



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

AUG 26 2013

Mr. Joe Heibel  
Radiation Safety Officer  
Continental Cement Company, LLC  
10107 Highway 79 South  
Hannibal, MO 63401

SUBJECT: RENEWAL OF YOUR NRC RADIOACTIVE MATERIALS LICENSE AND  
NOTICE OF VIOLATION - CONTINENTAL CEMENT COMPANY, LLC

Dear Mr. Heibel:

Enclosed is Amendment No. 14 renewing your U.S. Nuclear Regulatory Commission (NRC) Material License No. 24-20263-01 in accordance with your request. Note that we have revised several License Conditions based on information provided by you, current Sealed Source and Device registry information, and current NRC licensing policy.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the NRC, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Based on the results of our review, the NRC has also determined that a Severity Level IV violation of NRC requirements occurred. This violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation concerned the possession of 10 mCi of radium-226 that was not authorized on your NRC license. A Notice of Violation (Notice) is enclosed regarding this item.

While the possession of radium-226 was not authorized on the license, your July 11, 2013, letter indicated that the material had not been used during the period the NRC had jurisdiction over the material. As corrective action, your July 11, 2013, letter requested that the material be added to your radioactive materials license, and the enclosed license amendment now authorizes the possession of radium-226.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation, and the date when full compliance was achieved, was adequately addressed on the docket in your resubmitted NRC Materials License renewal application dated July 11, 2013, under Mail Control Number 580089. Therefore, you

Enclosure 2 Contains Sensitive Unclassified Non-Safeguards Information. When this document is separated from Enclosure 2, this transmittal letter and Enclosure 1 are decontrolled.

J. Heibel

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are not required to respond to this letter unless the description therein 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.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

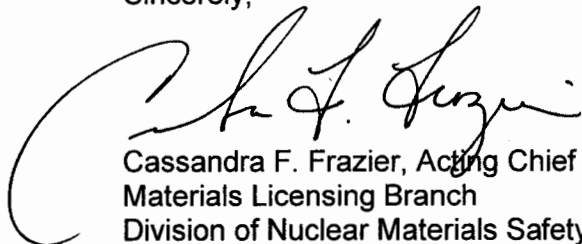
NRC's Regulatory Issue Summary (RIS) 2005-31 provides criteria to identify security-related sensitive information and guidance for handling and marking of such documents. This ensures that potentially sensitive information is not made publicly available through ADAMS, the NRC's electronic document system. Pursuant to NRC's RIS 2005-31 and in accordance with Title 10 of the *Code of Federal Regulations* Section 2.390 of the NRC's "Rules of Practice," the enclosed license document is exempt from public disclosure because its disclosure to unauthorized individuals could present a security vulnerability. The RIS may be located on the NRC Web site at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/reg-issues/2005/ri200531.pdf> and the link for frequently asked questions regarding protection of security related sensitive information may be located at: <http://www.nrc.gov/reading-rm/sensitive-info/faq.html>.

J. Heibel

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In accordance with 10 CFR 2.390, a copy of this letter, the enclosed violation, and your response, if you choose to provide one, will be 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>. Therefore, to the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at <http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>.

Sincerely,



Cassandra F. Frazier, Acting Chief  
Materials Licensing Branch  
Division of Nuclear Materials Safety

License No. 24-20263-01  
Docket No. 030-18167

Enclosures:

1. Notice of Violation (public)
2. Amendment No. 14 (non-public)

cc w/encl 1: State of Missouri

NOTICE OF VIOLATION

Continental Cement Company, LLC  
Hannibal, Missouri

Docket No. 030-18167  
License No. 24-20263-01

During a U.S. Nuclear Regulatory Commission (NRC) materials licensing review initiated by renewal application received February 27, 2013, and continued through August 6, 2013, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

- A. Title 10 of the *Code of Federal Regulations* (CFR) Section 30.3(c)(2) requires, in part, that that licensees who possess and use accelerator-produced radioactive material or discrete sources of radium-226 for which a license amendment is required to authorize the activities in 10 CFR 30.3(a) may continue to use these materials for uses permitted under that part until the date of the NRC's final licensing determination provided the person submits an amendment application within 6 months from the waiver expiration date of August 7, 2009, or within 6 months from the date of an earlier termination of the waiver as noticed by the NRC, whichever date is earlier.

On March 18, 2008, (73 FR 14376), the NRC published its second Notice of Waiver Termination for licensees in various states, including the State of Missouri. The Federal Register Notice stated, in part, that the NRC was terminating the time-limited waivers for several non-Agreement States including Missouri, effective on September 30, 2008.

10 CFR 30.34(c) requires, in part, that each licensee confine his possession and use of byproduct materials to the locations and purposes authorized by the license.

Condition 6 of License No. 24-20263-01, Amendment 13, dated September 20, 2011, limited the possession of licensed materials to Cesium-137, Cobalt-60, and Californium-252.

Contrary to the above, from September 30, 2008, to August 6, 2013, the licensee possessed one radium-226 source, a radioactive material not authorized by their license. The licensee did not submit a request to add the source to its license until July 11, 2013, which is more than 6 months from the waiver expiration date.

This is a Severity Level IV violation (Section 6.3).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to be taken to correct the violation, and the date when full compliance was achieved, is already adequately addressed on the docket in your resubmitted NRC Materials License renewal application dated July 11, 2013, under Mail Control Number 580089. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein 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, 2443 Warrenville Road, Suite 210, Lisle, IL 60532, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

Enclosure 1

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 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>. Therefore, to the extent possible, your response should not include any personal privacy or proprietary 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 of Violation within two working days of receipt.

Dated this 26th day of August, 2013.