



UNITED STATES
NUCLEAR REGULATORY COMMISSION
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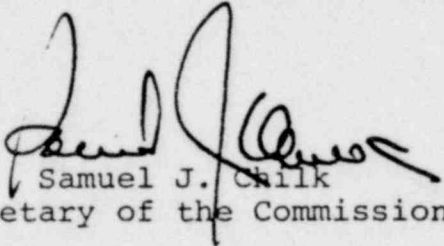
February 26, 1979

COMMISSION DETERMINATION REGARDING PUBLIC DISCLOSURE
UNDER THE GOVERNMENT IN THE SUNSHINE ACT OF:

Discussion of International Safeguards - Export Matter
December 22, 1978

Pursuant to the Commission's regulations implementing the Government in the Sunshine Act (10 CFR 9.108(c)), the Commission, on the advice of the General Counsel, determined that the attached portions of the subject transcript should be made available to the public. The remaining portions of the transcript have been withheld pursuant to 10 CFR 9.104 as noted below:

Page/Line	through	Page/Line	Exemption
9/23		9/23	10 CFR 9.104(a)(1)
10/1		10/1	10 CFR 9.104(a)(1)
20/6		20/7	10 CFR 9.104(a)(1)


Samuel J. Chalk
Secretary of the Commission

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
CLOSED SESSION

DISCUSSION OF INTERNATIONAL SAFEGUARDS --
EXPORT MATTER

Room 1130
1717 H Street, N.W.
Washington, D.C.

Friday, 22 December 1978

The Commission met, pursuant to notice, at 3 p.m.

BEFORE:

DR. JOSEPH M. HENDRIE, Chairman

VICTOR GILINSKY, Commissioner

PETER A. BRADFORD, Commissioner

JOHN AHEARNE, Commissioner

ALSO PRESENT:

J. DAVIS

L. GOSSICK

J. KELLEY

R. MC CORMICK

J. SHEA

J. PAGE

P R O C E E D I N G S

CHAIRMAN HENDRIE: Okay, we can come to order.

The Commission meets this afternoon in closed session. Let me say our discussion here is directed at the discussion of an international safeguard export matter.

First, I have to ask the Commissioners to join me in voting to hold a meeting on short notice. Those in favor?

(Show of hands.)

CHAIRMAN HENDRIE: So ordered.

Secondly, since we're going to discuss matters that are classified -- they relate to security aspects on a shipment of high enriched uranium -- I would ask you to join me in voting to close this meeting under Exception I of Classified Information. I assume that meets the general counsel's approval.

COMMISSIONER GILINSKY: Could I just ask about that?

This doesn't seem to me to be classified. Is the information, in fact, classified?

MR. DAVIS: No. This was written so as not to be classified.

COMMISSIONER GILINSKY: Are we talking about classified information?

MR. GOSSICK: In the conversation, is it necessary

to go into classified information?

MR. DAVIS: It would depend on the question.

MR. MC CORMICK: This particular shipment had no safeguard requirements on it, so there shouldn't be any classified material.

MR. CHILK: Is Shea here?

MR. GOSSICK: He's on his way.

MR. CHILK: We had talked to Shea earlier. He said that he thought there might be classified material.

MR. DAVIS: I think our concern was last evening that we thought it stood in the same position as a ~~muff~~^{MUF}, the early information on a ~~muff~~^{MUF}. In other words, we could not attest to the fact that the material -- where it is now.

CHAIRMAN HENDRIE: Let me recommend the following to you with regard to closure of the meeting; that we vote to close, and direct that as soon as the transcript is in hand, that the staff and the counsel's office and IP review it for any sections which they feel would be appropriately classified and withheld. And then, after that, without further Commission action, that the unclassified portions of the transcript be placed in the public document room, as is the custom.

It seems to me that that provides the best protection

at the moment, and most appropriate action. So if you'll join me now in voting to close the meeting now, with that understanding about the transcript, I'll ask you to vote.

