October 12, 2011

EA-11-222
Universal Product Concepts, Inc.
Attn: Mr. Ashfaq Kazi
13980 Mountain Avenue
Chino, CA 91710

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION INVESTIGATION REPORT NO. 4-2010-082, UNIVERSAL PRODUCTS CONCEPTS, INC.

Dear Mr. Kazi:

This letter refers to the investigation conducted by the U.S. Nuclear Regulatory Commission's (NRC's) Office of Investigations of Universal Product Concepts (UPC), related to UPC's importation and distribution of smoke detectors containing radioactive material.

Based on the results of this investigation, two apparent violations were identified and are being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html.

The apparent violations involve: (1) the failure to obtain an exempt distribution license prior to transferring smoke detectors containing byproduct material (americium-241) to unlicensed persons, and (2) importing byproduct materials into the U.S. without authorization under general or specific license. The failure to obtain appropriate license authorization to import byproduct material, and the failure to obtain a license before distributing these products, is significant because it resulted in the NRC not being able to conduct its regulatory responsibilities to ensure that the products were safe for distribution to members of the general public. Additionally, the NRC is concerned that this apparent violation may have been willful in nature. Willful violations are of significant concern to the NRC because the NRC's regulatory programs rely upon the integrity of entities, applicants, and licensees to comply with NRC requirements.

The basis for these apparent violations is discussed in Enclosure 1. These apparent violations were discussed with you on October 11, 2011.

Since the NRC has not made a final determination in this matter, a Notice of Violation is not being issued at this time. In addition, please be advised that the characterization of the apparent violations may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

Before the NRC makes its enforcement decision, we are providing you an opportunity to: (1) respond in writing to the apparent violation(s) addressed in Enclosure 1 of this letter within 30 days of the date of this letter, (2) request a Pre-decisional Enforcement Conference (PEC), or (3) request Alternative Dispute Resolution (ADR). If you decide to participate in a PEC or pursue ADR, please contact Ms. Michele Burgess at 301-415-5868 within 10 days of the date of

this letter. A PEC should be held within 30 days and an ADR session within 45 days of the date of this letter.

If you choose to provide a written response, it should clearly be marked as a “Response to Apparent Violations in EA-11-222”, and should be addressed to: U.S. Nuclear Regulatory Commission, Office of Federal and State Material and Environmental Programs, Division of Materials Safety and State Agreements, Attn: Ms. Laura Pearson, Washington, DC 20555. Your response should include for each apparent violation: (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation; (2) the corrective steps that have been taken and the results achieved; and (3) the corrective steps that will be taken to avoid further violations. In addition to the specific responses for each violation, your response should include: (1) the reason for the deliberate nature of the actions; (2) what corrective steps UPC is taking, or has taken, such that NRC should have confidence in future UPC compliance with regulatory requirements; and (3) why NRC should not deny your application dated October 12, 2010, requesting authorization to distribute smoke detectors pursuant to 10 CFR 32.14. Lastly, your response should include: (1) the exact quantities (i.e., number of individual smoke detector units, not number of packages) and dates of all imports of radioactive material received by UPC, and (2) the exact quantities and dates of all distributions of radioactive material made by UPC. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violation. The guidance in the enclosed excerpt from NRC Information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION," may be helpful. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

If you choose to request a PEC, the conference will afford you the opportunity to provide your perspective on the apparent violation and any other information that you believe the NRC should take into consideration before making an enforcement decision. The topics discussed during the conference may include the following: information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective actions taken or planned to be taken. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violation(s). If a PEC is held, it will be open for public observation and the NRC will issue a press release to announce the time and date of the conference.

In lieu of a PEC, you may also request ADR with the NRC in an attempt to resolve this issue. ADR is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a trained neutral third party (the “mediator”) works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues. Additional information concerning the NRC's program can be obtained at http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html. The Institute on Conflict Resolution (ICR) at Cornell

University has agreed to facilitate the NRC's program as a neutral third party. Please contact ICR at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of this issue through ADR.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, 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 document 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.

