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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
OFFICE OF NUCLEAR REACTOR REGULATION  
WASHINGTON, D.C. 20555-0001

November 15, 1995

NRC INFORMATION NOTICE 94-86, SUPPLEMENT 1: LEGAL ACTIONS AGAINST THERMAL SCIENCE, INC., MANUFACTURER OF THERMO-LAG

Addressees

All holders of operating licenses or construction permits for nuclear power reactors.

Purpose

The U.S. Nuclear Regulatory Commission (NRC) is issuing this information notice to inform addressees that on August 1, 1995, a Federal jury found Thermal Science, Inc. (TSI), and its president, Rubin Feldman, not guilty of making false statements about the role of Industrial Testing Laboratories (ITL) in the qualification testing of Thermo-Lag fire barriers. It is expected that recipients will review the information for applicability to their facilities and consider actions, as appropriate. Suggestions contained in this information notice are not NRC requirements; therefore, no specific action or written response is required.

Background

Many NRC licensees use the Thermo-Lag fire barrier material to meet Section III.G.2 of Appendix R to Part 50 of Title 10 of the *Code of Federal Regulations* (10 CFR Part 50). The NRC has issued several generic communications regarding the failure of Thermo-Lag material to meet the requirements of 10 CFR Part 50. Attachment 1 of this information notice lists the generic communications the NRC has issued regarding this material.

In January 1982, TSI and Mr. Feldman hired ITL and its president, Allan M. Siegel, to perform tests related to the Thermo-Lag fire barrier material. On March 30, 1994, ITL and Mr. Siegel pled guilty to five counts of making and aiding and abetting the making of false statements within the jurisdiction of the NRC, in violation of Title 18, United States Code, Sections 1001 and 1002, concerning Thermo-Lag. In Information Notice 94-86 of December 22, 1994, the NRC informed licensees of a grand jury indictment of

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TSI and Mr. Feldman for allegedly making false statements to the NRC and others concerning the material facts of the Thermo-Lag fire barrier. The original seven-count indictment alleged that TSI and Mr. Feldman had conspired with ITL and others to conceal material facts and make false statements within the jurisdiction of the NRC.

#### Description of Circumstances


A superseding four-count indictment dated May 4, 1995, alleged that for a period of over 10 years TSI and Mr. Feldman did unlawfully, willfully, and knowingly conspire with ITL and Mr. Siegel and others in matters within the jurisdiction of the NRC to falsify, conceal, and cover up by trick, and to make and cause to be made fraudulent statements and representations as to material facts, and to make and use false documents knowing the documents contained false, fictitious, and fraudulent statements and entries in violation of Title 18, United States Code, Sections 1001 and 1002. Moreover, the superseding indictment alleged that TSI and Mr. Feldman had attempted to defraud the United States by impeding, obstructing, and defeating the lawful governmental functions of the NRC in its administration of the Atomic Energy Act and related regulations. After a 2-month trial at the United States District Court for the District of Maryland, on August 1, 1995, a jury found TSI and Mr. Feldman not guilty on all counts of the superseding indictment.

#### Discussion

All entities and individuals involved in NRC-regulated activities, including NRC licensees, suppliers for NRC licensees, and employees of NRC licensees, are responsible for complying with applicable NRC regulations. Every holder of a license to operate a nuclear reactor is also required to ensure that the products, components, and systems used and installed in the facility conform to pertinent NRC regulations and meet licensing commitments.

The subject trial did not resolve the technical and safety issues associated with the use of Thermo-Lag fire barriers to meet NRC regulations. Licensees are continuing to resolve these issues in accordance with Generic Letter 92-08, "Thermo-Lag 330-1 Fire Barriers," December 17, 1992, and all followup staff actions associated with the generic letter. The NRC staff will continue to monitor, review, and inspect these activities to ensure that licensee corrective actions, such as upgrading or replacing existing Thermo-Lag fire barriers, conform to applicable NRC regulations and meet licensing commitments.

This information notice requires no specific action or written response. If you have any questions about the information in this notice, please contact the technical contact listed below or the appropriate Office of Nuclear Reactor Regulation (NRR) project manager.

