

June 16, 1998

Dr. Bruce Kaiser, Vice President
Fuel Operations
ABB Combustion Engineering, Inc.
3300 State Road P
Hematite, MO 63047

SUBJECT: RESPONSE TO INSPECTION REPORT 070-00036/98001

Dear Dr. Kaiser:

This refers to your June 5, 1998, response to the Notice of Violation (NOV) transmitted to you by our letter dated May 6, 1998, with Inspection Report 070-00036/98001. We have reviewed your corrective actions and have no further questions at this time. Your corrective actions will be examined during future inspections.

If you have any questions, please contact me at (630) 829-9603.

Sincerely,

Original Signed by

Patrick L. Hiland, Chief
Fuel Cycle Branch

Docket No. 070-00036
License No. SNM-33

cc: R. W. Sharkey, Regulatory
Compliance Manager
R. A. Kucera, Director, Missouri
Department of Natural Resources

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June 5, 1998

Docket No. 70-0036
License No. SNM-33

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

SUBJECT: REPLY TO A NOTICE OF VIOLATION

Gentlemen:

Enclosed is Combustion Engineering's Reply to Notice of Violation dated May 6, 1998, concerning NRC Inspection Report No. 070-00036/98001(DNMS).

We will be glad to discuss any questions you have concerning our response. If you have any questions or need further information, please contact me or Mr. Kevin Hayes of my staff at (314) 937-4691.

Very truly yours,

COMBUSTION ENGINEERING, INC.

Robert W. Sharkey
Director, Regulatory Affairs

6-5-98

cc: Carl Paperiello, Regional Administrator
Region III

RA98/751

ABB CENO Fuel Operations

Combustion Engineering, Inc.

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St. Louis (314) 296-5640
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Attachment to RA98/751
June 5, 1998

**REPLY TO NOTICE OF VIOLATION
INSPECTION REPORT NO. 070-00036/98001(DNMS)**

Response to Violation No. 98001-01

Violation:

Safety Condition S-1, of Special Nuclear Material License No. SNM-33, requires that licensed material be used in accordance with the statements, representations, and conditions in Chapters 1 through 8, of the application, dated October 29, 1993, with supplements.

Section 2.6, of Chapter 2, of the supplement, dated August 8, 1997, requires, in part, that all operations which affect licensed material shall be conducted in accordance with approved procedures.

Section 5.2, of Nuclear Industrial Safety Procedure (NIS) No. 221, "Material Handling Equipment," approved March 15, 1996, requires, in part, that licensed material handling equipment shall be marked with a rated lifting capacity before it may be used.

Contrary to the above, on April 8, 1998, crane cleaves pins used to lift four full UX-30 uranium hexafluoride cylinder overpacks were not marked with a rated lifting capacity before use.

Response:

1. **Reason for the violation:** Procedure NIS 221, "Material Handling Equipment," was originally issued in March, 1996. Inadequate measures were taken to implement the new requirements stated in NIS 221.
2. **Corrective steps that have been taken and the results achieved:** The affected clevis pins were verified to meet the lifting requirements for full UX-30 overpacks.
3. **Corrective steps taken to avoid future violations:** (1) Procedures will be revised to ensure appropriate lifting devices are used. (2) Inspection procedures will be revised to ensure that lifting devices for SNM are periodically inspected. (3) Training will be conducted on the revised procedures.
4. **When full compliance will be achieved:** Procedures will be revised and affected personnel will be trained by July 31, 1998.