Should you have any questions, please contact Michele Burgess at (301) 415-5868.

Sincerely,

/RA/

James G. Luehman, Deputy Director
Division of Materials Safety
and State Agreements
Office of Federal and State Material
and Environmental Management Programs

Docket No: 030-38384

Enclosures:
1. Basis for Apparent Violations
2. Factual Summary of Office of Investigations Report 4-2010-082
3. NRC Information Notice 96-28

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James G. Luehman, Deputy Director
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Letter to Universal Product Concepts, Inc., dated October 12, 2011

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BASIS FOR APPARENT VIOLATIONS

The State of California (California) conducted an inspection of Universal Product Concepts (UPC) on July 12 and 15, 2010, related to UPC's importation and distribution of smoke detectors containing radioactive material. On December 3, 2010, the U.S. Nuclear Regulatory Commission's (NRC) Office of Investigations (OI), Field Office Region IV, completed an investigation at UPC, related to the same matter. Based on the inspections and investigation, violations of NRC requirements were identified. The timeline of events clearly shows that UPC had imported byproduct material prior to having a possession license as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 110.27 (first import was in or prior to May 2010, and that the possession license was not issued until August 2010), and that UPC had distributed byproduct material contained in smoke detectors to unlicensed persons prior to obtaining a NRC exempt distribution license as required by 10 CFR 30.15 and 32.14 (first distribution was May 2010, and the initial exempt distribution license application was not submitted until August 2010).

UPC had held telephone conversations and exchanged email with NRC staff in 2009 regarding NRC licensing criteria. While UPC had applied for a California radioactive materials possession license in January 2010, the possession license had not been issued as of the date of the July 2010 California inspection. California conducted a pre-licensing visit at UPC on March 16, 2010. No significant issues were identified in the pre-licensing visit. In this visit, California cautioned UPC that no radioactive material could be received until the radioactive materials use license was issued. On April 20, 2010, the President of UPC emailed an NRC staff person in FSME's Licensing Branch staff referencing a December 2009, telephone conversation between the President and the staff person regarding NRC licensing requirements. In May to July 2010, UPC distributed smoke detectors to unlicensed persons in the State of Georgia. During the July inspection, the California inspector found that UPC was importing three models of smoke detectors from the Longdi factory in Zhongshan, China, containing nominal 0.9 microcurie americium-241 sources. According to UPC inventory data, a total of approximately 19,423 smoke detectors were distributed by UPC in the months of May, June, and July of 2010, to an unlicensed person/entity. UPC informed the California inspector that it only transferred smoke detectors to the one entity. The California inspector also was informed that approximately 21,000 additional smoke detectors were currently en route from China to UPC at the time of the inspection.

As of the import and distribution dates, UPC had neither a possession license from the State of California (and therefore was not authorized to import the smoke detectors under NRC general license), nor an exempt distribution license from the NRC.

Relevant Timeline:

December 2009	NRC staff member and the President of UPC have a phone conversation. As part of this conversation, NRC staff explains the need for an exempt distribution license and that President of UPC should contact the California Department of Public Health (CDPH) regarding possession licensing.