(Show of hands.)

CHAIRMAN HENDRIE: So ordered.

MR. KELLEY: With the understanding that we may get into classified material, but under the circumstances, that's sufficient for me to certify closing the meeting. It's short notice --

CHAIRMAN HENDRIE: There may turn out to be some sensitive material of a foreign relations aspect that would be better not -- appropriately withheld from the public.

Okay. Having done that, Lee, we're pleased to have this opportunity to see you just before we break for Christmas, so we'll get a chance to say "Merry Christmas" at the last possible moment.

Go ahead.

MR. GOSSICK: I brought down a memo that is coming through the regular mail, but copies were handed out.

MR. CHILK: We also got a telecopy.

MR. GOSSICK: That may have reached you even earlier.

Just by way of background, John Davis called last

evening on this, or late yesterday afternoon, and then contacted the Chairman and the Commissioners or their offices. The committee staff people were notified this morning of the event, and we're here to give you the story and answer any questions you might have.

I'll turn it over to John at this point.

MR. DAVIS: What this relates to, of course, is to the movement of material with the license XSNM-885, which authorized the export of about 36 kgs of highly enriched uranium fuel, reactor fuel, to Romania. The fuel is to be moved in a series of shipments. The first shipment consisted of four drums, and is the matter under discussion today.

This total first shipment amounted to less than 5 kgs, and hence was not under the 10 CFR 73 requirements for movement within this country.

COMMISSIONER GILINSKY: You mean, the entire shipment? The four drums taken together?

MR. DAVIS: Yes, the four drums. The total within the four drums is less than 5 kgs.

COMMISSIONER BRADFORD: When you say "a drum," John, what do you mean by that?

MR. DAVIS: I'll describe that in detail in just a moment.

Okay. The material is in the form of fuel elements for a Triga reactor. These are metal rods containing the fuel. The rods are about a half inch in diameter and about 30 to 36 inches long. Each of these rods, or elements, is serial numbered.

Each element for shipment is placed in a plastic sleeve. Five elements are placed in a cardboard tube. Seven tubes, only five holding elements, are placed in a pipe about 6 inches in diameter, held in the center of a 55-gallon drum. The 6-inch pipe has a screw top on it. The drum is filled with vermiculite.

CHAIRMAN HENDRIE: It's a critical-safe shipment array. The drum simply makes it impossible to get other enriched material close enough so that the interaction could lead to a criticality.

COMMISSIONER BRADFORD: And the two extra tubes?

MR. DAVIS: Are spacers.

The drum is sealed with a snap ring, and on the ends of the snap ring are threaded flanges. The ring is closed with a bolt through the flanges, wrenched tight. The bolt has a seal hole drilled in it. A wire seal is passed through the seal hole around the flange and then sealed.

Now, as part of the arrangement for these

shipments, NRC was to seal each container at the point of loading.

CHAIRMAN HENDRIE: The General Atomics fuel facility?

MR. DAVIS: That's right, in California.

COMMISSIONER GILINSKY: These are seals that are --

MR. DAVIS: Here's a seal.

COMMISSIONER GILINSKY: And what keeps somebody from just putting another seal on?

MR. DAVIS: They are serial numbered.

MR. MC CORMICK: They're serial numbered, and you can't take it apart without destroying the configuration of the seal.

COMMISSIONER GILINSKY: It says AEC.

(Laughter.)

MR. MC CORMICK: We're still using some of the old equipment.

CHAIRMAN HENDRIE: It's like stationery, Vic. You use existing stock until they're exhausted.

COMMISSIONER GILINSKY: I had something to say about that in 1975, too.

(Laughter.)

MR. DAVIS: On December 6, the packaging was

witnessed by NRC inspectors in California. Each serial-numbered element was checked, and the content of one out of those five rods was verified by NDA scanning of the rod.

