

EDO Principal Correspondence Control

FROM: DUE: 04/26/00  
Representative Constance A. Morella

EDO CONTROL: G20000192  
DOC DT: 03/24/00  
FINAL REPLY:

TO:  
Rathbun, OCA

FOR SIGNATURE OF : \*\* GRN \*\*  
Travers, EDO

CRC NO: 00-0254

DESC: Improper Handling of Radioactive Waste by Neutron  
Products, Inc. (Nancy Dacek)

ROUTING:  
Travers  
Paperiello  
Miraglia  
Norry  
Blaha  
Burns  
Lohaus, SP  
Miller, RI

DATE: 04/13/00

ASSIGNED TO: NMSS CONTACT: Kane

SPECIAL INSTRUCTIONS OR REMARKS:

OFFICE OF THE SECRETARY  
CORRESPONDENCE CONTROL TICKET

Date Printed: Apr 12, 2000 16:17

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**PAPER NUMBER:** LTR-00-0254 **LOGGING DATE:** 04/12/2000  
**ACTION OFFICE:** EDO

**AUTHOR:** CONSTANCE MORELLA  
**AFFILIATION:** REP  
**ADDRESSEE:**  
**SUBJECT:** IMPROPER HANDLING OF RADIOACTIVE WASTE BY NEUTRON PRODUCTS, INC.

**ACTION:** Signature of EDO  
**DISTRIBUTION:** OCA TO ACK

**LETTER DATE:** 03/24/2000  
**ACKNOWLEDGED:** No  
**SPECIAL HANDLING:** OCA TO ACK

**NOTES:**  
**FILE LOCATION:** ADAMS

**DATE DUE:** 04/26/2000 **DATE SIGNED:**

EDO --G20000192

CONSTANCE A. MORELLA  
8TH DISTRICT, MARYLAND

COMMITTEE ON SCIENCE  
SUBCOMMITTEE ON BASIC RESEARCH  
CHAIR,  
SUBCOMMITTEE ON TECHNOLOGY

COMMITTEE ON GOVERNMENT  
REFORM AND OVERSIGHT  
SUBCOMMITTEE ON CIVIL SERVICE  
VICE CHAIR,  
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA



**Congress of the United States**  
**House of Representatives**

March 24, 2000

2228 RAYBURN HOUSE OFFICE BUILDING  
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51 MONROE STREET  
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FAX: (301) 424-5992

Mr. Dennis K. Rathbun  
Director  
Congressional Affairs  
Nuclear Regulatory Commission  
Washington, D.C. 20555

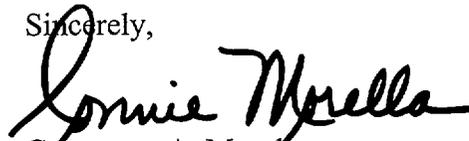
Dear Mr. Rathbun:

Montgomery County Councilmember Nancy Dacek has gotten in touch with my office with concerns about the improper handling of radioactive waste by Neutron Products, Inc., located in Dickerson, Maryland.

I have enclosed a copy of the correspondence that I received from Ms. Dacek which describes the particular situation in detail. In light of the continued violations by Neutron Products, Inc., Ms. Dacek believes that oversight of the company's operations by NRC would be appropriate.

I would be grateful if you would look into this matter, and direct your response to my Rockville office. Thank you for your cooperation and consideration. If you have any questions, please contact me through my Rockville office.

Sincerely,

  
Constance A. Morella  
Member of Congress

CAM:el  
Enclosure



MAR 22 2000

2013712 WF

MONTGOMERY COUNTY COUNCIL  
ROCKVILLE, MARYLAND

NANCY H. DACEK  
DISTRICT 2

March 8, 2000

0002 4 1 MAR

Honorable Constance Morella,  
United States Congress Woman  
1024 Longworth Building  
Washington D.C., 20515

Dear Congresswoman *Connie* Morella:

It was several years ago that I first contacted you regarding Neutron Products in Dickerson Maryland, Unfortunately issues regarding Neutron has brought no resolution to the issues surrounding Neutron Products have not been resolved. I am asking for your assistance in these matters. I am enclosing some background information regarding this issue with this letter to refresh you on the details of this issue.

I believe that it is necessary to ask the Nuclear Regulatory Commission (NRC) to contribute direct supervision and oversight at that facility. The Maryland Department of the Environment (MDE) has allowed too much latitude to Neutron Production. These allowances have contributed to quite a volatile situation with the neighboring community and have allowed continuous violations to add up and contribute to an already negligible track record in safety. Neutron Products to date has not developed a fund or plan for decommissioning the facility as required for they're class 04 manufactures license. In addition there have been multiple occurrences of off-site contamination. I believe that the situation is worsening, and that the MDE is not effectively using its authority.

There need to be some good faith measures by the company in order to assure the community that they have not been left alone to deal with Neutron Products. I am aware that Cobalt 60 is very important to cancer research and treatment and I feel that, if brought into compliance, Neutron Products would be a great asset to the community, the county and the state of Maryland. However, as it stands right now it is a dangerous and volatile situation which requires intervention from the federal level. I would appreciate you assistance in requesting oversight from the NRC. Thank you in advance for your assistance and attention into this matter.

Sincerely,  
*Nancy*  
Nancy Dacek  
Councilmember

ND:ekh





UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

December 20, 1993

The Honorable Constance A. Morella  
United States House of  
Representatives  
Washington, DC 20515

Dear Congresswoman Morella:

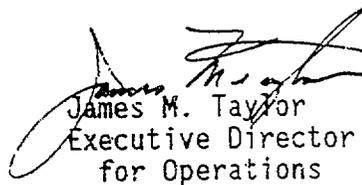
I am responding to your letter dated November 29, 1993, in which you inquired about surveys performed at Neutron Products, Inc., in Dickerson, Maryland. Specifically, you asked about information on the aerial background survey that was conducted and plans for the dissemination of survey results.

The purpose of the aerial survey was to determine the levels of natural background radiation and to detect the presence of man-made radiation surrounding the Neutron Products, Inc., site. The aerial survey was conducted by the U.S. Department of Energy and will supplement the Maryland Department of the Environment's inspection that was conducted with assistance from the U.S. Nuclear Regulatory Commission.

Preliminary results from the aerial survey indicated that off-site radiation levels were not distinguishable from natural background radiation. However, ground level surveys, also conducted during the inspection, did detect some isolated areas of low-level contamination immediately adjacent to the facility. These survey results are consistent with prior surveys conducted by the State and the licensee. No adverse health effects would be expected from these quantities of cobalt-60. The results of the Maryland Department of the Environment inspection will be available to all interested parties in several weeks; however, aerial background survey results will not be available until February. A copy of both survey reports will be provided to you once we receive them.

