



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

September 21, 2016

EA-16-177

Mr. Andrew Sullivan
US Soybean Lead
Remington Seeds, LLC
PO Box 9
Remington, IN 47977

**SUBJECT: NRC SPECIAL INSPECTION REPORT NO. 99990003/2016004(DNMS) AND
NOTICE OF VIOLATION – REMINGTON SEEDS, LLC.**

Dear Mr. Sullivan:

On July 26, 2016, an inspector from the U.S. Nuclear Regulatory Commission (NRC) completed an in-office review of the circumstances surrounding the disposal of a generally licensed device, Ronan Model RLL-1, Serial No. 205039A, containing a nominal 0.81 millicurie (mCi) cesium-137 source. The NRC initiated this review after a scrap metal company located in Lafayette, Indiana, contacted the State of Indiana Department of Homeland Security, who in turn contacted the NRC Region III office on October 29, 2015, to report that the scrap metal company had found the device. The device was traced to Flora Seeds, LLC, of Flora, Indiana, which Remington Seeds, LLC, purchased in 2006. Flora Seeds, LLC, had installed the device in 2004. Remington Seeds, LLC, dismantled the facility in the spring of 2013. Remington Seeds, LLC did not know that the device was installed, and transferred the materials to the scrap metal company while dismantling the facility. At the time the source was transferred, it had decayed to approximately 0.62 mCi and did not present a risk to public health and safety. Mr. Zahid Sulaiman of my staff presented the findings of this review to you via telephone on September 7, 2016.

During this in-office review, the NRC staff examined activities conducted under your general license related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations. The in-office review consisted of interviews with personnel and examination of information you provided to the NRC.

Based on the results of this in-office review and the information you provided, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. The 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 licensee's failure to properly dispose or transfer the device as required by Title 10 of the *Code of Federal Regulations* (CFR) 31.5(c)(8). The violation is cited in the enclosed Notice of Violation (Notice). The NRC is citing the violation in

the Notice because the inspector identified the violation. The NRC is citing the violation at Severity Level IV, because the unauthorized disposal of a generally licensed device that does not require registration under 10 CFR 31.5(i)(13) did not present a hazard to public health and safety.

The inspector determined that the root cause of the violation was that Remington Seeds, LLC, was not aware of the existence of the device containing radioactive material and lacked full understanding of NRC's requirements for generally licensed devices. This is of concern to the NRC because it increases the chance for radioactive material to end up in the public domain without required safety or security controls. As corrective actions, Remington Seeds, LLC, had the manufacturer take possession of the source from the scrap metal company on November 20, 2015. Remington Seeds, LLC, no longer possesses any generally or specifically licensed materials.

The NRC has concluded that information regarding the root cause of the violation, the corrective actions taken, and the date when full compliance was achieved is adequately addressed on the docket 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.

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 provide one, will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website 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 publicly available without redaction.

Please feel free to contact Mr. Sulaiman if you have any questions regarding this inspection. Mr. Sulaiman can be reached at 630-829-9752.

Sincerely,

/RA/

Aaron T. McCraw, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 999-90003
General License in 10 CFR 31.5

Enclosure:
Notice of Violation

cc w/encl: State of Indiana

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Docket No. 999-90003
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OFFICE	RIII-DNMS		RIII-EICS		RIII-DNMS		
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DATE	9/15/2016		9/15/2016		9/21/2016		

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Remington Seeds, LLC.
Remington, Indiana

Docket No. 999-90003
EA-16-177

During a U.S. Nuclear Regulatory Commission (NRC) in-office review completed on July 26, 2016, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the *Code of Federal Regulations* (CFR) 31.5(c)(8) requires, in part, that any person who acquires, receives, possesses, uses or transfers byproduct material in a device pursuant to a general license shall transfer or dispose of the device containing byproduct material only by export as provided by paragraph (c)(7) of this section, by transfer to another general licensee as authorized in paragraph (c)(9) of this section, or to a person authorized to receive the device by a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device.

Contrary to the above, on or around October 29, 2015, Remington Seeds, LLC, transferred a Ronan Model RLL-1 source holder device containing a nominal 0.81 millicuries cesium-137 source to a person who did not hold a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device, and the exception in 10 CFR 31.5(c)(9) did not apply. Specifically, Remington Seeds, LLC, transferred the device to a scrap metal company that was not licensed to receive this byproduct material.

This is a Severity Level IV violation (Section 6.7).

The NRC has concluded that information regarding the reason for the violation, the corrective actions planned to correct the violation and prevent recurrence, and the date when full compliance was or will be 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 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, IR 99990003/2016004(DNMS)" 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 respond, your response will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website 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 publicly available without redaction.

Enclosure

Notice of Violation

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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, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

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

Dated this 21st day of September, 2016.