The drums were sealed on December 6. On December 15, as far as we know -- and the date may not be that precise -- on December 14 or 15, the four drums were trucked from the plant to Los Angeles International Airport. Apparently, they were delayed at Los Angeles for several hours, then shipped on the 15th, arriving at Kennedy in New York on the 15th, which was late last Friday. Only normal freight security precautions were provided, as with any other type freight.

NRC inspectors from the Philadelphia office inspected the drums on Saturday at Kennedy, on the 16th. When they examined the drums, the seal wire for each seal was broken. Now, the wire itself remained through the seal hole in the bolt on all drums, and at least on some of these drums, the wire was still draped around the flange. The bolts were still tight.

COMMISSIONER GILINSKY: When you say "through," is this something you can just pull through, or --

MR. DAVIS: Yes. What it is, it's a bolt, and there's a hole drilled through the bolt. The wire is passed

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through it, okay? The bolt's through a flange. It's draped over the flange more to keep it from just hanging free than anything else, and the seal button is compressed, and that's the seal.

Now, what happened when they found it is that the wire was broken, but the wire was still passing through the hole on the bolt.

COMMISSIONER GILINSKY: I know. But is it just loose through there?

MR. DAVIS: Oh, yes. Anybody can pull it off; right.

MR. MC CORMICK: But you can't take the bolt out without removing the wire.

COMMISSIONER AHEARNE: Can't you open -- is it crimped shut?

MR. MC CORMICK: Yes, sir.

COMMISSIONER AHEARNE: So you have high confidence that you would destroy it if you opened it?

MR. MC CORMICK: You destroy its integrity when you try to pull it apart, yes.

MR. DAVIS: And this is, as you well know, a very common practice for identifying the integrity of containment.

MR. MC CORMICK:

You can't take the bolt out without removing the wire. In all cases, the wire will --

COMMISSIONER GILINSKY: I understand that. I'm just trying to understand what significance you attach to the fact that the wire --

MR. DAVIS: The only significance I'm attaching to it is, this was related to me third-hand, and apparently the inspector attached some significance to it.

COMMISSIONER GILINSKY: I see. Okay.

CHAIRMAN HENDRIE: John, do we have a report from the inspector on the nature of the wire break? Was it a tension break, or was it snipped?

MR. DAVIS: Again, it was reported back to me that it appeared not to have been cut. Now, I have not talked to the inspector. He's on an inspection, and this is from his supervisor.

COMMISSIONER AHEARNE: He didn't file a written report?

MR. DAVIS: Not yet. He left from this on another inspection.

COMMISSIONER AHEARNE: Did he mention anything about whether the bolts were --

MR. DAVIS: The bolts were still wrenched tight,

as far as he could tell.

COMMISSIONER AHEARNE: I guess you couldn't tell.

MR. DAVIS: Well, his impression, as related to me -- and of course, this may be an impression expressed on an impression implied, and this would be normally the impression -- is that he saw no reason to think that anyone had tampered, or had had the ring off it.

COMMISSIONER AHEARNE: Now, this was last Saturday.

MR. DAVIS: This was last Saturday, right.

COMMISSIONER AHEARNE: What did he then do?

MR. DAVIS: He then replaced the seal. He put a new seal on each of the drums. The drums had been shipped as four separate items in the flight. He asked that they be placed on a pallet, banded together, and turned in a position so they would not destroy or damage the new seals.

Okay. He ended up calling back to his regional office some time on Sunday and reporting what he had done. The shipment left on Saturday. The shipment was en route before the regional office knew about it.

COMMISSIONER GILINSKY: In other words, the inspector did not inform the regional office --

MR. DAVIS: No. That is different from the first information I had last evening. In other words, the

inspector made this judgment on his own. There were two inspectors, by the way.

COMMISSIONER AHEARNE: Do you have any idea what he thought was his purpose in inspecting?

MR. DAVIS: I can tell you what has been related to me. This has been a question asked, and as I say, I haven't talked with him directly.

