



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
245 PEACHTREE CENTER AVENUE N.E., SUITE 1200
ATLANTA, GEORGIA 30303-1200

March 2, 2020

Mr. Jeff Fulks
Plant Manager
Honeywell Metropolis Works
P.O. Box 430
Metropolis, IL 62960

SUBJECT: HONEYWELL METROPOLIS WORKS, LICENSEE PERFORMANCE REVIEW
(NUCLEAR REGULATORY COMMISSION INSPECTION REPORT
40-3392/2020-005)

Dear Mr. Fulks:

The NRC Region II and Headquarters staff completed a review of the Honeywell Metropolis Works (Honeywell) inspection results and performance in conducting NRC licensed activities. The review covered the period beginning January 1, 2018 and ending December 31, 2019. Honeywell's performance was evaluated in the following areas: Safety Operations, Safeguards, Radiological Controls, Facility Support, Safeguards, and Other Topics. This letter and enclosure provide the results of our review and constitutes report 40-3392/2020-005. This report will be used as a basis for establishing the NRC oversight program for your facility.

The review showed that Honeywell continued to conduct its activities safely and securely, while protecting public health, and the environment. Based on our current review of activities covering the period from January 1, 2018, to December 31, 2019, no areas needing improvement were identified. Since there was no area needing improvement identified in Safeguards, no separate letter will be issued.

On January 22, 2018, NRC staff from the Region II Office and Office of the Nuclear Material Safety and Safeguards (NMSS) visited the Honeywell Metropolis Works site to assess the applicability of the core inspection program requirements under the "ready-idle" status. The NRC staff discussed the current status of the facility and planned activities with plant management. The NRC staff also performed walk-downs of the main production and storage areas to independently assess the status of the facility. Based on the information gathered during the visit, the NRC concluded that the core inspection program effort described in NRC Inspection Manual Chapter (IMC) 2600, "Fuel Cycle Facility Operational Safety and Safeguards Inspection Program," for the Honeywell Metropolis Works was adjusted to appropriately reflect the "ready-idle" status. The adjusted inspection program reflected a slight reduction in the nominal inspection effort commensurate with the applicable operations and hazards of the facility during "ready-idle" status. The adjusted inspection program was effective during the 24-month performance assessment period, from January 1, 2018, to December 31, 2019. This adjustment was detailed in NRC Inspection Report 2018-001 (ADAMS Accession Number ML18064A065).

Based on information gathered during the last assessment period, the NRC has a better understanding of the operational activities occurring at your facility. Based on this information and the continual risk informing of the core program, the NRC has determined that a further reduction in the core inspection program effort is warranted and is described in Attachment 1 to

this letter. The adjusted inspection program reflects an approximate 80 percent reduction in the nominal inspection effort commensurate with the applicable operations and hazards of the facility during "ready-idle" status.

As a result of your performance during the assessment period, the NRC plans to conduct the core inspection program as described in Attachment 1 to this letter. This reduced core inspection program, as described in the enclosed Attachment, will be in effect from January 1, 2020, to December 31, 2021, as long as the facility remains in an "idle-ready" status.

The results of our review will be discussed with you at a public meeting on April 14, 2020, conducted as a webinar. Although your site had no areas needing improvement for this current review cycle, you will still be granted the opportunity to discuss your facility's performance, in the same areas as those evaluated by the NRC, if you so choose.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, and its Enclosure, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Please refer questions and comments regarding your performance review to Eric Michel, Chief, Projects Branch 2, by telephone at 404-997-4555.

Sincerely,

/RA/

LaDonna B. Suggs, Director
Division of Fuel Facility Inspection

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

Enclosure:
Licensee Performance Review
w/attachment Adjustments for "Ready-Idle" Status

cc: Distribution via ListServ

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(NUCLEAR REGULATORY COMMISSION INSPECTION REPORT (40-3392/2020-005))

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LICENSEE PERFORMANCE REVIEW FOR
HONEYWELL METROPOLIS WORKS
ASSESSMENT PERIOD: January 1, 2018 to December 31, 2019

The following is a summary of notable performance issues at the Honeywell Metropolis Works (Honeywell) in the conduct of NRC licensed activities.

PERFORMANCE AREA: FACILITY SUPPORT

This area is comprised of maintenance and surveillance of safety controls, operator training, emergency preparedness, emergency exercise, management organization and controls, and permanent plant modifications.

Plant status

- None

Notable Inspection Findings

- Non-Cited Violation (NCV) for failure to implement adequate management measures for product isolation valve FV-E42104 credited as a PFAP in the ISA Summary. Inspection Report 2018-002 (ML18101A012).

Performance Analysis for Area Needing Improvement (ANI)

- No ANI was identified in Facility Support

Inspection Effort Recommendation

- Modify the core inspection program commensurate with the “idle-ready” status of the facility.

Adjustments for “Ready-Idle” Status

PERFORMANCE AREA: SAFETY OPERATIONS

| Inspection Procedure | Title | Core Frequency | Adjustments for “Ready-Idle” | DIE** (hrs) |
|-------------------------------|---------------------------------|----------------|---|-------------|
| 88020 | Operations Safety | Semi-Annual | This procedure will be implemented once a year, as applicable to the current status of safety controls in the facility. The level of effort for this inspection will be reduced commensurate with the applicable program activities. | 6 |
| 88055 | Fire Protection | Annual | The core annual frequency of this procedure will be maintained. Fire Protection Program activities will continue during “ready-idle” but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities. | 4 |
| 88054 | Fire Protection | Triennial | The core triennial frequency of this procedure will be maintained. The last NRC inspection under this procedure was in 2017 and did not identify violations of significance. The next inspection is due in 2020. | 8 |
| IMC-2600 App. B Table 2 | As Needed Inspection Procedures | As Needed | The procedures listed in Table 2 of IMC-2600 will remain applicable and can be implemented as necessary in accordance with NRC policies and procedures. | As Needed |

**DIE = Estimated direct inspection effort resources; does not include preparation for and documentation of the inspection.