I trust that this reply responds to your concerns.

Sincerely,

  
James M. Taylor  
Executive Director  
for Operations

cc: Roland Fletcher, Administrator  
Radiological Health Program, MD

DEC 29 1993

## Summary of the History of Neutron Products, Inc. in Dickerson Maryland

Neutron Products, Inc. (NPI) is located on Mount Ephraim Road in Dickerson Maryland. NPI is the world's largest distributor of cobalt 60 sources used for medical and industrial applications around the globe. NPI generates these sources through a process that involves "melting" the cobalt into customized forms to meet a customer's needs. The sources are shipped throughout the world in containment systems that meet the guidelines of the United States Department of Transportation. NPI obtains their cobalt 60 from a nuclear reactor facility in Argentina. NPI also conducts irradiation activities at their Dickerson facility. Irradiation is a process used to expose materials to radiation, primarily for the purpose of sterilization and polymerization. Irradiation kills any bacteria that may be in foods, cosmetics, medical goods and other items. Irradiation also is used in industrial applications at the facility to polymerize materials for specialized uses.

The processes used at NPI do create radioactive waste. The license issued by MDE limits NPI to have no more than three million (3,000,000) curies of radioactive material on site. A curie equates to 37,000,000,000 disintegrations per second. While this number seems imposing, protection from exposure is easily accomplished with standard structural methods. Improvements to the structure can reduce exposure to levels way below regulatory limits. Any radioactive waste is supposed to be transferred to a long-term storage facility. There have been times when all of these facilities have been closed, so the movement of waste off-site was not possible. MDE intends to change NPI's license to reduce the maximum amount of radioactive material on site at any time to two million (2,000,000) curies.

Radiological issues in Maryland are regulated by the Maryland Department of the Environment (MDE) Air and Radiation Management Administration. MDE is given the authority to license and regulate radiological facilities by the Nuclear Regulatory Commission (NRC). The program administered by MDE includes quarterly site inspections of the NPI facility to review operations, safety practices, recordkeeping, monitoring practices and other items. The Montgomery County government has no regulatory authority over NPI for radiological or chemical safety matters.

NPI does use hazardous chemicals at their facility and they generate a small amount of hazardous waste. The amount of waste generated places NPI in a category that does not require a permit under the Resource Conservation and Recovery Act. MDE is the regulatory agency that oversees NPI's hazardous waste handling and disposal practices. According to MDE staff, NPI is in compliance with all regulations related to the treatment, storage and disposal of their hazardous waste. NPI reports their on-site chemical inventories and registers with the Montgomery County Local Emergency Planning Council in accordance with the Community Right-to-Know Act and other locally mandated reporting provisions.

- Neutron Products, Inc. first located in Dickerson in 1967. The property was previously used as a tractor repair facility and was zoned as a light industrial use category (I-1). The zoning categorization is still I-1 today.
- Neutron Products, Inc. expanded their facility and continued to incorporate additional functions into their business. Neutron Products, Inc. applied for and was granted building permits until 1981. At that time, Neutron's applications were denied because there was no acceptable means to deal with the sanitary wastes generated at the facility. Expansion or intensification of use of a facility is prohibited under state and county law if there is no acceptable<sup>1</sup> sanitary waste disposal method in place. Sanitary wastes are channelled to holding tanks for storage. Those wastes are then pumped into a truck and hauled to a Washington Suburban Sanitary Commission (WSSC) drop point. WSSC's monitoring program has never identified any problem with Neutron Products' discharges.
- On January 26, 1982, an Agreement was signed by Jack Ransohoff, President of NPI, the director of the Montgomery County Department of Environmental Protection (DEP) and the director of the Montgomery County Department of Health. ~~The Agreement prohibits any further building at the Neutron facility until an acceptable sanitary waste disposal system is in place.~~
- In April 1983, NPI submitted an application for an on-site waste treatment facility and a subsequent revised plan in June of 1983. The application was denied by County officials because of design inadequacies. Problems with the design were explained in a written response to NPI, along with prescribed remedies for each deficiency. Following this initial effort to obtain a permit for a waste treatment facility, no other actions were taken by NPI.
- From before 1982 to the present, MDE conducted regular inspections at the Neutron facility, citing them on thousands of violations and rendering several administrative penalties.
- In 1993, MDE filed a civil action against NPI. MDE won the lawsuit which resulted in \$200,000 in civil penalties against NPI and imposed requirements to complete alterations to the facility to prevent the release of radioactive cobalt 60 particles from the site. A Stipulation and Settlement document was promulgated and signed by Judge Pincus, an Assistant Attorney General for MDE and the attorney for NPI. The order required NPI to construct a courtyard enclosure, a storage facility, a waste processing room and a compactor. All of these items must meet the requirements outlined in the NRC's Information Notice 90-09, dated February 5, 1990, "Information Needed in Amendment Request to Authorize Extended Interim Storage of Low-Level Radioactive Waste." The \$200,000 fine was reduced to

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<sup>1</sup> Acceptable means a connection to a WSSC sewer, a septic system or an on site treatment operation.

\$75,000, payable over seven years with the stipulation that the entire penalty would be reinstated if the provisions of the Stipulation and Settlement were not met.

After the Stipulation and Settlement was produced, Montgomery County DEP officials immediately worked with MDE staff to prepare an amendment to the 1982 Agreement. The position of DEP regarding modifications to the NPI facility is as follows:

*DEP will work with NPI and MDE to facilitate one (1) comprehensive amendment to the 1982 Agreement. DEP will take the steps that are necessary to protect public health, not to accommodate the wishes of the facility's owner. The amendment will allow for the facility modifications prescribed in the 1994 Stipulation and Settlement. The dimensions of the structural changes are limited to the minimum size needed to assure public health and safety. The modifications to the facility cannot allow for any intensification of use. DEP will base their limitations on the advice of the MDE Radiological Health staff following their review of the plans. NPI must submit one set of plans to Montgomery County that comprehensively include all of the elements outlined in the 1994 Stipulation and Settlement. The plans must be certified to be identical to the plans submitted to MDE for their approval. MDE must assure DEP that the plans meet all radiological safety criteria before Permitting Services staff review the plans for standard structural and other building and fire code criteria. Once that process is completed, DEP will work with the Office of the County Attorney to quickly amend the 1982 Agreement.*

- DEP is continuing to work with MDE to resolve this matter. Mr. Ransohoff claims that he will have engineering drawings when he meets with Permitting Services staff on Monday November 4, 1996. \*

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*meeting has taken place  
but Mr Ransohoff had incomplete  
drawings, so there has been no  
progress*

Concerned Citizens of Dickerson, Maryland  
22170 Dickerson School Road  
Dickerson, Maryland 20842