One, the individual was hired from a facility that handles nuclear material. By training, he does not believe you open drums of radioactive material, okay? That's one thing.

Second, since the seal wires still were in place, and the nuts or the bolts wrenched tight, it was his impression that they had not been tampered with.

Thirdly, since this required no safeguards protection anyway, from the size of it, for domestic shipments, he felt it was okay to go and put it on. Now, why he thought -- had a seal on it after that --

COMMISSIONER AHEARNE: Yes. What was he doing?

MR. DAVIS: I haven't talked with him, so -- he may have a good answer by the time I talk to him.

(Laughter.)

MR. DAVIS: I can't explain that.

COMMISSIONER AHEARNE: Was he given any written instructions when he was sent out there to check it?

MR. DAVIS: We don't do this normally. We have a procedure which speaks to checking seals. Of course, it's written in the context of -- this says, if the seal is found broken, as I recall, verify the integrity of the contents. It does not go beyond those details.

COMMISSIONER GILINSKY: What happened between Sunday and last night?

MR. DAVIS: You mean, what happened with the information or what happened with the shipment? The information? The information apparently came into headquarters some time on Monday, and it came to my attention yesterday. And as soon as I saw it, I guess I was more sensitized to certain aspects of it than other staff members. So we started the ball rolling, which has culminated with this visit here.

COMMISSIONER GILINSKY: And where is the shipment now?

MR. DAVIS: The shipment is now in Romania.

Now, after we found this out yesterday, we got in touch with International Programs, and agreed with them. They requested the State Department to contact IAEA to inspect

the contents of these drums.

Now, there is a requirement on the license, as I understand it, that as each increment of shipment is made, the next one will not be made until GA has been informed that the other has been received.

MR. MC CORMICK: We had notified International Programs on Monday, and given them the new seal numbers to send overseas to the IAEA.

MR. DAVIS: But I'm sure they were not attuned to what had transpired.

COMMISSIONER GILINSKY: Now, suppose one accepted the hypothesis that they just got ripped off in shipment. Why would that apply to all of them?

MR. DAVIS: I'm sorry?

COMMISSIONER GILINSKY: I mean, wouldn't somebody have to set a hook in this wire and tear it off?

MR. DAVIS: Oh. My understanding is, in normal shipment of individual drums, it is not unusual for seal wires to be worn in the movement of the drum as it's moved. That is, it is not necessary to take a pull, an intentional pull, to break it.

COMMISSIONER GILINSKY: I hear they were broken on four of them.

MR. DAVIS: On all of them; that's right.

COMMISSIONER GILINSKY: On all of them?

MR. DAVIS: Right.

COMMISSIONER GILINSKY: Is that unusual? I would think it is. Jerry says it's not unusual.

MR. PAGE: No, sir. We've had problems with breakage of seals from the very beginning. Unless you take special precautions, and tape those seals down, and place them in a way that they're protected, they're going to get broken off. That's been our experience.

MR. MC CORMICK: They made the loop -- the loop was big, and the button was standing out from the drum. When they ship these things, they tie them down with nets, and it's very possible for the net to rub against it and break.

COMMISSIONER AHEARNE: But would that imply -- would they still be dangling?

MR. DAVIS: As I understand it -- and I did happen to talk to the inspector who sealed them at that end -- what he said he did is run the wire through the hole in the bolt, the seal hole, and then where the flange comes together, he wrapped it around the flange -- not tightly or anything like that, but wrapped it to keep it from dangling, and then

passed it under and put the button on.

COMMISSIONER AHEARNE: Did he tape it down?

MR. DAVIS: No, he did not tape it down.

MR. MC CORMICK: So that would keep it from falling out once the wire was broken.

COMMISSIONER BRADFORD: To wrap it around the flange?

MR. MC CORMICK: To wrap it around the flange would keep it from falling out once the wire was broken. All future shipments, we're using -- that's three-strand wire. From now on, we'll use 18-strand wire, 19-strand wire, and they will be taped to the side of the drum.

