Docket: 40-3453

Atlas Corporation Atlas Minerals Division ATTN: R. R. Weaver, President P. O. Box 1207 Moab, UT 84532



Gentlemen:

Subject: Mill Appraisal

The NRC Office of Inspection and Enforcement is conducting special appraisals of the licensed health and safety programs at all operating uranium mills. One of the objectives of these appraisals is to evaluate the overall adequacy and effectiveness of the licensed health and safety program at each mill and to identify areas of weakness that need to be strengthened. We also intend to use the findings from these appraisals as a basis for effecting improvements in NRC requirements and guidance. Consequently, our appraisals encompass certain areas which may not be explicitly addressed by current NRC requirements. This effort was identified to you in a letter dated April 8, 1981, from Mr. Victor Stello, Jr., Director, NRC Office of Inspection and Enforcement.

7/1/81

During the period of May 11-15, 1981, the NRC conducted a special appraisal at the Atlas Mill. This appraisal was performed in lieu of the annual NRC inspection. Areas examined during this appraisal are described in the enclosed report (40-3453/81-01). Within these areas, the appraisal team reviewed selected procedures and representative records, observed work practices, and interviewed personnel. It is recommended that you carefully review the findings of this report for consideration in effecting improvements to your licensed health and safety program. The findings of the appraisal indicate that although your overall health and safety program is adequate for present operations, several significant weaknesses exist. These include the following:

- The radiation protection organization is not fully effective in implementing the mill radiation safety program.
- (2) Programs for internal exposure and contamination control were found to be weak as a result of insufficient management commitment to program development, implementation, and enforcement.
- (3) Certain mill facilities and equipment were found not to be designed or used in a manner that would reduce radiation exposure to mill workers and the general public.

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(4) The rationale for the environmental monitoring program has not been fully developed.

These areas are discussed in more detail in Appendix A, "Significant Appraisal Findings." We recognize that an explicit regulatory requirement pertaining to each significant finding identified in Appendix A may not currently exist. However, to determine whether adequate protection will be provided for the health and safety of workers and the public, you are requested to submit a written statement within 30 days of your receipt of this letter, describing your corrective action for each significant finding identified in Appendix A including: (1) steps which have been taken; (2) steps which will be taken; and (3) a schedule for completion of action. Several other weaknesses described in the last paragraph of Section 4.1.2.2 of the report related to industrial safety. Detailed assessment of these items was deemed to be outside the scope of the appraisal; therefore, these concerns were referred to the Mine Safety and Health Administration for action.

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Also during this appraisal, certain of your activities were found not to be conducted in full compliance with NRC requirements. Consequently, you are required to respond to this matter in writing in accordance with the provisions of Section 2.201 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation, enclosed herewith as Appendix B.

In addition, we are concerned about the implementation of your program for management control of your licensed activities that permitted these violations to occur. Consequently, in your reply you should describe, in particular, those actions taken or planned to improve the effectiveness of your management control of the requirements of your license. The last paragraph of your letter responding to the violations should include a statement equivalent to the following:

"I certify that all information contained in this letter, including any supplements attached thereto, is true and correct to the best of my knowledge and belief."

Date

Signature

Title

This signature should be notarized.

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SURNAME					
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In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed appraisal report will be placed in the NRC's Public Document Room. If this report contains any information that you believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you: (a) notify this office by telephone within 10 days from the date of this letter of your intention to file a request for withholding; and (b) submit within 30 days from the date of this letter a written application to this office to withhold such information. If your receipt of this letter has been delayed such that less than seven days are available for your review, please notify this office promptly so that a new due date may be established. Consistent with Section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the omer of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). 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 periods noted above, the report will be placed in the Public Document Room.

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

Sincerely,

Original signed by John T. Collins

John T. Collins Deputy Director

Enclosures:

- 1. Appendix A, Significant Appraisal Findings
- 2. Appendix B, Notice of Violation
- Office of Inspection and Enforcement Inspection Report: 40-3453/81-01

cc w/enclosures: W. M. Jensen, General Mill Manager

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APPENDIX A

SIGNIFICANT APPRAISAL FINDINGS

Atlas Corporation Atlas Minerals Division Docket: 40-3453 License: SUA-917

Based upon the results of the NRC Mill Appraisal conducted May 11-15, 1981, significant inadequacies exist in the mill health and safety program as indicated below. These findings are based on the conclusions reported in each subsection of the appraisal report. (References are to sections of the appraisal report).

A. Organization, Management and Training

The radiation protection function is not fully effective in implementing the mill radiation safety program due to the combination of the function with the metallurgy function and deficiencies in the training and qualifications of its staff members. The radiation protection component lacks full authority to implement radiation safety programs and to suspend operations as necessary. Programs for maintaining exposures ALARA, for auditing the effectiveness of the radiation protection function, and for formally and fully proceduralizing radiation protection programs have not been established. Also, responsibility and authority for worker radiation safety training and for mill fire protection have not each been established under single qualified individuals. The training program has not been fully developed to adequately train workers in radiation safety. (Section 1)

B. Internal Exposure and Contamination Control

Licensee programs for airborne radioactivity sampling, worker exposure determination, respiratory protection, contamination control and bioassay were found to be weak as a result of insufficient management commitment to program development, implementation, and enforcement which has resulted in inadequate sampling procedures and analysis techniques, incomplete assessment of worker exposure, and failure to institute process controls in order to maintain exposures ALARA. (Sections 2 and 3)

C. Facilities and Equipment

The appraisers found that certain mill facilities and equipment were not designed or used in a manner that would reduce effluents to the environment or maintain exposure to workers ALARA. Methods of detecting failure of stack scrubber and dust collectors had not been established, and mill ventilation and ore pile dust reduction methods had not been fully optimized. (Section 4).

D. Environmental Monitoring

The appraisers found that the rationale for the environmental monitoring program had not been fully developed. Ambient airborne concentrations were not assessed at a point on the site boundary closest to and predominently downwind from the mill stacks, and equipment was not utilized in order to obtain representative samples at other locations. Stack sampling had not been performed isokinetically. Thermoluminescent dosimeters for direct radiation measurements were improperly selected and utilized, and specified surface ponds were not sampled. A program for data trend analyses and laboratory quality assurance, including laboratory intercomparisons, had not been established. (Section 6).