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February 2, 2006

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U.S. Nuclear Regulatory Commission
Attention: Document Control Center
Washington, D.C. 20555

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

Subject: REPLY TO A NOTICE OF VIOLATION; NRC LETTER DATED JANUARY 5, 2006
NRC INSPECTION REPORT 40-3392/2005-006 AND NOTICE OF VIOLATION

Dear Sirs:

This letter transmits Honeywell-Metropolis Works' (MTW's) response to NRC Inspection Report No. 40-3392/2005-006 and Notice of Violation (NOV), dated January 5, 2006. As directed in the NOV, this letter addresses Violation No. 40-3392/2005-006-02, examples 1 and 2, and Violation No. 40-3392/2005-006-03, example 3. As noted in the NOV, Violation No. 40-3392/2005-006-03 examples 1 and 2 have been adequately addressed. Violation No. 40-3392/2005-006-02, examples 1 and 2, together, constitute a Severity Level IV violation. Violation No. 40-3392/2005-006-03 examples 1, 2, and 3, together, constitute a Severity Level IV violation.

Violation No. 40-3392/2005-006-02 Example 1:

- A. License Condition 10 of NRC License No. SUB-526, Amendment No. 15, authorizes, in part, the use of licensed materials in accordance with the statements, representations, and conditions in Chapters 1 through 7 of the license application dated January 30, 2003.

Chapter 2, Section 2.6 of the license application, dated January 30, 2003, requires that "plant written procedures shall be reviewed, revised, approved, and implemented in accordance with Plant Policy titled 'Procedure Control Policy'."

Contrary to the above, the licensee failed to review, revise, approve, and implement plant written procedures in accordance with Plant Policy titled "Procedure Control Policy" as described in the following examples:

1. Procedure Control Policy, AD-7, issue date October 11, 2004, states, in part, that procedures written after March 1, 2004, shall be reviewed, revised, approved, and implemented in accordance with Procedure MTW-ADM-PRO-0103, "Development and Implementation of Plant Technical Procedures."

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Step 4.24.16 of Procedure MTW-ADM-PRO-0103, Revision 9, requires that if the expiration date on the Temporary Procedure has passed, then cancel and replace the Temporary Procedure in the appropriate Procedure Manual.

On December 8, 2005, NRC inspectors identified that the expiration date on a Temporary Procedure had passed, and the procedure had not been properly replaced in the appropriate Procedure Manual even though a permanent procedure had been issued.

Reasons for this Violation:

The licensee has determined:

1. Personnel failed to follow the procedure for removal of the Temporary Procedure, upon expiration, as required by MTW-ADM-PRO-0103, Revision 9, *Development and Implementation of Plant Technical Procedures*, step 4.24.16.
2. Management failed to provide an adequate means of accounting for the timely conversion of Temporary Procedures to permanent procedures and/or their subsequent removal from the available procedure manuals and database upon expiration.

Corrective Actions:

A review of the circumstances was completed. Involved personnel have been reinstructed on their responsibilities to maintain the procedure manuals and the procedure database current to ensure that only up-to-date, authorized procedures are available for use by the operators. Additionally, a review of all current Temporary Procedures has been conducted to ensure no other expired Temporary Procedures are available for use. No other expired Temporary Procedures were identified.

Corrective Actions Taken or Planned to Avoid Further Violations:

Procedure MTW-ADM-PRO-0103, *Development and Implementation of Plant Technical Procedures*, will be changed to require the routine generation and distribution of a notification of Temporary Procedures, indicating owners and expiration dates, to UF₆ Production Management. This notification will be used by the Document Management System Administrator to maintain a current status of Temporary Procedures and to remove Temporary Procedures from access upon expiration. The procedure already requires the Document Management System Administrator physically remove the Temporary Procedure from the Procedure Manual upon its expiration.

Full compliance with the license requirements and with local procedures was regained upon completion of the review for any additional expired Temporary Procedures. No other expired Temporary Procedures were identified on January 31, 2006. Restoring compliance is considered to be a regulatory commitment. The specific corrective actions and action to prevent recurrence described above are management discretionary items and are provided to the NRC for information. These management discretionary items are not regulatory commitments.

Violation No. 40-3392/2005-006-02 Example 2:

2. Procedure Control Policy AD-7, states, in part, that procedures written after March 1, 2004, shall be reviewed, revised, approved, and implemented in accordance with Procedure MTW-ADM-PRO-0100, "Development and Implementation of Policies And Administrative Procedures."

Step 4.11.2 of Procedure MTW-ADM-PRO-0100 requires that policies and procedures be followed as written.

Step 4.1.3 of Procedure MTW-ADM-OPS-0110, "Operator Aids," requires that a permanent or temporary procedure exist if procedural steps are required in an operator aid.

On December 8, 2005, the inspectors identified that an operator aid that required procedural steps, "Instructions for UF₆ Release Control," had been posted in the Feeds Material Building control room without having a permanent or temporary procedure written. The operator aid was also out-of-date and could not be implemented as written.