MR. DAVIS: From now on, we'll do it right, is what he's saying.

MR. GOSSICK: You say the barrels were put on a pallet and turned?

MR. DAVIS: They are now, right; that's correct.

COMMISSIONER AHEARNE: Do you intend to put something in writing to your people as to what the purpose of going out and inspecting things is?

MR. DAVIS: I guess we will. You know, I guess you can assume little. It was my assumption that anyone who was inspecting a seal would know that the seal was there

to guarantee integrity, and if it was broken, one should question the integrity.

Now, however, I do think, in fairness to the inspector -- whom I do not know -- but his supervisor thinks fairly highly of the individual, and he believes that he rationally made this judgment. He saw nothing that indicated that anyone had tampered with it.

COMMISSIONER GILINSKY: I guess we ought to talk to the supervisor, too.

(Laughter.)

MR. DAVIS: There will be a lot of people to talk to -- in fact, have been talked to. But again, we do have -- our general practice, of course, is to give fairly detailed guidance on things, and unfortunately we cannot predict exactly everything that will transpire.

CHAIRMAN HENDRIE: Jerry, when you tape these things down, is there then subsequent trouble in verifying along the line? Can you get the tape back off without upsetting the seal, if you have to check it? There may be a series of intermediate checks; each place, you're going to have to take the tape off, verify that it's okay, and then retape. Right?

MR. PAGE: I never heard of that being a problem.

MR. MC CORMICK: We would use duct tape.

COMMISSIONER GILINSKY: Let me understand. What is it that protects here? Is it the number? In other words, the inspector checks against the number?

MR. DAVIS: Yes, and the integrity of the seal.

COMMISSIONER GILINSKY: Does no one else have seals like this?

MR. MC CORMICK: No. Nobody else uses these, except the old Atomic Energy Commission, DOE now, and ourselves. Nobody else, as far as I know, uses them.

MR. DAVIS: Could the seals not be counterfeited? That was the question. I would suspect anyone who could get a seal could have one counterfeited.

MR. GOSSICK: Is the number destroyed when it's opened, or is the number on the outside?

MR. DAVIS: The seal is destroyed when it's open.

COMMISSIONER GILINSKY: But what is to prevent somebody from making a simple item like this?

MR. DAVIS: I know of nothing that would prevent him from making it. But in a case like this, if someone were going to look into these particular drums, it would seem that if you would go to the effort to reinsert the wire, you'd have gone through the effort to do something to

the seal to make it look as if the seal was intact, which it was not. It was just obvious that the wire was broken when they were seen.

MR. MC CORMICK: That was part of the rationale. If somebody had broken these seals to go in and steal the contents of the drum, we feel they would have done a much better job of putting the seal back, to make it appear as though it hadn't been tampered with.

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COMMISSIONER GILINSKY: I can understand how an inspector could have been misled somehow. But this kind of reasoning, I think, has got no place in deciding -- you know, how you react to a broken seal.

MR. DAVIS: We agree.

MR. MC CORMICK: It was part of the rationale from his standpoint at that point in time.

MR. DAVIS: We're still trying to answer Commissioner Ahearne's question of what was the rationale behind this. We are not in any sense condoning the rationale.

MR. PAGE: May I say something about seals? Those seals are pretty well constructed, and they would be hard to counterfeit. But there had been some tests made, I believe at the technical support organization at Brookhaven, that counterfeiting could be accomplished.

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The IAEA has for a number of years been looking for a better seal than this type of seal, and they're coming up with a fiberoptic seal that will provide much better protection. As a matter of fact, Sandy Spector was recently over at the IAEA, and was told that tests had been conducted on some of these types of seals, ^(indicating old seals)

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And he asked for copies of the reports, which we sent to him about two weeks ago, these reports.

So, the seals are not perfect. They're reasonably good. It would take an expert, as I understand it, to counterfeit them, but they're not perfect.

