

Honeywell Chemicals

Specialty Materials

Metropolis Works Facility

Improvement Plan Progress

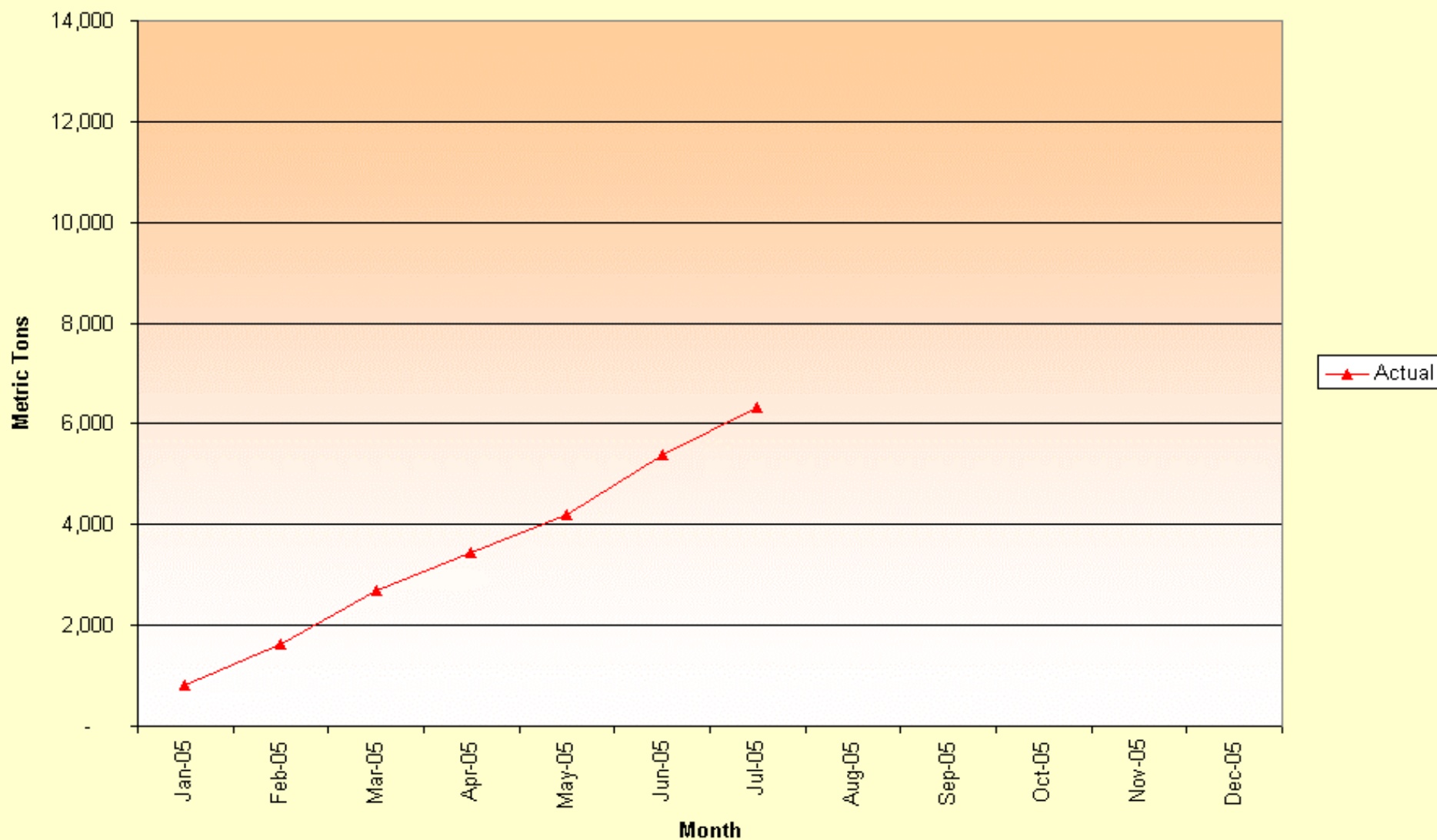
Honeywell

- **Current Plant Production Status**
- **Operational Safety Improvements**
- **Recent Challenges**
- **Commitment Status Summary**
- **Commitment Grouping**
 - **Commitment Status Slide for Each Topical Group**
- **Presentation Commitment Statement**
- **Concluding Remarks**