Reasons for this violation:

The licensee has determined the violation occurred because management failed to specifically require the operator aid be in accordance with MTW-ADM-OPS-0110, Revision 0, *Operator Aids*, 8/6/2004, prior to posting.

During the critique of the minor release on November 15, 2005, confusion on the part of an operator on the required actions to take in the event of a release was identified as one problem. It was noted that a listing of the required actions had been previously posted and management decided the listing was again needed. The listing was posted, constituting an operator aid. As written and posted, it did not meet the requirements of MTW-ADM-OPS-0110, Revision 0, *Operator Aids*, 8/6/2004.

Corrective Action:

The operator aid was removed from the Control Room in the FMB and was removed from access in the Document Management System (DMS). A review of all authorized operator aids was conducted. Deficiencies identified were corrected. Three temporary production efficiency charts still in the DMS as operator aids were no longer posted and were removed.

Corrective Actions Taken or Planned to Avoid Further Violations:

1. Review and revise, as necessary, procedure MTW-ADM-OPS-0110, *Operator Aids*, to more accurately reflect the process of operator aid development, implementation, posting, review, and removal with particular attention to responsible persons/ functions.
2. Brief the plant personnel on their responsibilities in the development, posting, use, review and removal of Operator Aids.
3. Review all posted placards and documents in the FMB which could be construed to direct operations of equipment or systems to ensure they either meet the

requirements of procedure MTW-ADM-OPS-0110, Revision 0, *Operator Aids*, dated 8/6/2004.

Full compliance with the license and local procedures was regained upon completion of the review of all authorized operator aids on February 1, 2006. Restoring compliance is considered to be a regulatory commitment. The specific corrective actions and actions to prevent recurrence described above are management discretionary items and are provided to the NRC for information. These management discretionary items are not regulatory commitments.

Violation No. 40-3392/2005-006-03 Example 3:

- B. License Condition 10 of NRC License No. SUB-526, Amendment No. 15, authorizes, in part, the use of licensed materials in accordance with the statements, representations, and conditions in Chapters 1 through 7 of the license application dated January 30, 2003.

Chapter 2, section 2.6 of the license application, dated January 30, 2003, requires that plant written procedures shall be reviewed, revised, approved, and implemented in accordance with Plant Policy titled "Procedure Control Policy."

Procedure Control Policy AD-7, states, in part, that procedures written after March 1, 2004, shall be reviewed, revised, approved, and implemented in accordance with Procedure MTW-ADM-PRO-0100, "Development and Implementation of Policies And Administrative Procedures."

Step 4.11.2 of procedure MTW-ADM-PRO-0100 requires that policies and procedures be followed as written.

Contrary to the above, the licensee failed to follow procedures as written and described in the following examples:

3. Step 4.1.9 of procedure MTW-SAF-LS-0007 requires that the assistant operator judge whether valves and isolation equipment are in the appropriate position.

On November 15, 2005, during routine maintenance to replace a valve on a UF₆ vaporizer, the assistant operator failed to adequately judge whether valves and isolation equipment were in the appropriate position. As a result, a minor release of UF₆ occurred. The UF₆ release was confined within the Feed Materials Building.

Reasons for this Violation:

The licensee has determined:

1. Management failed to formally require positive action be taken to ensure the position of a valve (or valves) is known prior to reducing valve or system integrity.
2. Management failed to formally require all isolation valves between source of vacuum and the boundary break point be opened during evacuation of the process system.

Corrective Action Taken:

The leak was stopped by retightening the valve's body to bonnet joint and evacuating the line by opening isolation valves between the source of vacuum and the valve's body to bonnet joint. The valve which was leaking was replaced.

Corrective Actions Taken or Planned to Avoid Further Violations:

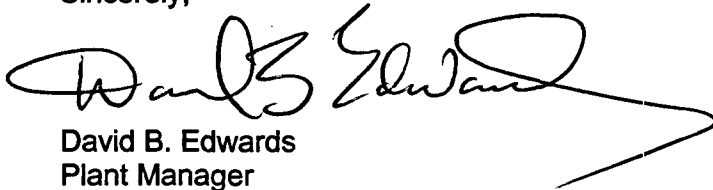
The following actions will be taken to avoid further violations:

1. Modify the appropriate procedure(s) to include instructions requiring valve positions be determined physically rather than visually.
2. Modify the appropriate procedure(s) to require that all valves in the line between the source of vacuum and the system boundary break point be physically verified open prior to breaking the system boundary to ensure the evacuation of the process materials from the work area.
3. Brief the plant personnel on the methods to physically check the position of manually operated valves.

Full compliance with the requirements was regained upon stopping the leak and restoring process system integrity on November 15, 2005. Restoring compliance is considered to be a regulatory commitment. The specific corrective actions and actions to prevent recurrence described above are management discretionary items and are provided to the NRC for information. These management discretionary items are not regulatory commitments.

Questions regarding this correspondence can be addressed to Jim Tortorelli at (618) 524-6221.

Sincerely,



David B. Edwards
Plant Manager

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