MR. MC CORMICK: There was an attempt -- you can see the inside of these have a lot of scratches. At one time, Brookhaven put forth the proposition that this is a fingerprint. And you would photograph it at this end, and then they would return the seal, and then you would photograph it again, and you would compare the two photographs.

COMMISSIONER GILINSKY: Well, that's after the fact.

MR. MC CORMICK: That's right -- just to let you know whether or not the item had been broken into. That's strictly after the fact.

MR. DAVIS: But if in fact an individual had these seal numbers on a container, and had counterfeited the seals with the proper numbers, he could intercept, I assume, and remove the contents, place his counterfeit seal on it, and it would not be discovered until the container was opened.

MR. MC CORMICK: A seal is not meant to be a security device. It's a liability device, basically, so that the shipper and the consignee know where a problem might have occurred. It's not meant to be a security device. It's not like a lock. It's not meant to keep anybody out. It's just to let you know where a problem might occur.

COMMISSIONER BRADFORD: That may be true in a transportation situation. But that can hardly be the way the IAEA looks on it.

MR. MC CORMICK: True, but that's what a seal is -- IAEA, Trans-World Airlines, shipping or whatever. That's what a seal is. It shows you where a problem might have occurred.

COMMISSIONER GILINSKY: We spent a lot of money on a plutonium shipping container.

(Laughter.)

MR. MC CORMICK: It's not going to keep anybody out. It's only going to let you know when it's entered.

COMMISSIONER GILINSKY: That's exactly right. But I think you'd want something that is a little more sophisticated than this, unless I underestimate --

MR. MC CORMICK: I don't know. I have a lot of experience in seals in transportation, and I do not have that much experience with this one. But I understand from Brookhaven that it is one of the more difficult to counterfeit.

COMMISSIONER GILINSKY: This one is?

MR. MC CORMICK: This one is; yes, sir.

MR. SHEA: Are you also looking at the fiberoptic seals, Dick, for domestic use in addition to that?

MR. MC CORMICK: They are, I believe; yes.

MR. PAGE: Fiberoptic seals are under investigation. The IAEA has been looking at those for years and years. I think they've got it now where they can be used. They are expensive: they cost money.

CHAIRMAN HENDRIE: It doesn't avail all that much to have, you know, a very sophisticated and not-counterfeit-able seal if you don't pay much attention when the rather simple seal -- you know, the wire's broken; the guy says, "Gee, I'll fix that," and he puts a new one on and sends the barrels off.

(Laughter.)

COMMISSIONER GILINSKY: Tell him to put a better one on.

(Laughter.)

MR. GOSSICK: There's a point that might be interesting to bring out. Was the inspector, do you think, influenced in any way by an understanding that, since this was a domestic shipment, there was no need for a seal in the first place?

MR. DAVIS: I would imagine it lowered his sensitivity. But here again, perhaps we were remiss at headquarters in not perking up that sensitivity on this whole affair.

COMMISSIONER AHEARNE: I think so, because -- certainly from our view, from the efforts that we had gone through with respect to the State Department, General Atomic, Romania, it was extremely high sensitivity. And I guess, Lee --

CHAIRMAN HENDRIE: And all misplaced. Here Vic wanted these people in Romania to watch it, and it turns out no, no, it's -- what airport is it?

MR. DAVIS: Kennedy.

COMMISSIONER AHEARNE: Lee, I guess I have to say I think that the EDO's office should have somehow gotten the

word down to the troops that this was a very serious arrangement. And John, I don't know where the glitch occurred.

MR. DAVIS: We will find it and we will correct it.

COMMISSIONER GILINSKY: Was NMSS involved in this process at all?

MR. DAVIS: During this particular occurrence here?

COMMISSIONER GILINSKY: Well, not just that. But in laying on the conditions, and deciding how it ought to be done.

MR. PAGE: Yes. We were given the letter from the State Department, and we suggested going with alternative I, using IAEA seals rather than ours. But we felt that either alternative was acceptable. We preferred the IAEA seals from a procedural standpoint, but I think in actuality the IAEA seals would have been about the same kind as you've got there.

