

August 21, 2009

Mr. Brad Kern
Operation Manager
Worthington Steel
100 Worthington Drive
Porter, IN 46304

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03033233/2009 -001 AND
NOTICE OF VIOLATION – WORTHINGTON STEEL

Dear Mr. Kern:

On July 30, 2009, the Nuclear Regulatory Commission (NRC) or Commission performed a routine inspection at your Porter, Indiana facility. This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. The violations are being cited in the Notice because they were identified by the NRC. The first violation involved the failure to amend your NRC license to include the name of the Radiation Safety Officer appointed in 2006 after the previous Radiation Safety Officer left the company. The second violation involved the failure of the fixed gauge source container to bear clearly visible radiation warning labels.

Your staff implemented immediate corrective action for the first violation by submitting, by facsimile, a request for a license amendment to the NRC Region III requesting a change in the Radiation Safety Officer and providing the inspector with the individual's qualifications. The NRC issued an amendment, dated August 12, 2009, naming the requested individual as your facilities Radiation Safety Officer. Your staff committed to developing a procedure for replacing the Radiation Safety Officer. For the second violation, your staff implemented immediate corrective actions by replacing the radioactive labels on all equipment containing radioactive gauges. Your staff indicated that the maintenance procedure requiring six month shutter checks and leak tests, will be revised to include checking the condition radiation warning labels.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence, is already adequately addressed in this letter. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

D. Kern

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

/RA/

Tamara E. Bloomer, Chief
Materials Inspection Branch

Docket No. 03033233
License No. 13-26511-01

Enclosure: Notice of Violation

D. Kern

-2-

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

/RA/

Tamara E. Bloomer, Chief
Materials Inspection Branch

Docket No. 03033233
License No. 13-26511-01

Enclosure: Notice of Violation

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NOTICE OF VIOLATION

Worthington Steel
Porter, Indiana

License No. 13-26511-01
Docket No. 030-33233

During an NRC inspection conducted on July 30, 2009, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

1. License Condition 11.A of NRC License No.13-26511-01, Amendment 6, named a specific individual as Radiation Safety Officer.

Contrary to the above, as of July 30, 2009, the specific individual named as the Radiation Safety Officer left the company over three years ago and the licensee had not amended the license to name a new Radiation Safety Officer. Specifically, the licensee assigned the Radiation Safety Officer duties to a qualified individual in 2006, but did not submit a request to amend its license.

This is a Severity Level IV violation (Supplement VI).

2. 10 CFR 20.1904(a) requires that the licensee ensure that each container of licensed material bears a durable, clearly visible label bearing the words "CAUTION, RADIOACTIVE MATERIAL" or "DANGER, RADIOACTIVE MATERIAL." The label must also provide sufficient information (such as the radionuclide present, an estimate of the quantity of radioactivity, the date for which the activity is estimated, etc.) to permit individuals handling or using the containers, or working in the vicinity of the containers to take precautions to avoid or minimize exposures.

Contrary to the above, on July 30, 2009, a fixed gauge, containing an americium-241 source did not bear a durable clearly visible label that identified the radionuclide or the quantity of radioactivity, nor did it otherwise bear sufficient information to permit individuals handling or using the container, or working in the vicinity of the container, to take precautions to avoid or minimize exposure. Specifically, the labels on the pickling machine fixed gauge were illegible or covered by duct tape.

This is a Severity Level IV violation (Supplement IV).

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to be taken to correct the violations and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in the letter transmitting this Notice of Violation (Notice). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description in the letter does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal, proprietary, or safeguards information so that it can be made available to the public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 21st day of August 2009.

Enclosure