January 10, 2010	UPC application fee check cashed by the CDPH.
February 5, 2010	UPC submits a license application to the CDPH.
March 16, 2010	State of California conducts a pre-licensing inspection of UPC. California cautioned UPC that no radioactive material could be received until the radioactive materials possession license was issued. No material was present at the time of the inspection.
early April 2010	NRC staff has second conversation with the President of UPC, where NRC staff again explains NRC licensing requirements.
April 15, 2010	Underwriters Laboratory issues final testing report of UPC's smoke detectors.
April 20, 2010	UPC President emails NRC staff, acknowledging the need for an NRC exempt distribution license.
May 2010	UPC distributes smoke detectors to an unlicensed company/person.
June 2010	UPC distributes smoke detectors to an unlicensed company/person.
July 2010	UPC distributes smoke detectors to an unlicensed company/person.
July 12 &15, 2010	CDPH conducted an inspection of Universal Product Concepts, and finds that UPC has received and distributed byproduct material contained in smoke detectors. As of the inspection date, UPC had applied for a CDPH license but had not received it. UPC had neither applied for, nor received, an NRC license.
August 11, 2010	UPC formally applies for NRC Exempt Distribution License
August 16, 2010	NRC receives UPC application
August 31, 2010	CDPH issues UPC its Radioactive Material License, with a restriction that does not allow receipt of additional material, excepting one shipment that was in route to UPC at the time of the license issuance.
September 2, 2010	NRC voids UPC application (application does not pass acceptance review)
October 20, 2010	NRC receives UPC resubmitted license application
October 29, 2010	CDPH issues amended Radioactive Material License for UPC's new facility in Chino, CA (UPC moved)
January 14, 2011	CDPH issues UPC a formal Notice of Violation

Apparent Violation 1

10 CFR 30.15, “Certain items containing byproduct material,” in paragraph (a) provides an exemption from the requirements for a license set forth in section 81 of the Act and from the regulations in parts 20 and 30 through 36 and 39; however, the exemption specifically excludes persons who apply byproduct material to, or persons who incorporate byproduct material into products identified in that part, or persons who initially transfer for sale or distribution such products containing byproduct material. This section includes, in paragraph (a)(7), ionization chamber smoke detectors containing not more than 1 microcurie (μCi) of americium-241 per detector in the form of a foil and designed to protect life and property from fires.

Paragraph (b) of section 30.15 provides that, “Any person who desires to apply byproduct material to, or to incorporate byproduct material into, the products exempted in paragraph (a) of this section, or who desires to initially transfer for sale or distribution such products containing byproduct material, should apply for a specific license pursuant to Section 32.14 of this chapter, which license states that the product may be distributed by the licensee to persons exempt from the regulations pursuant to paragraph (a) of this section.”

10 CFR 30.3(a), “Activities requiring license” provides, in part, that “… no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with the regulations in this chapter.”

10 CFR 32, “Specific domestic licenses to manufacturer or transfer certain items containing byproduct material,” section 32.1(a) provides, in part, the requirements for the issuance of specific licenses to persons who manufacture or initially transfer items containing byproduct material for sale or distribution to persons exempted from the licensing requirements of part 30 of this chapter. Section 32.14, “Certain items containing byproduct material; requirements for license to apply or initially transfer,” specific license to apply byproduct material to, or to incorporate byproduct material into, the products specified in § 30.15 of this chapter or to initially transfer for sale or distribution such products containing byproduct material for use pursuant to § 30.15 of this chapter.

Contrary to the above, UPC distributed material to unlicensed persons without an NRC license. Specifically, in May, June, and July of 2010, UPC received and initially transferred, for sale or distribution, approximately 19,423 smoke detectors containing byproduct material to unlicensed persons without obtaining a specific license pursuant to 10 CFR 32.14 authorizing such transfers.

Apparent Violation 2

10 CFR 110.5 states, in part, “no person may export any nuclear equipment or material listed in § 110.8 and § 110.9, or import any nuclear equipment or material listed in § 110.9a, unless authorized by a general or specific license issued under this part.”

10 CFR 110.9a, “List of nuclear equipment and material under NRC import licensing authority,” includes byproduct material (i.e. americium-241).

10 CFR 110.20(a) states “A person may use an NRC general license as authority to export or import nuclear equipment or material, if the nuclear equipment or material to be exported or imported is covered by the NRC general licenses described in §§ 110.21 through 110.27. If an export or import is not covered by the NRC general licenses described in §§ 110.21 through 110.27, a person must file an application with the Commission for a specific license in accordance with §§ 110.31 through 110.32.”

10 CFR 110.27(a) states “Except as provided in paragraphs (b) and (c) of this section, a general license is issued to any person to import byproduct, source, or special nuclear material if the U.S. consignee is authorized to receive and possess the material under a general or specific NRC or Agreement State license issued by the Commission or a State with which the Commission has entered into an agreement under Section 274b. of the Atomic Energy Act.”

