



ISPAT INLAND INC.

July 9, 2002

Administrator
United States Nuclear Regulatory Commission
Region III
801 Warrenville Road
Lisle, Illinois 60532-4351

SUBJECT: ABNORMAL OCCURRENCE

Gentlemen:

This is a report of finding a Generally Licensed LORAL, Model 5310, SN 9906 LX thickness gauge in a state of disassembly.

On Monday, June 17, 2002 Process Automation personnel went to the production unit to perform an accuracy check of the gauge electronics. This was done because the gauge was reported to be reading "heavy." As the gauge was approached, it was observed that the top cover plate of the source housing was out of position. It was then observed that the fourteen (14) tamper proof screws that hold the top plate of the source housing in position were not in place. Process Automation personnel were able to relocate ten (10) of the screws that were scattered randomly in the area. They replaced two of the original tamper proof screws and twelve (12) additional slotted brass screws were put in place to retain the cover plate. The gauge readings read "within specification" when challenged with sample pieces. At that time there appeared to be no damage to the gauge and the shutter mechanism seemed to function. A wipe test indicated no removable radioactive material in excess of 0.005 microcurie. A survey indicated the shielding to be intact with radiation levels "normal" for the gauge.

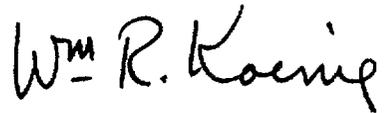
After discovery of the "abnormal" situation there were investigations with personnel of concern who may know something of the circumstances relative to the gauge. There was earlier work relative to the gauge. On June 10, 2002, there was an accuracy check performed and about 4 weeks prior there was an electrical cable exchanged. On both those occasions no abnormalities were noted. At the time of this correspondence, no one has claimed to have worked on the gauge nor has any one indicated that they saw somebody working on the gauge.

On Friday, June 28, 2002 a licensed contractor inspected the interior of the source housing and then replaced the tamper proof screws. There was no indication that the on-off mechanism, shielding, or source had been compromised. A wipe test and survey were performed with the results being normal.

At this point, I have no reason to believe that any body was over exposed and that would include the individual(s) that removed the screws. Enclosed is a bulletin that was released for informational use in the plant.

If you have any questions or require additional information, please contact me at 219-399-3892.

Sincerely,

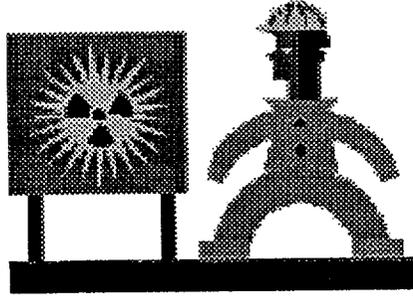
A handwritten signature in black ink that reads "Wm R. Koenig". The signature is written in a cursive style with a horizontal line under the "W".

William R. Koenig
Radiation Protection Officer
Ispat Inland Inc. 8-213

WRK/wk (wk/NRC/nrc1msl.doc)

cc: E.Port, RSSI

SAFETY INFORMATION BULLETIN



RADIATION GAUGES

Radiation gauges containing radioactive material are used in numerous locations throughout the Indiana Harbor Works. These gauges provide measurements that are used in the various manufacturing processes of making iron and steel and also during the processing of our steel products.

These gauges are controlled in their design and registered in their manufacture with regulatory agencies. Our possession of such gauges is registered with regulatory agencies and our use and handling of these gauges is under their scrutiny.

These gauges when properly used and maintained do not pose any threat to employees. Certain individuals from Process Automation have been trained and authorized to perform limited service and maintenance work on gauges that contain radioactive material. When the work on the gauge is beyond the scope of their authorization, trained and licensed individuals from outside the company perform the required maintenance activity. Someone from Process Automation will escort these individuals.

These personnel, whether from Process Automation or a licensed contractor, must identify themselves to supervision of the gauge when they are going to work on the radiation gauge. If you observe somebody working on a radiation gauge and there is a question if they should be working on the gauge, notify your supervisor. Your supervisor should determine or already know if the individual is authorized to perform service work on the gauge. Unauthorized personnel performing service functions on radiation gauges may receive unnecessary radiation exposure or compromise the integrity of the gauge thus compromising the well being of others.

If it is determined that the individual is not authorized to work on the radiation gauge, notify Plant Protection at ext. 3333 **immediately**.