

August 9, 2011

Mr. Rob Christiansen
Quality Assurance Manager
Haynes International, Inc.
120 W. Park Avenue
Kokomo, IN 46904-9013

SUBJECT: TELEPHONE INTERVIEW TO EVALUATE THE RADIATION SAFETY
PROGRAM AND NOTICE OF VIOLATION – HAYNES INTERNATIONAL, INC.

Dear Mr. Christiansen

On July 5, 2011, with continued in-office review through July 13, 2011, the U.S. Nuclear Regulatory Commission (NRC) conducted a telephone interview with your staff, concerning licensed activities at Haynes International, Inc. The NRC inspector held a telephone exit meeting on July 14, 2011.

The purpose of this interview was to examine activities conducted under your license as they relate to public health and safety and to confirm compliance with the Commission's rules and regulations and with the conditions of your license.

Based on the results of this interview, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. This violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at (<http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>). The violation is cited in the enclosed Notice of Violation (Notice). The violation concerned the failure to notify the NRC within 60 days in writing when no principal activities under the license have been conducted for a period of 24 months. This notification is required per Title 10 of the Code of Federal Regulations (CFR) 30.36(d). According to your staff, the Kevex Analyzer that was authorized in your NRC license number 13-25965-01 has been placed in storage since 2000 and no principle activities with the unit have been performed since then. The root cause of the violation was that the failure to realize that such notification was required. As corrective actions, your staff committed to sending a request to terminate their NRC license and dispose of the authorized source in accordance with all applicable regulations. The violation is being cited in the Notice because it was identified by the inspector rather than being identified by Haynes International, Inc. staff.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed on the docket in this letter.

Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction.

Sincerely,

/RA Kenneth Lambert for/

Tamara E. Bloomer, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 030-30781
License No. 13-25965-01

Enclosure:
Notice of Violation

cc: Mr. Brian Carver, Radiation Safety Officer
State of Indiana

R. Christiansen

-2-

Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

Sincerely,

/RA Kenneth Lambert for/

Tamara E. Bloomer, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 030-30781
License No. 13-25965-01

Enclosure:
Notice of Violation

cc: Mr. Brian Carver, Radiation Safety Officer
State of Indiana

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NOTICE OF VIOLATION

Haynes International, Inc.
Kokomo, IN 46904-9013

Docket No. 030-30781
License No. 13-25965-01

During a U.S. Nuclear Regulatory Commission (NRC) telephone interview conducted on July 5, 2011, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 Code of Federal Regulations (CFR) 30.36(d) requires, in part, that licensees provide notification to the NRC in writing within 60 days when no principal activities under the license have been conducted for a period of more than 24 months.

Contrary to the above, as of 2002, the principal activities under Byproduct Material license No. 13-2595-01 have not been conducted for a period of more than 24 months, and the licensee failed to notify the NRC within 60 days of this occurrence.

This is a Severity Level IV violation (Section 6.3).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance will be achieved, is already adequately addressed on the docket in the letter transmitting this Notice of Violation (Notice). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 9th day of August 2011.

Enclosure