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### NRC BARS CALIFORNIA COMPANY AND TWO OF ITS MANAGERS FROM NRC LICENSED ACTIVITIES FOR FIVE YEARS

The Nuclear Regulatory Commission staff has barred a manufacturer of storage casks for spent nuclear fuel and two of its managers from participating in NRC licensed activities for a period of five years. The restrictions are contained in NRC orders confirming an agreement between NRC and the parties involved.

NRC took the action after determining that the company, March Metalfab, Inc., of Hayward, California, and the two managers, provided false and misleading information to NRC officials looking into problems with the manufacture of casks. These casks are used to store spent fuel at the Palisades and Arkansas Nuclear One power plants in Michigan and Arkansas, respectively. The casks involved are being used only at these two nuclear plants.

Problems came to light in March 1995, when workers at the Palisades plant noted that when a March Metalfab cask was pressurized with helium gas, two leaks were found in the cask wall next to a weld.

After learning of the problem, NRC staff conducted a special inspection at March Metalfab's facility in Hayward, California. During that inspection, Metalfab's project manager and quality assurance manager both denied knowledge of any undocumented or unauthorized welding. NRC subsequently learned that these statements were false.

The NRC has determined that the two managers - Brian K. Rogers and Randall W. Allmon - were knowledgeable about the fabrication process, were aware that undocumented welding had been done on the cask shell, and deliberately made false statements in March 1997 to the NRC. The NRC believes that the circumstances raise questions as to the company's willingness to comply with Commission requirements.

Although March Metalfab has not admitted that a violation occurred, it agreed this past December 7, to terms of an NRC confirmatory order barring it from participating in NRC-licensed activities for a period of five years. The two managers involved also agreed to similar orders.

The orders are effective immediately. The company and managers will be permitted to complete work on one small existing contract involving nuclear work because the cask plug assemblies being manufactured will have a limited safety function that can be verified by measurement prior to their use.

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