

July 17, 2002  
EN 02-030

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Northern Engraving Corporation (EA-02-098)  
Sparta, Wisconsin 54656  
Docket No. 9990003

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$3,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$3,000 will be issued on or about July 22, 2002 to Northern Engraving Corporation. This action is based on a Severity Level III problem involving the loss of a static eliminator device containing a nominal 11.25 millicuries of americium-241. Specifically, in a January 17, 2002, registration request, NRC asked Northern Engraving to provide information about generally licensed devices currently or formerly in its possession at its Sparta, WI facility. In a March 13, 2002, response, Northern Engraving indicated that it did not possess any generally licensed devices. However, on April 10, 2002, Northern Engraving transferred a static eliminator device to an aluminum scrap hauler, who transferred the device to a scrap processor where radiation detectors alarmed. A survey of the device for removable contamination indicated that a small amount of americium-241 contamination was present. The device's radioactive material surface had been slightly damaged when the scrap hauler removed a stainless steel grid that protected the surface of the device, before transporting the device to the scrap processor. The device was returned to Northern Engraving, who subsequently transferred the device to the manufacturer. The resulting inspection identified two apparent violations of NRC requirements: (1) failure to transfer generally licensed devices only to authorized recipients, and (2) failure to provide complete and accurate information to the NRC.

Although application of the normal civil penalty assessment process would not have resulted in a civil penalty in this case, the revised Enforcement Policy published December 18, 2000, (effective February 16, 2001) provides that, notwithstanding normal application of the civil penalty assessment process, a civil penalty of at least the base amount should normally be proposed in this type of case to reflect the significance of the violations and to emphasize the importance of maintaining control of licensed material (see Section VII.A.1(g) of the Enforcement Policy). Therefore, the staff is proposing imposition of a civil penalty in the amount of \$3,000.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

|                                    |               |
|------------------------------------|---------------|
| Mailing of Notice                  | July 22, 2002 |
| Telephone Notification of Licensee | July 22, 2002 |

The State of Wisconsin will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: Sally L. Merchant, OE, 415-2747; James Luehman, OE, 415-2741

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S. Merchant  
07/ 17 /02

JLuehman  
07/ 17 /02

**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL  
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**