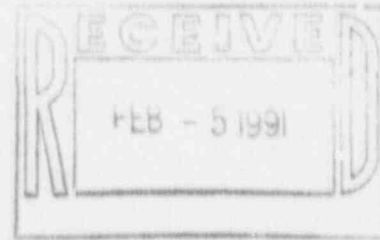


January 30, 1991

Certified Mail
Return Receipt Requested



Mr. Robert D. Martin
Regional Administrator
U.S. NUCLEAR REGULATORY COMMISSION
Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

*Dkt: 40-8027
Lic: SUB-1010*

RE: NOx Roadway Sample Above Restricted Area MPC
10 CFR 20.405 Report

Dear Mr. Martin:

On January 16, 1991, Sequoyah Fuels Corporation (SFC) informed the NRC, Region IV, that a liquid sample taken from a plant roadway within the restricted area (NOx Roadway Sample) was found by analysis on January 4 to have a uranium level above the restricted area MPC. This notification is being made according to 10 CFR 20.405(a)(1)(iii), since the concentration of radioactive material in a restricted area exceeded the Appendix B, Table I value for water.

The incident has been investigated by SFC and further contacts with Region IV were made on January 23 and 24 to provide follow-up information.

Should you have any questions on this matter, please contact me at 918/489-3207.

Best regards.

Lee R. Lacey

Lee R. Lacey
Vice President
Regulatory Affairs

LRL:nv

Enclosure

xc: Charles J. Haughney, NRC - NMSS
Keith E. Asmussen, General Atomics
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PDR AD0CK 04008027
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SEQUOYAH FUELS CORPORATION

NOX ROADWAY SAMPLE

(10 CFR 20.405)

1. Estimate of each individual's exposure:

The SFC health physics staff has evaluated potential exposure of the individual who took the sample. Based on the evaluation, the committed dose equivalent to the individual was less than one mrem.

2. Levels of radiation and concentrations of radioactive materials involved:

The NOx roadway sample was analyzed at 8.42 g U/l. The puddle from which the sample was taken was estimated to be about five feet in diameter and 1/4" deep.

3. The cause of the exposure levels or concentrations:

The source of the uranium bearing liquid is indeterminate. However, investigation of probable cause suggests that an overhead drain line from the HF scrubber off-gas cyclone may have been leaking onto the floor of the adjacent hydrogen burner building. Liquid on the floor of the hydrogen burner building could drain towards the spot on the roadway where the uranium bearing liquid was found. On January 12, the drain line was definitely found to be leaking onto the floor of the hydrogen burner building.

4. Corrective steps taken or planned to prevent recurrence:

- 1) The drain line from the off-gas cyclone was repaired.
- 2) The Process Laboratory Manager sent a memo to all managers and supervisors to emphasize the need for all non-routine samples to be submitted using a Chain of Custody/Special Analysis Request.
- 3) The Process Laboratory Manager has started adding Special Sample results to his Daily Report of Environmental Analytical Results.
- 4) The Operations Manager has directed the Area Managers to review G-108, "Environmental Submission and Reporting Procedure" with all supervisors by January 31. They are to emphasize responsibilities, chain of custody, action levels, and the importance of involving Health and Safety immediately when samples are taken that may contain licensed material.