



NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs, Region IV

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No. IV-03-003

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February 20, 2003

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NRC PROPOSES \$6,000 FINE FOR COOPERHEAT-MQS, INC.

The U.S. Nuclear Regulatory Commission staff has proposed a fine of \$6,000 against Cooperheat-MQS, Inc. of Houston, Texas, for violation of NRC administrative and radioactive material handling regulations.

In a letter to the company, Ellis W. Merschhoff, Administrator of the NRC's Region IV office in Arlington, Texas, said that during an NRC inspection conducted in September of last year, the agency determined that the company deliberately violated NRC requirements by failing to amend its license to reflect a change in its radiation safety officer (RSO) and used radioactive materials at locations not authorized by its license.

Merschhoff said that in July 2001, the NRC rejected the qualifications of the individual who the company had named as RSO, but neither company management nor the RSO took concrete actions to correct the issues until February 2002. In addition, Merschhoff said, the NRC noted that company personnel were aware that a license amendment was needed to add two field stations to the license prior to use, "but allowed other priorities (albeit significant priorities) to substantially delay the amendment request."

The company has taken corrective actions by hiring a qualified RSO and designating a qualified individual to serve as standby RSO, establishing a radiation management committee to ensure regulatory requirements are being met, conducting additional training for vice presidents and regional managers on NRC license requirements, and committing to adhere to NRC regulations in the future.

Cooperheat-MQS officials met with the NRC in October 2002 to discuss the violations. The NRC has classified the two willful violations as a Severity Level III problem, which carries a \$6,000 fine. The agency uses a four-level severity scale on which Severity Level I is the most serious.

The NRC's letter, its enclosures, and the company's response will be made available to interested members of the public through the agency's public electronic reading room at <http://www.nrc.gov/reading-rm/adams.html>. Help in accessing these documents is available from the NRC Public Document Room at (301) 415-4737 or at 1-800-397-4209.

The company has 30 days from receipt of the letter to either pay the civil penalty or to protest its imposition.

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