2-0

3 January 1998

Christina G. Beusch, Esquire  
Office of the Attorney General  
MD Department of the Environment  
2500 Broening Highway  
Baltimore, Maryland 21224

RE: Neutron Products, Inc./Micro-Gammatrol, Inc. and Neutron Finances

Dear Ms. Beusch:

Relevant to comments made by Neutron Products president, Jackson Ransohoff, at the contested license renewal hearing regarding Neutron's bankruptcy and financial status, we find:

- 1) Bankruptcy documents for case number 86-A-0883, list the following company, located at the Neutron address in Dickerson, as a creditor to Neutron:

Micro-Gammatrol, Inc.  
22301 Mt. Ephraim Road  
Dickerson, Maryland 20842

Searches thus far on the Internet (SEC, yellow pages, manufacturing indices) fail to locate any company by the name of Micro-Gammatrol, Inc. What (or who) is Micro-Gammatrol, Inc. and why is it a Neutron creditor?

- 2) In a letter dated January 9, 1993 to the North American Financial Corporation (NAFCO), Jackson Ransohoff wrote:

"[During the past six years], Neutron has also been able to fund about \$3 million in essential capital improvements which enabled it to cope with changing requirements and double gross revenue."

How is it that Neutron could 1) fund 'essential capital improvements;' 2) propose from 1984 through 1997 the construction of additional edifices at the site; and 3) build at the site into at least 1983, but not simply build the enclosure of the courtyard to contain its uncontrolled emissions of radioactive particles since the discovery of 'hot spots' outside Neutron boundaries beginning in December 1980? Is it not possible that Neutron has used — since 1984 — the State's demand for an enclosure to manipulate Montgomery County regulators, and the circuit court, into permitting yet more illegal construction at the site? (Neutron well knows that all construction at the site violates county and state health department regulations as well as a 1982 agreement between Neutron and the county, if not county zoning regulations.)

3) Ibid:

"Finally, Neutron must soon make some additional capital investments in order to satisfy regulatory requirements that will become effective in 1994."

If Neutron funded capital improvements for six years prior to 1993 and presumably knew prior to 1993 of the financial requirements inherent in future regulations, how then — given its 'double gross revenue' and its plans for expansion — can the company seriously proffer the excuse of 'financial burden' in complying with the radioactive materials license issued in 1996 and decommissioning funding requirements? How does one interpret Neutron's federal tax liens, its resistance to paying applicable fees and fines to regulating bodies, or its debt to the *Tax Avoidance Digest*?

4) Ibid:

"Retroactive to August 1, 1987, Neutron's unsecured creditors will agree to a reduced rate of interest accrual, from 10% to 5% per annum, without compounding. In turn, future interest accruals will be paid quarterly *without regard to Neutron's gels, its financial performance, or any other factor.*" (emphasis added)

Neutron wrote to the Nuclear Regulatory Commission in 1991 to contest fees due the NRC. The letter calls Neutron a 'manufacturer of specialty chemicals' — an activity expressly prohibited in Montgomery County zoning regulations. Does the above suggest, improbably, that Neutron will cease this illegal activity — or simply that 'gel' manufacturing (i.e., compound chemical manufacturing) is a more lucrative business for Neutron as linear accelerators replace cobalt-60 therapy sources)?

4) Ibid:

"Neutron shall satisfy its intended payments to its 401(k) Plan in the form of interest bearing Notes having terms identical to the Notes outstanding under items 1 and 2....Neutron shall increase compensation principally in the form of deferred compensation grants....Provisions #4 and #5 will increase Neutron's debt service and payroll costs by about \$10,000 per month but will defer direct compensation and fringe benefit commitments totalling about \$500,000."

Could this deferment of compensation constitute the 'contribution by employees' to which Jack Ransohoff alluded in his comments in Hunt Valley, Maryland?

While we continue to urge the revocation of Neutron's radioactive materials license — and to see that Neutron complies with all other applicable regulations — we remain respectful of your work in Neutron matters.

Yours,



Heather Rae  
Concerned Citizens of Dickerson, Maryland

cc: Secretary Jane Nishida, Maryland Department of the Environment  
Mr. Gary Dreyling, North American Financial Corporation

Parris N. Glendening  
Governor

John W. Hardwicke  
Chief Administrative Law Judge



**OFFICE OF ADMINISTRATIVE HEARINGS**

ADMINISTRATIVE LAW BUILDING  
11101 Gilroy Road  
Hunt Valley, Maryland 21031-1301

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FAX (410) 229-4111

(410) 229-4100  
(800) 388-8805

December 16, 1997

Bruce J. Musico, Esquire  
Neutron Products, Inc.  
22301 Mount Ephraim Road  
P.O. Box 68  
Dickerson, Maryland 20842

Christina G. Beusch, Esquire  
Office of the Attorney General  
MD Department of the Environment  
2500 Broening Highway  
Baltimore, Maryland 21224

Gerald and Yvonne Mulgrew  
22138 Dickerson Road  
P.O. Box 130  
Dickerson, Maryland 20842-0130

Heather Rae  
William Moore  
22170 Dickerson School Road  
Dickerson, Maryland 20842

Heather Rae  
c/o Dickerson Citizen Assoc.  
22170 Dickerson School Road  
Dickerson, Maryland 20842

Michael D. Oberdorfer  
Carol B. Oberdorfer  
22030 Big Woods Road  
Dickerson, Maryland 20842

Jackson A. Ransohoff  
10321 Saint Albans Drive  
Bethesda, Maryland 20814

Francis John Kreysa, Esquire  
4 Professional Drive, Suite 118  
Gaithersburg, Maryland 20879

Re: Neutron Prtoducts, Inc.  
OAH No: 96-MDE-ARMA-047-106

Dear Parties:

Please be advised that the adjudicatory hearing in the above referenced matter will continue on Tuesday, Januray 13, 1998 thru Thursday, January 15, 1998, and Tuesday, January 20, 1998 thru Friday, January 23, 1998 beginning at 10:00 a.m. each day, at the Office of Administrative Hearings, Administrative Law Building, 11101 Gilroy Road, Hunt Valley, Maryland 21031. Please see the receptionist upon arrival for room assignment.

Post-it® Fax Note	7671	Date	10/19/96	# of pages	4
To	Peggy Erickson	From	John Bernhard		
Co./Dept	County Council	Co.	DPS - zoning		
Phone #		Phone #	217-6280		
Fax #	2177989	Fax #	217 6381		

2-B

March 23, 1981

Mr. Ted Miller, President  
Dickerson Citizens' Association  
Box Nine  
Dickerson, Maryland 20753



Dear Mr. Miller:

Following your letter to this office, which outlined specific complaints and concerns about the operation of Neutron Products, Inc., zoning staff of this department reviewed the permit file to ascertain the history of this facility and also held a meeting with representatives of the firm and the Assistant County Attorney.