Contrary to the above, UPC imported material into the U.S. without having the required license for possession of the material (i.e., a possession license issued by the State of California). Specifically, UPC imported smoke detectors containing byproduct material to its City of Industry, CA facility, without having a possession license issued by the State of California.

FACTUAL SUMMARY
OFFICE OF INVESTIGATIONS REPORT 4-2010-082

On December 3, 2010, the U.S. Nuclear Regulatory Commission's (NRC) Office of Investigations (OI), Field Office Region IV, completed an investigation at Universal Product Concepts (UPC) to determine if willfulness was associated with apparent violations involving the failure of UPC to obtain an exempt distribution license, as required by 10 CFR 30.15, prior to transferring smoke detectors containing radioactive material (americium-241).

The timeline of events established in the investigation confirmed the fact that the President of UPC had been informed of the requirements by NRC staff two times as of April 20, 2010, prior to the first distribution.

OI conducted an interview with an NRC staff person. In that interview, the staff person confirmed that conversations had taken place with the President of UPC on two occasions (December 2009 and April 2010) regarding licensing requirements. Both of these conversations occurred prior to the first distribution in May 2010.

OI conducted interviews with two members of California Department of Public Health (CDPH). In those interviews, CDPH confirmed that during the March 16, 2010 pre-licensing inspection, the President was specifically informed that the license was necessary before UPC took possession of the smoke detectors. The SDPH inspection in July 2010 confirmed that smoke detectors had been received and distributed. Although the CDPH violation is outside the scope of the NRC violation, it serves as an example of consistent behavior in having knowledge of a requirement, but failing to comply.

OI conducted two interviews with the President of UPC. When interviewed by OI, the President of UPC admitted to having a telephone conversation in December 2009, with an NRC staff person, where the staff person spent "a few hours" with him, explaining the NRC regulations and requirements.

The explanation from the president of UPC for distributing smoke detectors without the proper licensing, despite his admission that he had been informed of the requirement, rests primarily on arguments associated with confusion.

One argument provided by the President of UPC involving confusion concerned his mistaken belief that he did not have further obligations to the NRC since he was interacting with Underwriters Laboratory (UL), and involved his alleged confusion regarding the NRC sealed source model designation and his juxtaposing it with the NRC license number. The President of UPC also stated that he had assumed that UL had "a background" on products licensed by NRC, and that since UL did not raise any issues regarding a number that the President provided to UL as the "license number", that UL had determined that the license number was adequate, and therefore UPC had no further action with the NRC or the State of California. The President of UPC in the same interview acknowledged the UL had neither authority of a state or federal regulator and admitted that he knew he should have been more thorough in checking and

verifying with the NRC regarding the licensing requirements. In his second interview, the UPC president repeated his claim that he believed that he was obtaining material that had already been licensed by NRC. However, the evidence shows that the President of UPC was not involved in dealing with UL directly, and therefore does not support his argument. Specifically, in his second interview, he admitted that he actually had been unaware of the request UL made regarding the license number until after his licensing violations were identified by the State of California.

Another argument involving confusion concerned his mistaken belief that he did not have further obligations to the NRC since he was interacting with California. He also asserted that when he began the license application process with CDPH (early January/February 2010), he was operating under the assumption that he no longer needed to work with the NRC (a requirement he was informed of in December 2009). Even allowing for confusion following the December 2009 conversation, the President was informed a second time by the NRC staff person in April 2010 of the continued requirement for the NRC license (prior to first distribution in May 2010).

Based on the evidence developed during the OI investigation, it was concluded that UPC willfully failed to obtain an NRC exempt distribution license prior to the distribution of smoke detectors containing 0.9 microcurie americium-241 sources to unlicensed persons. The evidence indicated that despite being informed, and reminded of regulatory requirements by NRC and CDPH prior to the first import or distribution, the President of UPC chose to import, possess, and distribute smoke detectors without the required licenses, in order to fulfill business commitments.

