

**LIS ORIGINAL**

SSINS No. 6835  
IN 86-31

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
OFFICE OF INSPECTION AND ENFORCEMENT  
WASHINGTON, D.C. 20555

*86-126*

May 5, 1986

IE INFORMATION NOTICE NO. 86-31: UNAUTHORIZED TRANSFER AND LOSS OF  
CONTROL OF INDUSTRIAL NUCLEAR GAUGES

Addressees:

All NRC licensees authorized to possess and use industrial nuclear gauges.

Purpose:

This notice is provided to alert recipients of a potentially significant problem involving nuclear gauges. It is expected that recipients will review the information for applicability to their facilities and consider actions, if appropriate, to preclude a similar problem from occurring at their facilities. Primarily this concerns authorized transfer of licensed material [10 CFR 30.41(a) and (b)] and notification to the NRC when licensed activities are discontinued [10 CFR 30.36(b)]. However, suggestions contained in this information notice do not constitute NRC requirements; therefore, no specific action or written response is required.

Description of Circumstances:


It was determined during recent NRC inspections that some licensees authorized to use industrial nuclear gauges containing sealed radioactive sources were discontinuing operations without taking adequate provisions for transfer of the gauges. The licensees also had failed to notify the NRC of their intent to discontinue operations, thus denying the NRC the opportunity of inspecting the closeout procedures.

A recent inspection at one licensee's facility demonstrated how the failure to properly transfer and to properly notify the NRC resulted in the loss of control of a nuclear gauge that contained a significant quantity of cobalt-60. The plant and all its equipment, including the gauge, was sold in 1981 to a non-licensee. Some time later, the non-licensee ceased operations and sold the plant and equipment to a salvage company. In late 1984, employees of the salvage company, unaware that the gauge contained a radioactive source, used a cutting torch on the gauge in an attempt to salvage some of the metal on the device. Fortunately, the sealed source itself was not damaged. However, the shutter mechanism was damaged such that radiation levels at the open port of the gauge caused an employee to receive a significant radiation exposure.

DISCUSSION:

Licensees authorized to possess and use sealed sources in industrial nuclear gauges should be aware of their responsibilities to maintain compliance with 10 CFR 30.41(a) and (b) and 10 CFR 30.36(b). The licensee is required by 10 CFR 30.41(a) and (b) to transfer byproduct material to persons and agencies described in that section. 10 CFR 30.36(b) requires each licensee to notify the NRC immediately in writing and request termination of the license when the licensee decides to terminate activities involving materials authorized under the license.

No specific action or written response is required by this information notice. If you have any questions about this matter, please contact the Regional Administrator of the appropriate NRC regional office or this office.

  
James G. Partlow, Director  
Division of Inspection Programs  
Office of Inspection and Enforcement

Technical Contact: J. R. Metzger, IE  
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Attachment:  
List of Recently Issued IE Information Notices

LIST OF RECENTLY ISSUED  
IE INFORMATION NOTICES

Information Notice No.	Subject	Date of Issue	Issued to
86-30	Design Limitations of Gaseous Effluent Monitoring Systems	4/29/86	All power reactor facilities holding an OL or a CP
86-29	Effects of Changing Valve Motor-Operator Switch Settings	4/25/86	All power reactor facilities holding an OL or a CP
86-28		4/28/86	
86-27	Access Control at Nuclear Facilities	4/21/86	All power reactor facilities holding an OL or CP, research and nonpower reactor facilities, and fuel fabrication & processing facilities
86-26	Potential Problems In Generators Manufactured By Electrical Products Incorporated	4/17/86	All power reactor facilities holding an OL or CP
86-25	Traceability And Material Control Of Material And Equipment, Particularly Fasteners	4/11/86	All power reactor facilities holding an OL or CP
86-24	Respirator Users Notice: Increased Inspection Frequency For Certain Self-Contained Breathing Apparatus Air Cylinders	4/11/86	All power reactor facilities holding an OL or CP; research and test reactor facilities; fuel cycle licensees and Priority 1 material licensees
86-23	Excessive Skin Exposures Due To Contamination With Hot Particles	4/9/86	All power reactor facilities holding an OL or CP

OL = Operating License  
CP = Construction Permit