Current Plant Production Status

Honeywell

UF6 (Distilled) Year-to-Date



- **Excellent Performance in Full Participation Emergency Drill**
- **Radiological Survey of Site**
- **Improved Radiological Postings**
- **No Lost Time Accidents or OSHA Reportable During Last Major Maintenance Outage**
- **Improvement in Maintenance Work Scheduling**
 - **Last Major Maintenance Outage Completed Ahead of Schedule**

- **Conduct of Operation**

- **Implemented a Conduct of Operations Manual**

- ◆ Grouping of Selected Procedures In FMB Process Procedures
 - Shift Turnover
 - Operator Aids
 - Standing Orders
 - Pre-Job Briefing Requirements
 - Development and Implementation of Administrative Policies and Procedures
 - Procedure Use
 - Development and Implementation of Plant Technical Procedures
 - Stop Work Process
 - Disabled Alarms and Instruments
 - Conduct of Training

- **Developed Conduct of Operations Training**

- ◆ Training for Production Supervisors, Operators and Assistants
 - ◆ Early Version Given During Restart
 - ◆ Matured Course Required as Qualification Requirement for New Hires and New Position Qualifications

- **Inattentiveness & Overtime Control Addressed**
- **Implemented Abnormal Conditions and Alarm Response Procedures for UF6 Processes**
- **Independent Oversight**
 - Increase Corporate Oversight
 - Temporary Use of Shift Advisors
 - Planned Early 2006 - Formation of Off-Site Review Board
- **Improved Investigation Process**
 - 5 Why Process for Lower Level
 - Root Cause Analysis – APOLLO (Cause and Effect) Process

- **Special Emphasis Improvement Teams**
 - Health Physics
 - Environmental
 - Process Safety Management
 - Safety

- **Regulatory Focus**
 - Split Regulatory Affairs and Health Safety & Environmental Manager Position – New Regulator Affairs Manager Hired
 - Managers Trained on License & Safety Conscious Work Environment
 - License Renewal Process
 - Planned - License Compliance Matrix on New License

- **UF6 Cylinder Valve & Plug Installation Issue**
- **Overdue Periodic Review of Process Procedure**
- **ASH Vacuum Cleaner System Filter Failure**
- **Bioassay Sampling Deficiencies**
- **Failure to Comply with MTW Procedure on Disabled Alarms and Instrumentation**

- **120 Total Commitments**
 - 106 Original plus 14 New Sustainment Commitments
 - 38 Short Term (31 Original, 7 Sustainment Added)
 - 82 Long Term (75 Original, 7 Sustainment Added)

- **75 Commitments Completed**
 - 25 Short Term
 - 50 Long Term

- **45 Open Commitments**
 - 13 Short Term (including 7 new sustainment items)
 - ◆ 6 Were Extended
 - 32 Long Term (including 7 new sustainment items)
 - ◆ 15 Were Extended

- **Commitments Grouped in Topical Areas**

- **Consistent with Previous Correspondence, Notes & Presentations**

- ◆ Conduct of Operations
 - ◆ Corrective Actions & Auditing
 - ◆ Emergency Preparedness
 - ◆ Management Oversight
 - ◆ Material Condition
 - ◆ Procedures & Policies
 - ◆ Radiation Protection
 - ◆ Regulatory
 - ◆ Safety Conscious Work Environment
 - ◆ Training

- **Following Slides**

- **Commitment Status Summaries for Each Topical Area**
 - **Significant Challenges & Key Accomplishments will be Presented**
 - **Questions on Other Points Welcome**

- **Summary of Completed Commitments:**

- Implemented Policy on Inattentiveness
- Established Overtime Controls
- Re-established Shift Advisors – Transition to Off-Site Safety Review Board
- Joined INPO

- **Summary of Remaining Actions:**

- Training on Behavioral Observation
- Supervisor Training on Confronting Policy Violations
- Sustainability Items to Institutionalize (Policy or Procedure) Notices on Adherence to Plant Policies, Harassment for Raising Issues, Advance Notice of Management or NRC Tours & Overtime Control
- Overtime and Shift Issues Evaluation Documentation

