radiological Safety and
Safeguards Branch
Division of Radiation Safety and
Safeguards
U.S. Nuclear Regulatory Commission
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475 Allendale Road
King of Prussia, Pennsylvania 19406

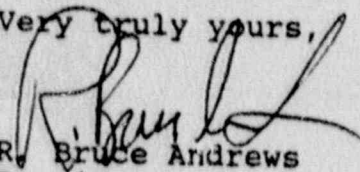
Subject: UNC Response to NRC Inspection No. 70-371/89-04
of August 21-25, 1989

Reference: Letter, R. R. Bellamy to B. Andrews, same subject
Dated September 29, 1989

Dear Mr. Bellamy,

This letter is in response to the referenced letter which presented the results of NRC Inspection 70-371/89-04. As can be seen from the details in the attachment to this letter, we have taken immediate corrective actions to address the items identified in your letter.

Very truly yours,


R. Bruce Andrews
President

/jmp

Attachment

cc: R. Gregg
T. Gutman
D. Luster

~~8911080212~~ 4pp.

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Attachment To Letter, R.B. Andrews to R.R. Bellamy, dated 10-26-89.

UNC Response to NRC Inspection 70-371/89-04

I. Appendix - Notice of Violation

A. NRC Comment

Condition No. 10 of License No. SNM-368 requires that the licensee operate in accordance with the statements, representations and conditions in Part I of the application. Section 2.5.1 of Chapter 2, "Organization, Personnel and Administration", of Part I requires that licensee management assure suitable control measures are prescribed for nuclear criticality safety. Section 3.2.1 of Chapter 3, "Nuclear Criticality Safety Standards", of Part I requires that nuclear criticality safety (NCS) evaluations consider all factors which may affect the criticality of a system, including the interaction parameter. Section 3.6 of Chapter 3 of Part I requires that the application and use of markings for the overall NCS program be established by the licensee on the basis of a documented NCS evaluation.

Contrary to the above, the licensee failed to perform a complete nuclear criticality safety evaluation of a raw fuel container storage box in the Unit 1 Quality Control area which resulted in the failure to properly apply and use floor markings around the storage box for nuclear criticality safety control.

UNC Response

A complete Nuclear Criticality Safety evaluation of the storage box was performed on 11-28-77. No red dots were required by the method of analysis used at that time. Neither the location or the limits for this box have since been changed.

The failure to apply red dots resulted from the application of license amendments to several components in the area. The box in question was not considered at that time. Although red dots were applied at the time of the inspection, re-evaluation of the box shows that those dots are not necessary.

Accordingly:

Corrective Actions Taken:

- 1) Red dots were applied immediately. They are presently in place although re-evaluation shows that they are not necessary.

Corrective Steps To Avoid Future Violations:

- 2) All authorizations have been reviewed. Several are being upgraded to reflect evaluations which are being written in more complete form. Because no changes to limits, controls, or spacings result from this review, upgraded evaluations will be completed by Oct. 31, 1989.

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Date When Full Compliance Will Be Achieved:

3) We will be in full compliance by Oct. 31, 1989.

- B. 10 CFR 70.41(b) states that the licensee shall be subject to the provisions of the license. Condition No. 10 of License No. SNM-368 requires that the licensee operate in accordance with the statements, representations and conditions in Part I of the application. Section 2.2.2.3 of Chapter 2, "Organization, Personnel, and Administration", of Part I states that the Health Physics Specialist is responsible for the administration of the licensee's radiation protection program.

Contrary to the above, the licensee implemented a change to the safety organization described in Part I of the license without NRC approval, which reassigned the administration of the daily health physics surveillance program to a newly-developed position of Health Physics Supervisor.

UNC RESPONSE

UNC concurs that the license had not been modified as of the time of this inspection. An amendment was submitted on September 8, 1989 and approved by the NRC on October 17, 1989. We disagree, however, with the NRC's categorization of this as a Severity Level IV violation, for the following reasons:

- 1) The NRC was notified, as early as September 1988 (PIP meeting at Region 1, with both Region 1 and Licensing personnel present), of UNC's intent to make this organizational change.
- 2) NRC was verbally informed at the time the HP Supervisor was hired.
- 3) NRC Inspection 70-371/89-03 states: ".....his background will enhance the radiation protection staff and provide the necessary supervisory oversight."

In all of the dialog with the NRC, the addition of this position was greeted as being a positive step towards improving UNC's radiation protection program. Thus, the change was made both with NRC's cognizance, and recognition as being a program enhancement.

NRC's guidelines (10CFR2, Appendix C) state that "Severity Level IV violations are less serious but are of more than minor concern; i.e. if left uncorrected, they could lead to a more serious concern. Severity Level V violations are of minor safety or environmental concern."

Based on the above and the fact that the failure to submit a timely license change in this case constitutes neither a safety or an environmental concern, UNC requests that NRC change this item to a Severity Level V violation.

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Attachment To Letter, R.B. Andrews to R.R. Bellamy, dated 10-26-89.
(Continued)

Corrective Actions Taken:

- 1) A license amendment request was submitted on Sept 8, 1989 and approved by the NRC on October 17, 1989.

Future Corrective Actions To Avoid Future Violations:

- 2) All staffing changes will be reviewed by NIS to determine the need for licensing action.

Date When Full Compliance Will Be Achieved:

- 3) We are currently in full compliance.

ADDITIONAL COMMENTS/CLARIFICATIONS ON SPECIFIC ITEMS

4.1 Gaseous Discharges

The Pack Assembly Evacuation process examined by the inspector is a vacuum exhaust serviced by both mechanical and diffusion vacuum pumps.

These pumps function in such a manner that any air exhausted from the packs is carried with an oil mist through the pumping chamber and into an oil casing. The pack components are prepared, covered, and sealed in such a manner that the potential for presence of radioactive particulates is improbable. The small quantity of air (less than 16 cubic inches) which is evacuated through the vacuum pumping chamber will not pass radioactive particulates should any be present, and therefore this exhaust would not emit radioparticulates into the downstream piping system.

UNC's Health Physics staff had previously performed evaluation and surveys of the pump manifold internals and the collected oil during routine maintenance of the system over a three year period. The results of these evaluations demonstrated that radioparticulates were not being exhausted and thus, special handling, controls, or monitoring were not required.

We are currently repeating and updating those surveys and evaluations for future NRC review.

4.2 Liquid Discharges p.4, line 6

The reference to a "settling" pond is not correct. The ponds were originally designed as and are used for cooling, percolation ponds for non-contaminated process rinse water. No material is being "settled".

Ibid, line 10

UNC's permit to discharge contact and non-contact process water has expired and we are in a review/renewal period for this discharge. While we have been working with the State on this renewal, we did not intend to give the inspector the impression that there is an informal "agreement" regarding this activity, as no such "agreement" exists. UNC is following the standard permitting requirements for renewal application.