

Committee to Bridge the Gap
307 Massachusetts Avenue, N.E.
Washington, D.C. 20002
(202)546-3300
(213)478-0829

August 10, 1989

Los Angeles Physicians for Social Responsibility
1431 Ocean Avenue, Suite B
Santa Monica, CA 90401
(213)458-2694

BEFORE THE
NUCLEAR REGULATORY COMMISSION
UNITED STATES OF AMERICA

In the Matter of)
)
Rockwell International Corporation)
)
Santa Susana Field Laboratory)
)
Materials License SNM-21)
)

Docket Number 70-25

PETITION FOR SUSPENSION OF LICENSE

Pursuant to 10 C.F.R. §2.206, Petitioners hereby request suspension of Materials License SNM-21, held by Rockwell International Corporation (Licensee), authorizing possession of nuclear materials at the Santa Susana Field Laboratory in Santa Susana, California. FBI findings of extensive criminal violations by Rockwell, as well as the record of environmental neglect at Santa Susana, call into serious question the Licensee's fitness to handle nuclear materials.

A/26

Statement of Interest

The Petitioners represent the safety and security concerns of their respective memberships.

The Committee to Bridge the Gap is a Los Angeles-based public interest research organization concerned with nuclear safety. CBG successfully intervened to oppose relicensing of the UCLA research reactor, which was permanently shut down in 1984.

Los Angeles Physicians for Social Responsibility is an organization of physicians and others concerned with nuclear policy and related issues.

The memberships of both Petitioners' organizations include individuals residing in the vicinity of the Santa Susana Field Laboratory where the licensed¹ operations in question are performed. The health and safety of these individuals, among others, could be directly affected by the type of illegal activities of which the Licensee is suspected.

Specification of Basis for Petition

Petitioners are requesting that the Licensee's authority to possess nuclear materials at the Santa Susana Field Laboratory, granted in Materials License SNM-21, be immediately suspended. The primary bases for this request are the allegations of criminal behavior made against the Licensee by the Federal Bureau of Investigation (FBI) concerning its operations at the Rocky Flats Plant, located outside of Denver, Colorado. Rocky Flats, which is owned by the United States Government, is operated by the Southern California-based Rockwell International Corp., the Licensee. Additionally, Rockwell has an exceptionally poor environmental record at its Santa Susana site.

1. License SNM-21 expired on June 30, 1989, but nevertheless remains in effect while the Licensee's application for renewal is processed by the NRC.

The allegations made by the FBI are sufficiently serious to call into question Rockwell's ability to safely handle nuclear materials and the ability of the Nuclear Regulatory Commission to effectively regulate Rockwell's activities, as discussed below.

The FBI's finding of "probable cause" that Rockwell committed criminal violations is contained in an "Application and Affidavit for Search Warrant" submitted to the United States District Court in Colorado and unsealed June 9, 1989. (The "Application and Affidavit" is appended to this Petition.) The Application for a Search Warrant was granted by the Court and some 70 FBI agents subsequently descended on Rocky Flats to seize Rockwell and Department of Energy records. The investigation of the allegations is still underway.

The FBI asserts generally that Rockwell concealed contamination, discharged pollutants without a permit, and illegally treated, stored, and disposed of hazardous and radioactive waste. Thus:

- The FBI cites an internal DOE memorandum from July 1986 that states that some of the waste facilities at Rocky Flats were "patently illegal." (FBI Affidavit, page 11).
- The FBI finds that "there is probable cause to believe that Rockwell and DOE officials have knowingly and falsely stated Rocky Flats' compliance with environmental laws and regulations, and concealed Rocky Flats' 'serious contamination'." (FBI Affidavit, page 14, emphasis added).
- The FBI cites DOE findings "that Rockwell had significant problems in controlling radioactive contamination at the plant and that Rockwell provided DOE with erroneous and incomplete reports on environmental, health and safety matters." (FBI Affidavit, page

15, emphasis added).

--The FBI finds that "there is probable cause to believe that environmental and other crimes have been committed at Rocky Flats" (FBI Affidavit, page 16).

--The FBI indicates that several violations by Rockwell and the DOE of the Colorado Hazardous Waste Act are also "apparent criminal violations" of federal statutes (FBI Affidavit, pp. 57-62).

--The FBI finds that "There is probable cause to believe that hazardous and mixed wastes have been illegally treated, stored and disposed of at Rocky Flats" (FBI Affidavit, page 65).

--The FBI finds that "false statements and concealment of material facts have occurred, in violation of" federal statutes (FBI Affidavit, page 65).

--After conducting airplane overflights with infrared and photographic surveillance equipment, the FBI found that contrary to public statements by responsible Rockwell officials, an incinerator was being operated, "and that material false statements were therefore made, or material facts concealed" in violation of federal statutes. (FBI Affidavit, pp. 82-84, emphasis added).

