



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 17, 1996

Allied-Signal, Inc.
Nuclear/Fluorine Specialties
ATTN: Mr. M. D. Kosmider, Plant Manager
Route 45 North, P.O. Box 430
Metropolis, IL 62960

SUBJECT: NRC INSPECTION REPORT NO. 40-3392/95-201

Dear Mr. Kosmider:

This refers to the inspection conducted by Messrs. W. M. Troskoski and D. E. Stout of this office on December 11-15, 1995. The inspection included a review of chemical process safety activities for the Metropolis Works. At the conclusion of the inspection, the findings were discussed with you and members of your staff identified in the report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures, representative records, interviews with personnel, and observations of activities in progress.

Based on the results of this inspection, one activity appeared to be in violation of NRC requirements, as specified in the Notice of Violation (Notice). The violation involved the failure to conduct preventive maintenance inspections on certain equipment specified in your critical equipment list. This violation is of concern to the NRC, because it does not appear that adequate management attention was provided to assure that the work was performed or that the equipment was made available when the work was originally scheduled. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice (Enclosure 3) when preparing your response. In your response, you should document the specific actions taken and any additional actions planned to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulations.

During a tour of the facility, the inspectors observed several thousand drums, comprised mostly of "KOH Muds," located on the waste material storage pad. The drums were stacked three high, and some of them have become corroded and lost their structural integrity. Considering the condition of these drums, the NRC is concerned in that this storage pad area appears to need increased management attention to prevent the deteriorated drums from exposing uncontained radioactive materials to the environment and/or becoming an industrial safety hazard.

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In addition to the above, the inspection noted four observations, which are summarized in Section 2.c of the inspection report (Enclosure 2). Please review these observations, and you are requested to provide a response to us within 30 days of the receipt of this letter. In your response, you should identify those observations that you plan to implement and provide a schedule for implementation. You should also identify any observation that you disagree with and provide a basis for that disagreement. We would be pleased to discuss any of these items or any other aspect of the inspection with you should you wish.

In accordance with 10 CFR 2.790 of the NRC's "Rules of General Applicability," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Should you have any questions concerning this letter, please contact us.

Sincerely,

(Original signed by)

Philip Ting, Chief
Operations Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

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

Enclosures: As stated

cc w/enclosures: T. Ortciger
Illinois Department of Nuclear Safety

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