During the meeting, the points raised in your letter were discussed at length. Written documentation concerning zoning approvals which had been obtained prior to the construction of the Dickerson facility was also provided.

The original zoning approval was in response to correspondence which outlined Neutron Products' intention to use the site as a radiation processing facility, provided that they secure appropriate Atomic Energy Commission licenses prior to any utilization of radiation on the premises. The facility was projected to be a pilot plant which would use radiation as a catalyst in the polymerization of polyvinyl acetate emulsions.

Neutron Products representatives were aware that their particular operation was not specifically referred to in the zoning regulations, but believed that the "manufacture of paint not employing a boiling or rendering process" category best described their immediate intended purpose. They also anticipated "no activity which would be heavier in nature."

Montgomery County, in turn, advised Neutron Products that the activities to be performed at the proposed Dickerson site were permissible under Montgomery County's I-1 zoning.

Neutron Products contends that they still operate basically within the scope of their initial statement of intent. The following information was provided by Mr. Jackson A. Ransohoff, President of Neutron Products, at the meeting with Department personnel and followed up by a written response.

Mr. Ted Miller  
March 23, 1981  
Page 2

Your first point states:

Neutron Products operates a large scale chemical manufacturing facility within their plant. Montgomery County zoning regulations permit chemical manufacturing operations only on land zoned I-2.

Neutron Products maintains that they process chemicals in their facility as opposed to the manufacture of chemicals. Their operation uses chemicals in the manufacture of products which are similar in nature to those uses of a light industrial nature permitted in the I-1 Zone.

The manufacture of chemicals is permitted only as an I-2 use. However, the manufacture of products such as paint, cosmetics, drugs, perfumes, pharmaceuticals, and toiletries is specifically permitted in the I-1 Zone, and they employ the use of chemicals and chemical processes in their manufacture.

Admittedly, the use of radiation as a catalyst for polymerization reaction is unique, and the Zoning Ordinance cannot provide a specific category in anticipation of any and all possible uses. However, it states in the 1958 Zoning Ordinance, which was in effect at the time the facility was constructed, under "Uses Permitted" in the I-1 Zone that:

no building, structure, or land shall be used and no building or structure shall hereafter be erected, structurally altered, enlarged, or maintained, except for one or more uses of a light industrial nature including, but not limited to the following. (under-scoring added for emphasis.)

The use is also not listed with those "prohibited uses" in the industrial zones.

Your second point states:

Neutron Products utilizes truck-load quantities of caustic sodium hydroxide, acrylamide monomer (a toxic chemical) and acrylic acid (a flammable, corrosive chemical) in its chemical manufacturing facility. Acrylamide and acrylic acid are classified by the U.S. Environmental Protection Agency as hazardous wastes and Neutron Products has filed with the EPA as a generator of acrylic acid waste. County zoning regulations prohibit manufacture of 'acids or other corrosive or offensive substances' even in I-2 chemical manufacturing uses.

Mr. Ransohoff states that Neutron Products "has not filed with the EPA as a generator of acrylic acid waste," but, "as a precautionary measure, the company has filed as a generator of acrylamide waste even though acrylamide is not specifically classified as such."

Mr. Ted Miller  
March 23, 1981  
Page 3

He further states that they "have yet to generate any acrylic acid waste except on a laboratory scale" and that they "certainly do not produce acrylic acid or any other corrosive product." Rather, they "neutralize acrylic acid with sodium hydroxide" in their process which produces products "principally used as flocculents in the clarification of effluent from sanitary and industrial waste treatment plants."

Again, we must separate the use of a substance in a process from the actual manufacturing of that substance as the end product. The Zoning Ordinance provides general categories for those uses which are consistent with a particular zoning classification. It does not go beyond that to limit or restrict how the use is realized. We cannot monitor the process, we can only monitor the uses in a particular zone. Involvement in the process, in this case, would come under the purview of the State of Maryland and the Nuclear Regulatory Commission.

Your third point states:

Neutron Products fabricates and utilizes large quantities of radioactive Cobalt-60 in its plant. The handling of radioactive materials is addressed only in Sec. 59-C-5.43 of the County Zoning Code, which deals with special regulations for I-3 Zoning. We feel that the placement of this regulation in Sec. 59-C-5.43 implicitly prohibits the handling of radioactive materials in non I-3 industrial zones.

Neutron Products admits that it "does fabricate and utilize large quantities of radioactive Cobalt-60 in its plant." Nowhere in the Zoning Ordinance are uses employing radioactive material expressly prohibited under Section 59-C-5.22 which applies for all industrial zones.

Because of the character and nature of the I-3 Zone, specifically, "Industrial Park," performance standards have been applied "to provide a protective zone for a park-like development of industry that is based on the performance of an industry as well as the type of industry."

The language in the purpose clause and the need for site plan approval for the I-3 Zone establishes the reasoning for outlining specific performance standards which are not provided for in either the I-1 or I-2 Zones. Comparisons between the industrial zones in this area are not relevant.

Your fourth point clearly deals with issues not enforced by the Zoning Ordinance and which are under the purview of the Maryland State Department of Health and Mental Hygiene. Concerns of that nature should be forwarded directly to the State for a response.

Mr. Ted Miller  
March 23, 1981  
Page 4

It is our opinion therefore, that the operation of the Neutron Products facility is consistent with the permitted uses of a light industrial nature in the I-1 zone. This interpretation has been reviewed with the County Attorney's Office and these conclusions are supported by that office.

Sincerely,

James S. Baker  
Director

JSB:JH:pal

cc: Neutron Products

bcc: Jean Holm ✓

**RADIOLOGICAL HEALTH PROGRAM**  
**MARYLAND DEPARTMENT OF THE ENVIRONMENT**  
2500 Broening Highway  
Baltimore, Maryland 21224  
(410) 631-3302

**RADIOACTIVE MATERIALS INSPECTION REPORT**

Neutron Products, Inc.  
22301 Mt. Ephraim Road  
P.O. Box 68  
Dickerson, MD 20842

License Number: MD-31-025-01

Phone Number: (301) 349-5001

FAX Number: (301) 349-5007

**Introduction:**

On March 25, March 26 and April 2, 1998, Messrs. Bob Nelson, Ray Manley, Ms. Donna Thim and I conducted a routine unannounced radioactive materials inspection at NPI's Dickerson facility. The inspection examined radiation safety, compliance with conditions of the above referenced license, adherence to procedures, proper maintenance of records, interviews with personnel, general observations and independent measurements. Five items of noncompliance and two issues of concern were identified. These findings were discussed with Messrs. Jackson Ransohoff, Jeffrey Williams and Michael Repp at the licensee management exit interview which was held on April 9, 1998. These findings will also be described in a Departmental Letter-Notice of Violation.

