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NRC STAFF PROPOSES \$12,500 FINE AGAINST B&W FUEL COMPANY

The Nuclear Regulatory Commission staff has informed B&W Fuel Company that it intends to fine the company \$12,500 for violations of NRC requirements at its Framatome Cogema commercial nuclear fuels plant in Lynchburg, Va.

NRC bases this action on findings from a special inspection last November which looked into the circumstances of a low-enriched, unirradiated uranium fuel assembly being inadvertently returned from the Lynchburg plant to its point of origin in Germany. The component involved was one of 180 fuel assemblies of fresh, Russian-produced fuel originally intended for use in an East German nuclear power plant, but never used.

NRC dispatched the inspection team on Nov. 13 after B&W reported that one of the fuel assemblies was missing. The next day, however, the company reported that the assembly had been discovered in Germany in its original shipping cask.

Although the incident did not endanger public health and safety, NRC considers it a significant regulatory concern because of the company's loss of control over the enriched uranium, which is classified as special nuclear material. Specifically, NRC has concluded that B&W violated agency requirements by failing to have adequate procedures for unloading shipment containers and by failing to follow its existing procedures, both for unloading and for material control and accounting practices. Inspectors also found that the company did not adequately survey the shipping container, which held the fuel assembly, before it was returned to Germany. One result was that radioactive material was shipped to an overseas location without proper recordkeeping and labeling requirements being followed.

At a predecisional enforcement conference with NRC in January, company officials described a number of corrective measures they have taken to strengthen their procedures for the handling of such shipments in the future and to improve their employee training program.

B&W has 30 days to pay the civil penalty or to protest it. If a protest is denied, the company may ask for a hearing.

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