--The FBI indicates that contrary to public statements, groundwater monitoring and protection was inadequate and in violation of federal statutes. (FBI Affidavit, pp. 101-116).

While the extraordinary findings of this criminal investigation are by themselves sufficient cause to immediately suspend Rockwell's authority to possess nuclear materials, it may be noted that a similar pattern of environmental neglect and public deception is also evident at the Santa

Susana site. To cite just a few examples:²

--A Department of Energy (DOE) survey found that "There are approximately 10 areas [at the Santa Susana lab] where hazardous and/or radioactive substances... have or may have been disposed of, spilled or released. These constitute actual and potential sources of soil and/or ground water contamination. The full nature and extent of contamination is not known."³

--DOE indicated that during the 1960s and 1970s, "Unauthorized radioactively contaminated equipment was buried in trenches and scattered on the surface [of Rockwell's "sodium burn pit"].... Soils within the burn pit area of the facility are contaminated with chlorinated organics, heavy metals and low levels of radioactivity, principally cesium-137."⁴

--Tests for radioactive contamination conducted by Rockwell officials were criticized by DOE for being "biased to avoid sampling contaminated areas, a method which thereby systematically underestimated contamination at the burn pit."⁵

--According to DOE, Rockwell workers occasionally used firearms to

2. For information on pre-1980 incidents at Santa Susana, see "Last Accidents and Areas of Possible Present Concern Regarding Atomic International," Committee to Bridge the Gap, January 18, 1980.

On more recent revelations, see Mark Barnhill, Tony Knight and Beth Barrett, "Rockwell Site Contaminated: Radiation Taints Santa Susana Lab's Soil, Water," Los Angeles Daily News, May 14, 1989, p.1 and subsequent articles in that newspaper by the same reporters.

3. Mark Barnhill, "Report Criticizes Rockwell: Survey Finds More Than 12 Contaminated Sites at Nuclear Facility," Los Angeles Daily News, May 17, 1989, page 1.

4. Tony Knight, "Agencies Unaware of Toxic Pit," Los Angeles Daily News, May 23, 1989, pp. 1, 18.

5. Mark Barnhill, "Report Criticizes Rockwell," op. cit., emphasis added.

open containers of volatile chemicals for disposal.⁶

--Federal and state agencies responsible for toxic waste cleanup were not told of a hazardous waste dump (the sodium burn pit) at the Santa Susana Field Laboratory. Company records indicate that radioactive, toxic solvent and toxic metal contamination were found in the soil, chemical contamination was found in the ground water, and potential radioactive contamination of the ground water was identified.⁷

Discussion

Rockwell claims⁸ that

It is the policy of the [Rockwell International] corporation to comply with all the requirements of law, to operate the facilities in a safe and efficient manner and within the requirements of all license conditions under which the activities are authorized.

Yet in a sworn affidavit, the Federal Bureau of Investigation indicates that the opposite is closer to the truth.

Rockwell, the FBI asserts, has committed numerous and repeated violations of federal statutes. Overall, the Licensee has demonstrated a pattern of reckless disregard for environmental protection at both its Rocky Flats and its Santa Susana facilities.

What is perhaps most disturbing is the concealment of evidence, the misleading of the public and of the responsible regulatory agencies, and the commission of material false statements.

6. ibid.

7. Tony Knight, "Agencies Unaware of Toxic Pit," op. cit.

8. ESG-82-33, Health and Safety Sections for Renewal Application of the Special Nuclear Materials License SIM-21, Docket 70-25, Issued to Rocketdyne Division of Rockwell International, rev. May 19, 1989, page I.2-1.

When the Nuclear Regulatory Commission awards a license to handle nuclear materials, it necessarily presumes that the licensee will operate in good faith, that it will reliably and honestly monitor its own environmental practices, that it will record its emission and disposal practices accurately, and that it will not deliberately alter or conceal its records. These minimal standards are the foundation of the regulatory process, which cannot proceed if they are violated.

Yet according to Federal law enforcement officials, the Licensee has violated them and produced significant damage to the environment. Consequently, its authority to possess nuclear materials should be immediately suspended.

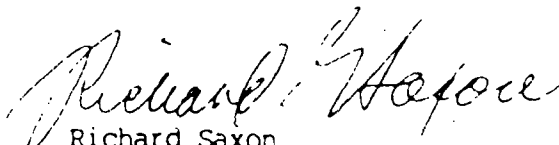
Conclusion

The FBI has assembled abundant evidence calling into question the integrity of the Licensee and has specifically alleged that Rockwell International Corporation committed criminal violations in its handling of nuclear and toxic materials. Given these extraordinary findings, we believe that the NRC must act immediately to protect the public health and safety and must suspend Rockwell International Corporation License SNM-21 until such time as the Licensee is cleared of all allegations of criminal behavior.

Respectfully submitted,



Steven Aftergood
Executive Director
Committee to Bridge the Gap



Richard Saxon
President
Los Angeles Physicians for
Social Responsibility