**Program:**

This license authorizes NPI to possess a maximum of 3,000,000 Curies of cobalt-60 for the manufacturing of special form sealed sources, removal of encapsulation and melting of unsealed cobalt-60 to fabricate teletherapy sources. The licensee stated that for one day during the month of March 1998 they possessed 1,950,000 Curies which is the highest activity ever documented on the "01" license. NPI employs 60 persons at the Dickerson plant and also maintains three other Maryland radioactive materials licenses as described below:

MD-31-025-03	Installation and Service of Teletherapy Sources
MD-31-025-04	Dickerson II Pool Irradiator
MD-31-025-05	Dickerson I Pool Irradiator

**Purpose And Scope:**

The purpose of the inspection was to examine the licensee's use and control of radioactive material relative to Maryland radiation protection regulations and specific license conditions. The inspection staff implemented a performance based inspection plan which emphasized the achievement of quality in all facets of inspected operations.

## Interviews:

Interviews were conducted with the following employees:

Jackson Ransohoff	President
Jeffrey Williams	Radiation Safety Officer
Michael Repp	Health Physicist
Jeffrey Corun	Hot Cell Manager
Joe Weedon	Manager-Limited Access Area (LAA)
Kathy Bupp	Health Physics Technician

## Specific Areas of Review:

The following areas were inspected and reviewed: Dosimetry, Random Inspection Program, Quarterly Audits, Radiation Safety Committee Activities, Respiratory Protection Program, Inventory of Radioactive Materials, Daily Implementation of the Radiation Safety Program, General Operations in the LAA, Decommissioning Recordkeeping, Boundary Monitoring Program, One Kilometer Surveys, Shipping and Receiving (Cobalt-60), Cobalt-60 in Soil, Floor Monitoring, Health Physics Monthly Reports, Disposals, Training, Air Monitoring, Survey Meter Calibration, Water Monitoring, Emergency Generator Use and Operations, Status of Building Permit Application, Annual Reports and previous violations.

## Results:

## 1. Monthly Audits VIOLATION

The Inspection Team reviewed records of monthly audits for the year of 1997 and year to date 1998. Several were missing. At the exit interview, NPI acknowledged that they did not conduct audits for the months of April 1997, July, 1997 and January, 1998. Furthermore, NPI management did not review the monthly audits at the required quarterly frequency. On October 31, 1997, NPI reviewed the monthly audits from August 1996 to October 1997. NPI management did not review the monthly audits for November 1997 and December 1997. This is a repeat violation from the April 1997 inspection. In NPI's Response Letter dated July 16, 1997 (which responded to violations and concerns identified during the 4/97 inspection), Mr. Williams indicated that they were in compliance with these requirements; however, they are still in violation.

## 2. Cobalt-60 Soil Concentration VIOLATION

NPI has still not removed contaminated soil from the adjacent railroad property to establish compliance with soil concentration limits describe in Condition 13.N. (Amendment 33). The Stipulation and Settlement (Civil Case No. 76639 in the Circuit Court for Montgomery County) dated January 3, 1994 required NPI to clean contaminated soils by June 15, 1994. NPI has missed this deadline and is refusing to remediate this property. Furthermore, NPI is refusing to inform this property owner regarding the cobalt-60 contamination that was released from their Dickerson facility. This is a repeat and ongoing violation.

## 3. Storage and Control of Licensed Radioactive Material VIOLATION

On April 2, 1998, I observed an unlocked Sea Land Container in NPI's parking lot. The

door to this container was open and it was not under surveillance. Mr. Repp and I inspected the contents of the container and identified Depleted Uranium which is possessed under NPI's MD-31-025-03 Radioactive Materials License. Specifically, we identified a "Picker Wheel" and a "Shield for a TEM Head". I informed NPI personnel that this was a violation of Section D. 801. titled "Security of Stored Sources of Radiation". The Depleted Uranium was not secured against unauthorized removal or access from the place of storage. Afterwards, I instructed NPI personnel to lock the Sea Land container and they did. On April 9, 1998 when I arrived at NPI for the exit interview, I found the Sea Land container unlocked. The door was open and the Depleted Uranium was not under surveillance. The door to the Sea Land container did not have a Caution-Radioactive Materials Sign on it and it was not identified as a restricted area. Section D. 802 titled, "Control of Sources of Radiation not in Storage", requires the licensee to control and maintain constant surveillance of licensed radioactive material that is in an unrestricted area. In addition, two TEM rings (which were found stored in the sea land container) contained approximately 17.0 kilograms of Depleted Uranium each and were not identified on the Depleted Uranium Inventory record.

4. Labeling Containers **VIOLATION**

On April 2 and April 9, 1998, I observed Depleted Uranium (which is possessed under NPI's MD-031-025-03 license) stored in the Sea Land Container in NPI' parking lot. The Sea Land Container, the box inside and the actual teletherapy parts which contained Depleted Uranium did not bear labels with the words, "Caution, Radioactive Material" or "Danger, Radioactive Material". At the exit interview, Messrs. Repp and Williams stated that they were certain that they are exempt from labeling requirements. I handed them a copy of the State Regulations, they reviewed it and could not identify an exemption which applied.

5. Recordkeeping for Decommissioning **VIOLATION**

The licensee's records of information important to safe and effective decommissioning of the facility were incomplete, missing, lost and/or not available for inspection. This is a repeat violation from the April 1997 Departmental Inspection. Specifically, records of spills, leaks, and other occurrences involving the spread of radioactive material in and around the facility were still not available for inspection by the Agency. The only records NPI could produce was records regarding the leaks in the canal and the main pool. Records involving the location of inaccessible radioactive contamination such as buried pipes and soil were still not available for inspection. In NPI's Response Letter date July 16, 1997, Mr. Williams stated that they were in substantial compliance with Section C.29(f) however they are still in violation. During the exit interview, Mr. Ransohoff talked at length about the volume, activity and location of approximately 2000 cubic feet of contaminated soil used as fill during construction which occurred from 1981 to 1983; however, there were no records available for inspection. In addition, NPI still cannot produce any records regarding buried contaminated drains and cobalt-60 soil concentrations of a partially remediated hole in the LAA. Current records regarding cobalt-60 soil concentration of the adjacent railroad property and other areas down grade were also not available for inspection.

