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**NRC PROPOSES \$4,400 CIVIL PENALTY AGAINST DELAWARE FIRM
FOR VIOLATION INVOLVING TRANSPORTATION OF RADIOACTIVE MATERIAL**

The Nuclear Regulatory Commission staff has proposed a \$4,400 fine against a Delaware firm for a violation of agency requirements involving the transportation of radioactive material.

NRC inspectors identified three apparent violations during an inspection last September 15 at the Tru-Tec Division of Koch Engineering Company, in Newark, Del. Following a predecisional enforcement conference with company representatives on February 24, NRC staff determined that one of those infractions warranted a civil penalty. That violation involves a failure, prior to the shipment of radioactive material, to ensure by examination or appropriate testing that each package's closure device -- in this case, a padlock -- was properly installed, secure and free of defects.

For the other two violations, Koch Engineering was cited but not fined. They pertain to insufficient documentation of shipments of radioactive material and inadequate training for the employee in charge of radiation safety matters.

The NRC's inspection of the company occurred after an empty package from Tru-Tec that had originally contained three cesium-137 sources arrived at a Federal Express facility in Wilmington, N.C., on the morning of August 28. The sources, containing 1, 18 and 100 millicuries of cesium-137, respectively, were found later that day under a slide used to move packages at a Federal Express facility in Memphis, Tenn. Two Tru-Tec employees were dispatched to retrieve the sources, which are used to perform industrial measurements.

Upon further investigation, it was determined that the likely cause of the sources being removed from the package in Memphis was the lack of a secure padlock on the 10-inch-tall, lead-shielded container.

"The NRC recognizes that after this incident in August

1997, you implemented immediate corrective actions," NRC Region 1 Administrator Hubert J. Miller wrote to Koch Engineering in a letter regarding the enforcement action. "And on September 18, 1997, the NRC issued you a Confirmatory Action Letter confirming, in part, your commitments to 1.) cease using the Master Lock No. 175 padlock as a security mechanism when shipping radioactive material, and replace it with a bolt and nut security mechanism, including a tamper seal to be placed behind the nut to prevent the nut from backing off the bolt during shipment; 2.) remind shipping personnel to double-check the security mechanism prior to shipment to ensure its integrity; and 3.) provide evaluations of doses received by all individuals (including Tru-Tec and Federal Express employees) who were exposed to and/or came in contact with the sources involved in this event.

"Nonetheless," Mr. Miller said, "this violation constitutes a significant NRC concern since it created the potential for significant exposure to members of the public."

Koch Engineering has 30 days to pay the fine or request in writing that all or part of the penalty be withdrawn.

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