- **Operating Procedures Issues**

- **Temporary Procedures**

- ◆ Revised Site Procedure Process to Clarify When Temporary Procedures are Allowed and Improved Process to Allow Processing on Off Hours (nights, weekends)

- **Abnormal and Alarm Response**

- ◆ Alarm Response Manual for each FMB Process
 - Abnormal Operating Procedure
 - Alarm Response Procedure
 - Computer Alarm Response Procedure
 - Emergency Operating Procedure
 - Control Procedure for Inoperative or Disabled Instrumentation

- **Overtime Issue**

- **Control of Overtime Hours**

- ◆ Plant Manager Directive Requiring Plant Manager Approval to Exceed:
 - 16 Hours Continuous or in Any 24 Hour Period
 - 80 Hours in any Rolling 7 Day Period
 - ◆ Plant Overtime Control Policy Drafted & In Review Process (MTW-POL-AD-0210)
 - Will Institutionalize Plant Manager Directive
 - Will Add Requirement for 8 Hours Between Work Periods
 - Considered NRC Generic Letter 82-12 to Power Plants – Similar Guidelines Implemented

- **Alertness / Fitness For Duty**

- ◆ Inattentiveness To Duty Policy (MTW-POL-AD-0205)
 - All Employees – Remove or Restrict Inattentive Employee
 - Managers – Direct Reports Able to Perform Tasks in Safe and Compliant Manner
 - Supervisors – Remove or Restrict Any Unfit For Duty Individual
 - ◆ Overtime Control Policy (MTW-POL-AD-0210) (Drafted, In Review)
 - Supervisors will be Responsible to Monitor Personnel Prior to Exceeding OT Limits and for Duration of Authorized Deviation Period for Fatigue and Mental Alertness



- **Summary of Completed Actions:**

- HSE Council Assessments and Inspections
- Continued Audit Program with Contractors – Transitioning to In-House
- Increased Corporate Oversight
- Corrective Action Tracking Program

- **Summary of Remaining Actions:**

- Sustainability Items to Transition Audit Program to Minimize Reliance on Contractors
- Implement Revised Assessment Program Proposed by Senior Leadership Team with Focus on Safety and Housekeeping



- **Summary of Completed Commitments:**
 - Full Participation Drill
 - Consolidate ERP and RCP
 - Community Awareness and Participation

- **Summary of Remaining Actions:**
 - No further actions committed to the NRC on this area
 - Honeywell Management discretionary actions will continue to evaluate the effectiveness of improvements and make changes where appropriate



- **Summary of Completed Commitments:**
 - Managers Trained on Regulatory Culture
 - Management Accountability for Response to Inattentiveness
 - Management Vacancies Filled - Added Regulatory Affairs - Retained QA
 - Plant Tours – Management, Security
 - Corporate Oversight

- **Summary of Remaining Actions:**
 - Regulatory Training for Corporate Leadership
 - Implementation of Maintenance Excellences Processes
 - Establish Offsite Review Board
 - Employee Feedback System for Safety Conscious Work Environment
 - Evaluate Leadership Team Roles & Responsibilities
 - Complete Labor Relations Training for Supervisors
 - Sustainability Items on Overtime Controls, Regulatory Training and Expectations for Management Tours of the Plant



- **Summary of Completed Commitments:**

- Control Room Safe Haven Improvements
- Natural Gas Piping Upgrade
- UF6 and Ammonia PHA Revalidation
- Critical Equipment PM Assignments & Schedule

- **Summary of Remaining Actions:**

- Maintenance Excellence Process Implementation including Trending, Scheduling and Planning
- Improve Mechanical Reliability Program Data Collection and Tracking
- Digital Control System (DCS) Improved Controls
- Improved Root Cause Analysis Process including Failure Modes & Effects Analysis (FMEA)