6. Procedure For Exit From The LAA **ISSUE OF CONCERN**

On March 26, 1998, RHP Inspectors had completed the inspection of the LAA when Mr. Williams identified radioactive contamination on his left arm. Mr. Williams experienced

difficulty in decontaminating this area. At this time, a portal monitor technician was not available to operate the Helgeson Mini HECM Gas Proportional Booth Monitor. Mr. Williams walked passed the monitor twice while he was contaminated with cobalt-60 without "counting out". The first time, he walked passed the Booth Monitor so he could operate the Monitor's controls while Mr. Nelson was "counting out". The second time, a portal monitor technician was available however Mr. Williams again walked passed the Booth Monitor to obtain a scouring pad to remove the contamination from his shoulder. Afterwards, when Mr. Williams finally "counted out" in the Booth Monitor, he tripped the alarm which indicated that there still was contamination on his shoulder. Mr. Williams claims that this is not a violation because he never actually left the LAA without "counting out". It is the RHP's position that no person should ever physically pass the monitor prior to "counting out" and being free of cobalt-60 contamination. Upon further review, it was determined that NPI modified the procedure regarding "Exiting the LAA" on April 1, 1993 with out notification or permission from the RHP. This modified procedure allows a contaminated employee to bypass the Booth Monitor and operate it's controls as long as he remains in the LAA. Neither procedure is incorporated into the license or "tied down" by amendment. The RHP Inspection Staff considers this to be a poor health physics practice.

#### 7. Survey Meter Calibration **ISSUE OF CONCERN**

NPI personnel could not demonstrate National Institute of Standards and Technology (NIST) traceability of their calibrator source (Cobalt-60, M-498, 6.10 mCi) which they use to calibrate 65 of their survey meters and 46 of their self reading dosimeters. No traceability or certification records were available for inspection. NPI's procedure for calibrating survey meters requires the source to be NIST traceable; however, this procedure is not "tied down" to the license by amendment. At the exit interview, NPI still could not explain or demonstrate how they know that their calibration procedure is accurate and NIST traceable.

#### 8. Respiratory Protection Program **RECOMMENDATIONS**

The Inspection Team conducted a review of NPI's Respiratory Protection Program. I discussed their Respiratory Protection Program with Ms. Mardel Knight, a Certified Industrial Hygienist at MDE. Ms. Knight provided the following recommendations i presented to NPI management at the exit interview:

- a. NPI should conduct an annual review of their respiratory protection program
- b. NPI's written Respiratory Protection Program needs more detail such as quantity and types of respirators, model number of respirators, serial numbers of respirators, type of fit testing which is conducted, names of service contractors, and names of the emergency responders.
- c. A log should be kept which documents the "30 day checks" of each respirator.
- d. The SCBAs need to be checked within the 30 day frequency.
- e. Each Emergency Responder is required to pass the medical examination within a 12 month frequency and the new forms must be maintained for inspection.

#### Licensee Management Exit Interview

The licensee management exit interview was held on April 9, 1998 at NPI. Messrs. Nelson, Repp, Ransohoff, Williams and I attended the exit interview and we discussed the

results of the inspection. Mr. Ransohoff disagreed with all of the violations found. Messrs. Williams, Repp and Ransohoff also disagreed with the Issue of Concern regarding the Procedure For Exit From The LAA. Messrs. Repp and Ransohoff stated that the recommendations regarding their Respiratory Protection Program were reasonable and would be implemented prior to the next melting campaign when respiratory protection will be necessary. Messrs. Ransohoff and Repp also agreed with the Issue Of Concern regarding Survey Meter Calibration. Mr. Repp stated that they would demonstrate NIST traceability within one week. We also discussed other issues including training of visitors who enter the LAA, dose to members of the general public for 1997, Sediment and Stormwater Management application, MNCPPC application, ALARA and the Maryland Radiation Control Advisory Board's future tour of NPI's Dickerson plant.

During the exit interview, Mr. Ransohoff also made the following comments:

1. Mr. Ransohoff stated that Depleted Uranium does not need to be secured against unauthorized removal from place of storage because he is entitled to a general license and nobody locks up general licensed material. He also stated that he resolved this issue years ago. He went on to state that Cobalt-60 exists in cosmic dust from meteors and he recently saw one near the plant. Mr. Ransohoff stated that as a result, he was concerned about the accuracy of his environmental monitoring.
2. Mr. Ransohoff offered Mr. Nelson and I tickets to the Washington Wizards Basketball game on April 9, 1998 at the MCI Center in Washington D.C. and we declined. He asked again if we wanted to go to the game, he held an envelope up in the air and stated that he had extra tickets. Again, we declined and he tossed this envelope on the table.
3. Mr. Ransohoff asked if Mr. Nelson and I could change the soil concentration limits described in Amendment 33 to levels which would put NPI in compliance. I stated that I could not do that and showed him a copy of the Stipulation and Settlement. I pointed out paragraph 13 which describes the agreement to clean contaminated soils to Amendment 33 criteria by June 15, 1994. NPI has failed to meet this deadline because they never cleaned up the adjacent railroad property to concentrations below 8 picocuries per gram. In addition, they never notified the property owner regarding the contaminated soil.
4. Mr. Ransohoff stated that he does not have to comply with the soil concentration limits described in Amendment 33 and the June 15, 1994 deadline for clean up of contaminated soils because he has an oral agreement with Judge Pincus which supersedes the Stipulation and Settlement of January 3, 1994.
5. Furthermore, he stated that he is not required to comply with the terms and conditions of the Stipulation and Settlement because MDE dropped the law suit against NPI and he won. I disagreed and showed him paragraph 11 of the Stipulation and Settlement which describes the \$75,000 payment plan. I informed Mr. Ransohoff that he is required to comply and that is why NPI is paying \$10,000 a year in fines. Mr. Ransohoff stated repeatedly that it is not a fine. He told me never to call it a fine again. He told me that if I ever called it a fine again that he was going to shoot me. He stated again that this is not a fine. He told me that this is very serious. He leaned over towards me and again told me that if I ever called it a fine again that

he was going to shoot me. Mr. Ransohoff then said that if I ever called it a fine, he would terminate me.

At the conclusion of the exit interview, Mr. Ransohoff and I signed the Radioactive Material Inspection Findings and Licensee Acknowledgement Form (MDER E-1) which indicates that a letter will be sent to NPI describing Agency requirements and that corrective actions must be immediately initiated for the violations identified during the inspection.

#### Miscellaneous Notes:

NPI has still not obtained the permits necessary to begin construction of the courtyard enclosure. Specifically, NPI has not even applied to the Montgomery County Department for Sediment Control and Stormwater Management for a required permit. At the exit interview, Mr. Ransohoff explained that it is not his fault. He stated that he has not applied for the permit because there is a property line dispute and "county red tape". NPI plans to melt 400,000 to 500,000 curies of cobalt as soon as this application is accepted. NPI has still not obtained the permit necessary to install the fire suppression system required for the two pool irradiators.

