

December 9, 2004

Mr. Steve Tarlton, Manager  
Radiation Management Unit  
Hazardous Materials and Waste Management Division  
Colorado Department of Public Health and Environment  
4300 Cherry Creek Drive South  
Denver, Colorado 80246-1530

Subject: Reply to the summary letter dated November 10, 2004 received November 12, 2004,  
regarding the Investigation of Allegations, Radioactive Materials License #369-01

Dear Mr. Tarlton,

The following information is provided for your consideration regarding the investigation of allegations summary letter. While we understand the finding and have evaluated its significance, we do not concur that the item cited rises to a level of non-compliance.

As specified in RH 10.3 of the Colorado Rules and Regulations Pertaining to Radiation Control and per License Condition 19.2.1, worker radiation safety training was conducted and precautionary instructions provided to employees. In addition, supplemental radiation safety and industrial safety training sessions were conducted. Documentation of training was provided to the Radiation Management Unit as part of the reply to the follow-up letter dated August 24, 2004 from Mr. Bonzer.

It also should be noted that workers are given instructions by their shift supervisors and routinely by other mill staff on a day-by-day basis to perform their assigned work tasks, including radiological safety and/or industrial safety precautions. These instructions even though not always documented are provided to the employees based on working conditions encountered.

Per License Condition 19.4, radiation work permit (RWP- 543) was prepared for the various mill refurbishment and construction activities in preparation of zirconium ore processing. The precautions specified in the RWP reinforce the general milling facility radiation safety and industrial safety practices. We consider the work performed during the cleaning of the primary overflow tank and cleaning of the CCD area high rate sump not extremely unusual, was conducted adequately, and could have been performed with or without a specific RWP being issued.

Additional efforts in the training programs have been taken to better communicate and document the precautions and instructions provided to the workers.

If you have any questions please contact me.

Sincerely,

Jim Cain  
Environmental Coordinator/  
Radiation Safety Officer

cc: Steve Landau  
Pat Mutz