NRC INFORMATION NOTICE 96-28

UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS
WASHINGTON, D.C. 20555

May 1, 1996

NRC INFORMATION NOTICE 96-28: SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION

Addressees

All material and fuel cycle licensees.

Purpose

The U.S. Nuclear Regulatory Commission (NRC) is issuing this information notice to provide addressees with guidance relating to development and implementation of corrective actions that should be considered after identification of violation(s) of NRC requirements. It is expected that recipients will review this information for applicability to their facilities and consider actions, as appropriate, to avoid similar problems. However, suggestions contained in this information notice are not new NRC requirements; therefore, no specific action or written response is required.

Background

On June 30, 1995, NRC revised its Enforcement Policy, to clarify the enforcement program's focus by, in part, emphasizing the importance of identifying problems before events occur, and of taking prompt, comprehensive corrective action when problems are identified. Consistent with the revised Enforcement Policy, NRC encourages and expects identification and prompt, comprehensive correction of violations.

In many cases, licensees who identify and promptly correct non-recurring Severity Level IV violations, without NRC involvement, will not be subject to formal enforcement action. Such violations will be characterized as "non-cited" violations as provided in Section VI.A of the Enforcement Policy. Minor violations are not subject to formal enforcement action. Nevertheless, the root cause(s) of minor violations must be identified and appropriate corrective action must be taken to prevent recurrence.

If violations of more than a minor concern are identified by the NRC during an inspection, licensees will be subject to a Notice of Violation and may need to provide a written response, as required by 10 CFR 2.201, addressing the causes of the violations and corrective actions taken to prevent recurrence.

In some cases, such violations are documented on Form 591 (for materials licensees) which constitutes a notice of violation that requires corrective action but does not require a written response. If a significant violation is involved, a predecisional enforcement conference may be held to discuss those actions.

The quality of a licensee's root cause analysis and plans for corrective actions may affect the NRC's decision regarding both the need to hold a predecisional enforcement conference with the licensee and the level of sanction proposed or imposed.

Discussion

Comprehensive corrective action is required for all violations. In most cases, NRC does not propose imposition of a civil penalty where the licensee promptly identifies and comprehensively corrects violations. However, a Severity Level III violation will almost always result in a civil penalty if a licensee does not take prompt and comprehensive corrective actions to address the violation.

It is important for licensees, upon identification of a violation, to take the necessary corrective action to address the noncompliant condition and to prevent recurrence of the violation and the occurrence of similar violations. Prompt comprehensive action to improve safety is not only in the public interest, but is also in the interest of licensees and their employees. In addition, it will lessen the likelihood of receiving a civil penalty. Comprehensive corrective action cannot be developed without a full understanding of the root causes of the violation.

Therefore, to assist licensees, the NRC staff has prepared the following guidance, that may be used for developing and implementing corrective action. Corrective action should be appropriately comprehensive to not only prevent recurrence of the violation at issue, but also to prevent occurrence of similar violations. The guidance should help in focusing corrective actions broadly to the general area of concern rather than narrowly to the specific violations. The actions that need to be taken are dependent on the facts and circumstances of the particular case.

The corrective action process should involve the following three steps:

1. Conduct a complete and thorough review of the circumstances that led to the violation. Typically, such reviews include:

   Interviews with individuals who are either directly or indirectly involved in the violation, including management personnel and those responsible for training or procedure development/guidance. Particular attention should be paid to lines of communication between supervisors and workers.

   Tours and observations of the area where the violation occurred, particularly when those reviewing the incident do not have day-to-day contact with the operation under review. During the tour, individuals should look for items that may have contributed to the violation as well as those items that may result in

future violations. Reenactments (without use of radiation sources, if they were involved in the original incident) may be warranted to better understand what actually occurred.