PERFORMANCE AREA: RADIOLOGICAL CONTROLS

| Inspection Procedure | Title | Core Frequency | Adjustments for "Ready-Idle" | DIE** (hrs) |
|-----------------------------|---|-----------------------|---|--------------------|
| 88030 | Radiation Protection, App A | Biennial | The core biennial frequency of this procedure will be maintained. Radiation Protection Program activities will continue during "ready-idle" but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities. | 4 |
| 88030 | Radiation Protection, App B | Biennial | The core biennial frequency of this procedure will be maintained. Radiation Protection Program activities will continue during "ready-idle" but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities. | 4 |
| 88045 | Effluent Control and Environmental Protection | Annual | The core annual frequency of this procedure will be maintained. Effluent Control and Environmental Protection Program activities will continue during "ready-idle" but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities. | 6 |
| 88035 | Waste Management | Biennial | The core biennial frequency of this procedure will be maintained. Waste Management Program activities will continue during "ready-idle" but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities. | 4 |
| 86740 | Transportation | Biennial | The core biennial frequency of this procedure will be maintained. Transportation Program activities will continue during "ready-idle" but with a reduced scope. Thus, | 4 |

| Inspection Procedure | Title | Core Frequency | Adjustments for "Ready-Idle" | DIE** (hrs) |
|-------------------------------|---------------------------------|----------------|---|-------------|
| | | | the level of effort for this inspection will be reduced commensurate with the applicable program activities. | |
| IMC-2600 App. B Table 2 | As Needed Inspection Procedures | As Needed | The procedures listed in Table 2 of IMC-2600 will remain applicable and can be implemented as necessary in accordance with NRC policies and procedures. | As Needed |

**DIE = Estimated direct inspection effort resources; does not include preparation for and documentation of the inspection.

PERFORMANCE AREA: FACILITY SUPPORT

| Inspection Procedure | Title | Core Frequency | Adjustments for "Ready-Idle" | DIE** (hrs) |
|-----------------------------|---|-----------------------|---|--------------------|
| 88025 | Maintenance and Surveillance of Safety Controls | Annual | <p>The core annual frequency of this procedure will be maintained. This procedure is expected to be implemented in conjunction with IP 88020, Operational Safety. Some Maintenance Program activities will continue during "ready-idle" but might not be applicable to NRC-regulated activities. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities.</p> <p>The NRC will rely on the results of IP 88020 to identify maintenance activities on safety-significant safety controls that need to be inspected during "ready-idle."</p> | 2 |
| 88050 | Emergency Preparedness | Annual | <p>The core annual frequency of this procedure will be maintained. Emergency Preparedness activities will continue during "ready-idle" but with a reduced scope. Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities.</p> | 4 |
| 88051 | Emergency Drill Evaluation | Biennial | <p>The core biennial frequency of this procedure will be maintained. The Emergency Drill component of the Emergency Plan will remain active but with a limited scope due to the reduction in facility hazards and credible accident scenarios during "ready-idle." Thus, the level of effort for this inspection will be reduced commensurate with the applicable program activities.</p> | 6 |
| 88070 | Plant Modifications | Annual | <p>This inspection was last implemented in 2018 to evaluate safety-significant changes made to the facility and to NRC-</p> | 6 |

| Inspection Procedure | Title | Core Frequency | Adjustments for “Ready-Idle” | DIE** (hrs) |
|-------------------------------|---------------------------------|----------------|--|-------------|
| | | | regulated programs while in “ready- idle” status and did not identify violations of significance. The implementation of this inspection in 2020 and forward should depend on whether safety-significant modifications are implemented during “ready-idle.” | |
| IMC-2600 App. B Table 2 | As Needed Inspection Procedures | As Needed | The procedures listed in Table 2 of IMC-2600 will remain applicable and can be implemented as necessary in accordance with NRC policies and procedures. | As Needed |

**DIE = Estimated direct inspection effort resources; does not include preparation for and documentation of the inspection.

PERFORMANCE AREA: SAFEGUARDS

| Inspection Procedure | Title | Core Frequency | Adjustments for "Ready-Idle" | DIE** (hrs) |
|-------------------------------|--|-----------------------|--|--------------------|
| 81431 | Low Enrichment Uranium (LEU) Security Measures (PSB) | Triennial | The core triennial frequency of these procedures will be maintained. Plant Safeguard activities will continue during "ready-idle." The last NRC inspection in this area was in 2019. | 22 |
| 81810 | Low Enrichment Uranium (LEU) Security Measures (PSB) | Triennial | | 2 |
| IMC-2600 App. B Table 2 | As Needed Inspection Procedures | As Needed | The procedures listed in Table 2 of IMC-2600 will remain applicable and can be implemented as necessary in accordance with NRC policies and procedures. | As Needed |

**DIE = Estimated direct inspection effort resources; does not include preparation for and documentation of the inspection.