The Inspection Team reviewed Dosimetry records for the year of 1997. One employee received over 2.0 REM (2098 mRem) and six employees received over 1.0 REM. The occupational doses for the year of 1997 were substantially lower than previous years. There was no melt or hot cell clean up in 1997. The highest extremity exposure for 1997 was 4.283 REM.

The results of the boundary monitoring program were reviewed and determined to be incompliance with the 500 mRem per year limit at all locations. Monitors have been move inside the fence to prevent theft and tampering. The highest result was 456.9 mRem for the year at the 2019 Dry Pond location. Background was measured to be 68.2 mRem at the Lytle Storage Facility.

On March 26, 1998, Mr. Nelson and I inspected the LAA. We interviewed Messrs. Corun and Weedon. We verified the physical location of Cobalt-60 and Depleted Uranium as identified on the inventory records. Mr. Weedon demonstrated and explained procedures regarding daily checks, weekly checks, air monitoring, water monitoring and survey meter calibration.

For the year of 1997, the average release to WSSC was  $1.4 \text{ E-}5 \text{ uCi/ml}$ . No monthly average exceeded  $3.0 \text{ E-}5 \text{ uCi/ml}$ . The total activity which was dumped was 13.9 mCi or approximately 1.4% of the 1.0 Curie limit.

On 2/16/98, NPI shipped 100 cubic feet, 524 pounds, 36.0 mCi of dry solid radioactive waste (which was removed from the waste storage) to Barnwell, South Carolina for disposal.

The Inspection Team reviewed NPI's One Kilometer Surveys for the year of 1997. NPI personnel surveyed 54 acres and found seven cobalt-60 particles in the Dickerson community.

On March 26, 1998 Mr. Manley and Ms. Thim conducted a radiological survey of two residential properties near the plant. No radioactive particles were found.

On September 19, 1997, the NPI Health Physicist changed the HEPA filter in the Hot Cell. The HEPA filter is usually replaced every one or two years. Currently NPI has 9 used HEPA filters in storage for decay because they are too hot to ship for disposal. The dose rates at contact with these used HEPA filters range from 2.0 R/hr to 9.0 R/hr.

Inspectors reviewed the Emergency Generator Log for the year of 1997 and year to date 1998. The generator is tested each week and automatically turns on during power failures. This generator only powers the Hot Cell exhaust fan and emergency lighting in the LAA.

The Inspection Team collected soil and water samples which were analyzed by the Maryland Laboratory Administration. Results are attached.

#### Independent Physical Measurements:

A dose rate survey was conducted using a Ludlum model 14-C, SN 141948 which was calibrated on October 3, 1997 by Ludlum.

#### Measured:

5.0 mR/hr	door by shoe rack in LAA
10.0 mR/hr	main pool, 1 meter above surface
40.0 mR/hr	south canal, 1 meter above surface
10.0 mR/hr	north canal, 1 meter above surface
25.0 mR/hr	door to the HEPA filter storage room
0.5 mR/hr	at contact with the Hot Cell window
5.0 mR/hr	radiation area signs and ropes in the courtyard of the LAA

#### Attachments:

Radioactive Material Inspection Findings and Licensee Acknowledgement Form (MDER E-1)  
 Radiological Survey Record of Two Dickerson Residential Properties 3/26/98  
 NPI Radioactive Respiratory Protection Program 5/1/92  
 Stipulation and Settlement, Montgomery County Circuit Court 1/3/94  
 Stipulation, Montgomery County Circuit Court 11/12/97  
 Depleted Uranium Inventory At Dickerson 3/20/98  
 Cobalt-60 Inventory At Dickerson 3/13/98  
 Health Physics Daily Checklist  
 Health Physics Weekly Checklist  
 NPI Notification Letter Regarding The Next Melting Campaign 2/25/98  
 Maryland Laboratory Administration, Results of Soil and Water Analysis 4/16/98

Lead Inspector: Alan Jacobson

Date of Report: April 16 1998

Reviewer: Clayton E. Trump Jr. Program Manager

Date of Review: 4/22/98



MARYLAND DEPARTMENT OF THE ENVIRONMENT  
2500 Broening Highway • Baltimore, Maryland 21224  
(410) 631-3000

Parris N. Glendening  
Governor.

Jane T. Nishida  
Secretary

JUN 26 1997

**CERTIFIED MAIL: NOTICE OF VIOLATION**

Jackson A. Ransohoff, President  
Neutron Products, Inc.  
22301 Mt. Ephraim Road  
P.O. Box 68  
Dickerson, MD 20842

**RE: Radioactive Material License: #MD-31-025-01**

Dear Mr. Ransohoff:

This letter refers to the radioactive materials inspection conducted by Messrs. Alan Jacobson, Ray Manley and Leon Rachuba of the Maryland Department of the Environment's (MDE) Radiological Health Program (RHP) on April 29-30, 1997. The inspection examined radiation safety, compliance with conditions of your license, adherence to procedures and proper maintenance of records, interviews with personnel, general observations, and independent measurements.

During the inspection, certain activities were found to be in violation of the Department's requirements. The findings were discussed with Messrs. Jeffrey Williams, Michael Repp, Bruce Musico and you at the licensee management exit interview conducted on May 8, 1997. The violations found are listed in the enclosed "Description of Violations."

In addition to these violations, the RHP has identified the following issues and concerns regarding your radiation safety program:

1. Releasing Radioactive Material into the Environment

Cobalt-60 continues to be found outside of NPI's boundary thus substantiating the loss of control of a hazardous radionuclide in amounts that exceed the requirements of Section D.101(a). In February, NPI personnel identified two cobalt-60 particles

on private property almost one kilometer from the plant. The inspection team review of NPI's environmental surveys indicated a significant decrease in surveys of private residential properties. Only 3 surveys of private homesites were conducted since January 1996. Furthermore, NPI has still not surveyed the majority of the homesites within the one kilometer radius. During the inspection, RHP inspectors collected soil samples from the railroad property near the train station which contained concentrations of cobalt-60 which exceeded limits described in Amendment-33 and from the creek bed which contained traces of cobalt-60. RHP inspectors also collected leaf and debris samples from the courtyard area which contained 1800 picocuries per gram of cobalt-60. The RHP has identified this area as a release point where radioactive materials become airborne and exit the plant in an uncontrolled manner. In a compliance response letter to the RHP dated June 13, 1994 NPI committed to cleaning the courtyard area periodically; however, this area has not been cleaned since August 1996.

