

ATOMIC ENERGY COMMISSION
DIRECTORATE OF REGULATORY OPERATIONS
REGION I
631 PARK AVENUE
KING OF PRUSSIA, PENNSYLVANIA 19406

FEB 15 1974

Metals, Inc.
Attention: Mr. W. B. Tuffin
President
Main Street
Boston, Massachusetts 01742

License No. SNM-65
SMB-179
Inspection No. 70-82/73-05
40-672/73-02

Re:

Refers to the inspection conducted by Mr. Jerman of this office on December 27-28, 1973 and January 8-9, 1974 of activities authorized under License Nos. SNM-65 and SMB-179 and to the discussions of our findings as noted by Mr. Jerman with Mr. Tuffin and to subsequent telephone discussions between Mr. Knapp and Mr. Gilman on January 18, 1974 and between Mr. Jerman and Mr. Tuffin on January 21, 1974.

The activities examined during this inspection are described in the Regulatory Operations Inspection Report which is enclosed with this letter. Within the specified areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, measurements made by the inspector, and observations by the inspector. In addition, your activities in response to telephone conversations on January 4 and 7 as confirmed by our letter to you dated January 7, 1974, were reviewed.

The inspector also verified the steps you had taken to correct the deficiencies brought to your attention in our letters dated April 23, 1973 and December 12, 1973. We have no further questions regarding Items 1.b, 1.c, and 1.e of Enclosure 1 and Items 1.c, 2, 3, and 4 of Enclosure 2 to the April 23, 1973 letter; and Item 2 of the Enclosure 1 to the December 12, 1973 letter. With regard to Items 1.b, 1.c, 1.d and Enclosure 1 to this letter, we note that you had taken steps to correct these violations but your evaluations were inadequate in that they failed to include provisions to cover beta and gamma radiation.

As a result of this inspection, it was found that certain of your activities appeared to be in violation of AEC requirements, and another activity appeared to raise a question concerning the safety of operations. The items and references to the pertinent requirements and to generally accepted guidance are listed in the enclosure to this letter. This letter constitutes a notice sent to you pursuant to the provisions of Section 2.201 of the AEC's "Rules of Practice", Part 2, Title 10, of Federal Regulations. Section 2.201 requires you to submit to this office within 20 days of your receipt of this notice, a written statement of explanation in reply, including: (1) steps which have

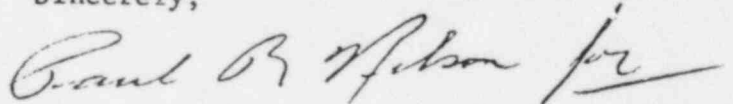
ent
 will be taken by you to correct the violations, and the
 achieved; (2) steps which will be taken to avoid further
 s; and (3) the date when full compliance will be achieved.
 ect to the question concerning safety of operations, please
 n your response your comments concerning this item, a
 on of any steps that have been or will be taken to correct
 ription of any steps that have been or will be taken to
 recurrence, and the date all corrective actions or preventive
 were or will be completed.

o
 of
 r
 ne management meeting with you on February 13, Mr. Nelson and
 p detailed our enforcement policies and expressed our concern
 e implementation of your management control systems that
 d these deficiencies to occur. Consequently, in your reply,
 ld describe in particular these actions taken or planned to
 the effectiveness of your management control systems as you
 d during the meeting.

ge
 some
 act
 dance with Section 2.790 of the AEC's "Rules of Practice",
 Title 10, Code of Federal Regulations, a copy of this letter
 enclosed inspection report will be placed in the AEC's Public
 Room. If this report contains any information that you (or
 ntractor) believe to be proprietary, it is necessary that you
 written application within 20 days to this office to withhold
 formation from public disclosure. Any such application must
 a full statement of the reasons on the basis of which it is
 that the information is proprietary, and should be prepared so
 oprietary information identified in the application is contained
 parate part of the document. If we do not hear from you in this
 within the specified period, the report will be placed in the
 Document Room.

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

Sincerely,



James P. O'Reilly
 Director

ure:
 ption of Violations
 pection Report No. 70-82/73-05 and
 40-672/73-02