- **Summary of Completed Commitments:**
 - Implemented Writer's Guide to Standardize Procedures
 - Implemented Web-based Document Management System
 - Procedure Gap Analysis - Operating, Administrative & Maintenance
 - Implemented Abnormal Conditions and Alarm Response Procedures
 - Improved Processes for Standing Orders, Temporary Procedures and Operator Aids
- **Summary of Remaining Actions:**
 - Prepare Policies and Procedures Identified by Gap Analysis
 - Complete Major Revisions for UF6 Procedures & Policies (Phase II)



- **Summary of Completed Commitments:**
 - **Installed Additional Red Lights in FMB Process Areas**
 - **HS&E Council Formation**
 - ◆ 3 Reporting Councils (ALARA, Safety, Environmental)
 - **Management Discretionary Actions (Beyond Regulatory Commitment)**
 - ◆ Improved Plant Postings
 - ◆ Installed Remote Read Out in HP Office of FMB Red Lights
 - ◆ Conducted Radiological Survey of Entire Site

- **Summary of Remaining Actions:**
 - **No further actions committed to the NRC on this area**
 - **Management Discretionary Actions (Beyond Regulatory Commitment)**
 - ◆ Improve Response Time to Field Survey Results
 - ◆ Improve Reliability of Free-Release Equipment
 - ◆ Improve Employee Exit Monitoring Process
 - ◆ Evaluate and Improve Radiological Control Programs



Management Discretionary Actions

- **Summary of Completed Actions:**
 - Installed red light notification system for HP group
 - Upgraded HP audit program to focus on housekeeping and contamination control
 - Enhanced trending and reporting practices for HP data
 - Corporate established financial reserve for legacy waste disposal

- **Summary of Remaining Actions:**
 - Improve radiological postings
 - Equipment upgrades and enhancement to improve response time for field survey results, employee exit monitoring and free release equipment
 - Improve housekeeping



- **Summary of Completed Commitments:**
 - Review/Update Risk Management Plan
 - License Renewal Application Submitted
- **Summary of Remaining Actions:**
 - No further actions committed to the NRC on this area
 - Honeywell Management discretionary actions will continue to evaluate the effectiveness of improvements and make changes where appropriate
 - **Management Discretionary Actions (Beyond Regulatory Commitment)**
 - ◆ Develop License Compliance Matrix for New License



- **Summary of Completed Commitments:**
 - Employee Survey on Safety Conscious Work Environment
 - Implemented Safety Hotline for Employee Reporting of Safety Concerns

- **Summary of Remaining Actions:**
 - Complete Training on Safety Conscious Work Environment (Senior Managers trained – need to train rest of organization)
 - Policy for Employee Survey Feedback Process on a Safety Conscious Work Environment
 - Management Discretionary Action (Beyond Regulatory Commitment)
 - ◆ Management Review to Determine if Training and Feedback Process is Effective

- **Summary of Completed Commitments:**
 - License Training for Managers and Supervisors
 - Training on Administrative Procedure Governing the Procedure Process
 - Implemented Job Performance Measures (JPM's) for UF6 Operators
 - Established Training & Document Control Groups

- **Summary of Remaining Actions:**
 - Develop Supervisory and Management Training Program
 - Develop Systematic Training Process with Training Matrix, including Operator Training Requirements Profile
 - Complete Specific Training on Managing Change, Train the Trainer, License Compliance Matrix
 - Develop Mechanical Maintenance Training Program
 - Develop Job Performance Measure Plant Wide
 - Incorporate Human Factors Considerations in the Training Manual



- **This presentation contains status information on previously made regulatory commitments to the NRC.**
- **Any additional management discretionary actions discussed were for the information of the NRC and are beyond regulatory commitments.**
- **No new commitments are contained in this presentation.**

- **Honeywell is Committed to Providing the Support and Oversight Necessary to Ensure the Metropolis Works Facility is Operated in a Safe and Compliant Manner.**
- **Honeywell is Committed to Making Improvements to Achieve Excellence in Safe and Reliable Operations.**
- **Honeywell Site and Corporate Management is Committed to Performing the Necessary Reviews and Evaluations to Ensure Effective Implementation of the Commitments Made to the NRC.**
- **Honeywell Site and Corporate Management is Committed to Improving Management of Commitments to the NRC, Including Periodic Updates on Progress on Open Commitments.**

- **Open for Additional Questions**