2. Radioactive Contaminated Soil Not Cleaned Up-Public Access to Radioactive Soil

The soil in the dry pond and the adjacent railroad property remains contaminated with concentrations of cobalt-60 which exceed the criteria required by Amendment-33. The fence surrounding the dry pond was constructed such that it does not totally prevent or adequately discourage unauthorized access. During the inspection, the RHP found evidence that soil contaminated with cobalt-60 had been removed from the boundary area by an unknown person other than the licensee.

3. Theft and Tampering of Radiation Monitoring Devices

Radiation monitoring devices belonging to NPI and the RHP were removed from designated sites at the boundary of the facility by unknown person(s). As a result, radiation levels at a 300 foot section of the boundary were not continuously monitored to establish compliance with regulatory limits described in Amendment-33, Item L.

As a result of these findings, you are required to respond to this letter and the enclosed "Description of Violations" within twenty (20) calendar days of your receipt of this notice. Written statements should be provided for each of the violations indicating:

- a. Corrective steps which have been or will be taken by you to remedy the present violations and the results achieved or anticipated;
- b. Corrective steps which will be taken to avoid further violations, who will undertake these steps, and who will supervise them; and
- c. The date when full compliance will be achieved.

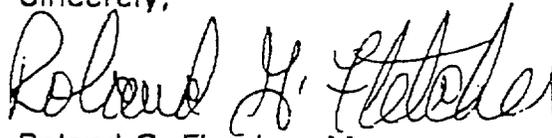
Failure to provide these statements in the required time frame may result in the Department taking escalated enforcement action under Maryland Radiation Regulations to:

- (a) modify, revoke or suspend your license,
- (b) issue a Departmental Order under the Annotated Code of Maryland, Environment Article, Sections 1-301 and 8-101 through 8-601, and
- (c) seek an administrative penalty of up to \$1,000 per violation, per day [Section 8-510(b)], or a civil penalty in an amount not exceeding \$10,000 per violation, per day [Section 8-509(b)].

The serious nature and extent of the deficiencies noted with your radiation safety program requires that you schedule an enforcement conference at the Agency's headquarters no later than thirty (30) days after your receipt of this letter, at which time, upon review of your compliance response, remedial actions can fully be discussed.

Please be reminded that Departmental compliance letters and licensee responses shall be posted pursuant to the requirements of the Maryland regulations, Section J.11(d) titled, "Posting of Notices to Workers." If you have any questions concerning this letter, please call Messrs. Carl Trump, Jr., Alan Jacobson or me at (410) 631-3302. You may also reach our office by calling toll-free at 1-800-633-6101 and requesting extension 3302.

Sincerely,



Roland G. Fletcher, Manager  
Radiological Health Program

*CET ADJ*  
RGF/CET/ADJ/edjg

Enclosure: Description of Violations

*needs courtyard enclosure*

*Charlie 495-4500 4595*  
*Joe Gars 495-4591*

**UPDATE OF STATUS OF LEGAL ACTIONS  
BETWEEN MDE AND NEUTRON PRODUCTS  
AS OF 7/1/98**

Prepared by Christina Gerstung Beusch, AAG

**State of Maryland, Department of the Environment v. Neutron Products, Inc.  
Civil Case No. 76639, In the Circuit Court for Montgomery County**

In 1992, the Department of the Environment filed a Complaint against Neutron Products in Montgomery County Circuit Court seeking civil penalties and injunctive relief for NPI's violation of its radioactive material licenses, and violations of Title 8 of the Environment Article and regulations adopted thereunder. In December, 1993, Judge Pincus of the Circuit Court for Montgomery County entered partial Summary Judgment in favor of MDE. A hearing was scheduled in January 1994 on the remaining counts of the Complaint. On the date of the hearing, the parties entered into a Stipulation and Settlement Agreement, which requires Neutron Products to pay \$75,000 to the Department, and also to construct an enclosure over the facility's courtyard in accordance with a prescribed schedule. In November, 1996 the Attorney General's Office, on behalf of the Department of the Environment, filed a Motion to Enforce the Stipulation and Agreement. The basis of the Motion was that Neutron Products had failed to submit detailed designs to MDE and the County permitting offices for the courtyard enclosure. Hearing dates were scheduled. However, at the urging of Judge Pincus the parties consented to an Order of the court, which obviated the need for the hearing. In the Order Neutron Products committed to having filed its building plans with and received approvals by the Montgomery County Department of Permitting Services by March 1, 1998. Further, NPI agreed that if it did not meet that deadline it would pay a stipulated penalty, without the requirement of a prior hearing, of \$25,000. If the March 1st deadline is met, Neutron Products is permitted to perform one Cobalt-60 melt. However, no further melts may occur until such time as the courtyard enclosure is constructed. Neutron Products met the March 1st deadline. It has conducted its single melt, but no further melts will be conducted until such time as the courtyard enclosure is complete. The Cobalt-60 melt and resulting cleanup generates radioactive waste and is a source of potential radioactive particle contamination off-site.

This Stipulation and Order is significant in that provides a resolution to the issue of potential off-site contamination related to the Cobalt-60 melts. Neutron must either build the enclosure, which will prevent contamination, or cease the melting of Cobalt-60.

**In the Matter of Neutron Products, Inc.**

**License No. MD-31-025-01, OAH Case No. 96-MDE-047-106**

This is a case in which Neutron Products has challenged the renewal of Radioactive Material License, No. MD-31-025-01. The renewed license was issued in January, 1996. In accordance with the Administrative Procedure Act, Neutron Products was given the opportunity for a hearing on the license. Neutron Products challenged all or part of 35 of the approximately 37 conditions in the license. The majority of the conditions in the renewed license are a continuation of the same provisions that are in the current license. One notable exception is the requirement in the renewed license for radioactive waste to be shipped off-site on a regularly scheduled basis. The administrative hearing was held in October, 1997 and January, 1998. There was a total of 19 days of testimony. The citizens of Dickerson, namely, Mr. and Mrs. Mulgrew, Dr. and Mrs. Oberdorfer, Heather Rae and Bill Moore, were permitted to intervene in the licensing case as parties to the matter. As such, they have received all pleadings in the case and have been given the opportunity to present evidence and arguments to the Administrative Law Judge. The Administrative Law Judge issued her Proposed Decision on June 26, 1998, and affirmed the license as renewed. All parties will have an opportunity to take Exceptions to any portion of the decision with which they disagree. The Proposed Decision and Exceptions will be forwarded to the Department for a Final Decision. Once the Final Decision is rendered, the license, as it may or may not be amended by the Final Decision, will be in effect. Although Neutron Products will have the opportunity to appeal that decision to the Circuit Court, the renewed license will be implemented unless Neutron obtains a stay from the court. MDE will oppose any request for a stay. It is hoped the Final Decision would be rendered in the fall of 1998.