  
Dennis M. Crutchfield, Director  
Division of Reactor Program Management  
Office of Nuclear Reactor Regulation

Technical contact: K. Steven West, NRR  
(301) 415-1220

Attachments:

1. NRC Generic Communications  
Concerning Thermo-Lag Fire Barriers
2. List of Recently Issued NRC Information Notices

**NRC GENERIC COMMUNICATIONS CONCERNING THERMO-LAG FIRE BARRIERS**

Bulletin 92-01	Failure of Thermo-Lag 330 Fire Barrier System To Maintain Cabling in Wide Cable Trays and Small Conduits Free From Fire Damage, June 24, 1994
Bulletin 92-01, Supplement 1	Failure of Thermo-Lag 330 Fire Barrier System To Perform Its Specified Fire Endurance Function, August 28, 1992
Generic Letter 92-08	Thermo-Lag 330-1 Fire Barriers, December 17, 1992
Generic Letter 86-10, Supplement 1	Fire Endurance Test Acceptance Criteria for Fire Barrier Systems Used To Separate Redundant Safe Shutdown Trains Within the Same Fire Area, March 25, 1994
Information Notice 91-47	Failure of Thermo-Lag Barrier Material To Pass Fire Endurance Test, August 6, 1991
Information Notice 91-79	Deficiencies in the Procedures for Installing Thermo-Lag Fire Barriers Materials, December 6, 1991
Information Notice 91-79 Supplement 1	Deficiencies Found in Thermo-Lag Fire Barrier Installation, August 4, 1994
Information Notice 92-46	Thermo-Lag Fire Barrier Material Special Review Team Final Report Findings, Current Fire Endurance Test, and Ampacity Calculation Errors, June 23, 1992
Information Notice 92-55	Current Fire Endurance Test Results for Thermo-Lag Fire Barrier Material, July 27, 1992
Information Notice 92-82	Results of Thermo-Lag 330-1 Combustibility Testing, December 15, 1992
Information Notice 94-22	Fire Endurance and Ampacity Derating Test Results for 3-Hour Fire Rated Thermo-Lag 330-1 Fire Barriers, March 16, 1994
Information Notice 94-34	Thermo-Lag 330-660 Flexi-Blanket Ampacity Derating Concerns, May 13, 1994
Information Notice 94-86	Legal Actions Against Thermal Science, Inc., Manufacturer of Thermo-Lag, December 22, 1994

Information Notice 95-27

NRC Review of Nuclear Energy Institute, "Thermo-Lag 330-1 Combustibility Evaluation Methodology Plant Screening Guide;" May 31, 1995

Information Notice 95-32

Thermo-Lag 330-1 Flame Spread Test Results

Information Notice 95-49

Seismic Adequacy of Thermo-Lag Panels

LIST OF RECENTLY ISSUED  
 NRC INFORMATION NOTICES

Information Notice No.	Subject	Date of Issuance	Issued to
95-52	Fire Endurance Test Results for Electrical Raceway Fire Barrier Systems Constructed from 3M Company Interam Fire Barrier Materials	11/14/95	All holders of OLs or CPs for nuclear power reactors.
95-51	Recent Incidents Involving Potential Loss of Control of Licensed Material	10/27/95	All material and fuel cycle licensees.
95-50	Safety Defect in Gammamed 12i Bronchial Catheter Clamping Adapters	10/30/95	All High Dose Rate Afterloader (HDR) Adapters.
95-49	Seismic Adequacy of Thermo-Lag Panels	10/27/95	All holders of OLs or CPs for nuclear power reactors.
95-48	Results of Shift Staffing Study	10/10/95	All holders of OLs or CPs for nuclear power reactors.
95-47	Unexpected Opening of a Safety/Relief Valve and Complications Involving Suppression Pool Cooling Strainer Blockage	10/04/95	All holders of OLs or CPs for nuclear power reactors.
95-46	Unplanned, Undetected Release of Radioactivity from the Exhaust Ventilation System of a Boiling Water Reactor	10/06/95	All holders of OLs or CPs for nuclear power reactors.
95-12, Supp. 1	Potentially Nonconforming Fasteners Supplied by A&G Engineering II, Inc.	10/05/95	All holders of OLs or CPs for nuclear power reactors.
95-45	American Power Service Falsification of American Society for Nondestructive Testing (ASNT) Certificates	10/04/95	All holders of OLs or CPs for nuclear power reactors.

OL = Operating License  
 CP = Construction Permit

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orig /s/'d by DMCrutchfield

Dennis M. Crutchfield, Director  
Division of Reactor Program Management  
Office of Nuclear Reactor Regulation

Technical contact: K. Steven West, NRR  
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Dennis M. Crutchfield, Director  
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- Attachments: *Attachments filed in Jacket*
1. NRC Generic Communications  
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  2. List of Recently Issued NRC Information Notices

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