Review of programs, procedures, audits, and records that relate directly or indirectly to the violation. The program should be reviewed to ensure that its overall objectives and requirements are clearly stated and implemented. Procedures should be reviewed to determine whether they are complete, logical, understandable, and meet their objectives (i.e., they should ensure compliance with the **current** requirements). Records should be reviewed to determine whether there is sufficient documentation of necessary tasks to provide a record that can be audited and to determine whether similar violations have occurred previously. Particular attention should be paid to training and qualification records of individuals involved with the violation.

2. Identify the root cause of the violation.

Corrective action is not comprehensive unless it addresses the root cause(s) of the violation. It is essential, therefore, that the root cause(s) of a violation be identified so that appropriate action can be taken to prevent further noncompliance in this area, as well as other potentially affected areas. Violations typically have direct and indirect cause(s). As each cause is identified, ask what other factors could have contributed to the cause. When it is no longer possible to identify other contributing factors, the root causes probably have been identified. For example, the direct cause of a violation may be a failure to follow procedures; the indirect causes may be inadequate training, lack of attention to detail, and inadequate time to carry out an activity. These factors may have been caused by a lack of staff resources that, in turn, are indicative of lack of management support. Each of these factors must be addressed before corrective action is considered to be comprehensive.

3. Take prompt and comprehensive corrective action that will address the immediate concerns **and** prevent recurrence of the violation.

It is important to take immediate corrective action to address the specific findings of the violation. For example, if the violation was issued because radioactive material was found in an unrestricted area, **immediate** corrective action must be taken to place the material under licensee control in authorized locations. After the immediate safety concerns have been addressed, timely action must be taken to prevent future recurrence of the violation. Corrective action is sufficiently comprehensive when corrective action is broad enough to reasonably prevent recurrence of the specific violation as well as prevent similar violations.

In evaluating the root causes of a violation and developing effective corrective action, consider the following:

1. Has management been informed of the violation(s)?

2. Have the programmatic implications of the cited violation(s) and the potential presence of similar weaknesses in other program areas been considered in formulating corrective actions so that both areas are adequately addressed?

3. Have precursor events been considered and factored into the corrective actions?

4. In the event of loss of radioactive material, should security of radioactive material be enhanced?

5. Has your staff been adequately trained on the applicable requirements?

6. Should personnel be re-tested to determine whether re-training should be emphasized for a given area? Is testing adequate to ensure understanding of requirements and procedures?

7. Has your staff been notified of the violation and of the applicable corrective action?

8. Are audits sufficiently detailed and frequently performed? Should the frequency of periodic audits be increased?

9. Is there a need for retaining an independent technical consultant to audit the area of concern or revise your procedures?

10. Are the procedures consistent with current NRC requirements, should they be clarified, or should new procedures be developed?

11. Is a system in place for keeping abreast of new or modified NRC requirements?

12. Does your staff appreciate the need to consider safety in approaching daily assignments?

13. Are resources adequate to perform, and maintain control over, the licensed activities? Has the radiation safety officer been provided sufficient time and resources to perform his or her oversight duties?

14. Have work hours affected the employees' ability to safely perform the job?

15. Should organizational changes be made (e.g., changing the reporting relationship of the radiation safety officer to provide increased independence)?

16. Are management and the radiation safety officer adequately involved in oversight and implementation of the licensed activities? Do supervisors adequately observe new employees and difficult, unique, or new operations?

17. Has management established a work environment that encourages employees to raise safety and compliance concerns?

18. Has management placed a premium on production over compliance and safety? Does management demonstrate a commitment to compliance and safety?

19. Has management communicated its expectations for safety and compliance?

20. Is there a published discipline policy for safety violations, and are employees aware of it? Is it being followed?

This information notice requires no specific action or written response. If you have any questions about the information in this notice, please contact one of the technical contacts listed below.

Robert C. Pierson, Director
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards

Donald A. Cool, Director
Division of Industrial and Medical Nuclear
Office of Nuclear Material Safety and Safeguards

Technical contacts: (Updated as of November 22, 2005)

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