COMMISSIONER GILINSKY: And when were they informed? The same time we were, John?

MR. DAVIS: About what transpired?

COMMISSIONER GILINSKY: Yes.

MR. DAVIS: Well, International Programs informed the State Department, notified the U.S. mission.

COMMISSIONER GILINSKY: But what about our NMSS?

MR. DAVIS: NMSS? They were either informed last night or this morning.

MR. MC CORMICK: Yesterday.

MR. DAVIS: It was yesterday.

COMMISSIONER BRADFORD: When can we expect the IAEA to verify?

MR. SHEA: I have a little information on that. We've been, of course, in touch with the State Department about this, and they inquired of Vienna what the IAEA plans were to look at the shipment prior to this incident. And IAEA had planned to send someone to Romania, as they put it, "in January" -- no specific date.

Well, in contact with State, we have had the mission urge that the IAEA get out there as fast as possible to look at this, in the light of the incident. But we don't have a definite --

COMMISSIONER AHEARNE: What are they going to look at? I think what they had planned on looking at is whether the seals were intact.

MR. DAVIS: We asked that they check the contents.

MR. SHEA: As well, too; yes.

COMMISSIONER BRADFORD: And then reseal it again.

COMMISSIONER GILINSKY: Well, I mean, are they putting out a cable? Is something happening?

MR. SHEA: They have been handling this informally. But I believe they plan to put out a cable as well. I can double-check with them on that. We certainly will have been in touch with them directly. Because of the urgency, they did it by phone.

COMMISSIONER BRADFORD: So when they get there, they can look inside, they can take out these tubes. What do they then do? Weigh them?

MR. DAVIS: They would, of course, first check the serial numbers. And I do not know whether they do NDA scanning or not. Do you know how they would check the seals?

MR. PAGE: They may do some spot checking. It will probably not be 100 percent. It would be more checking of the serial numbers. They do have some portable instrumentation they use. Whether or not they would plan to do it on these particular rods, I don't know.

COMMISSIONER BRADFORD: And that would be enough to tell them whether the material was in what it was supposed to be?

MR. PAGE: Yes.

MR. SHEA: State has asked for a detailed list of serial numbers by drum, and the positions of the pins in the drums. We've just received that, and we're sending that over to State, so they'll get that over to Vienna. There's an extensive list here -- every pin. So that will help them in itemizing that.

COMMISSIONER BRADFORD: Are the drums marked as to what their contents are?

MR. DAVIS: The inspector said each drum had a serial number on it. In addition, it had the DOT-required markings.

COMMISSIONER BRADFORD: Which says what?

CHAIRMAN HENDRIE: "Radioactive material;" you know, the round with the propeller in it, and so on. I wouldn't think it would be marked "high-enriched material; it is forbidden to steal."

(Laughter.)


CHAIRMAN HENDRIE: That's not a bad idea. It would keep the honest people from stealing it.

COMMISSIONER GILINSKY: It seems to me, gentlemen, that we've got to be a little more formal about this.

MR. DAVIS: I agree.

COMMISSIONER GILINSKY: I mean, this deals with our responsibilities. Seals were broken over here; if something happened, it happened over here, and we've got to know whether there's some material floating around that shouldn't be. So I think we can't just sort of say, you know, "please take a look." But the IAEA has got to come to our help right now.

COMMISSIONER AHEARNE: I guess the State Department's got to explain to the Romanian government that this is not a sudden new requirement we're adding on because of mistrust for them. We goofed.

 MR. SHEA: The way it seems to be shaping up is that, perhaps ^{an} ~~under~~ acceleration in the planned schedule of visits by the IAEA, which might not take too much explanation; just sort of go ahead sooner than we might have.

MR. DAVIS: But I think opening the containers --

MR. SHEA: Opening their containers? I guess that would be a change. They had planned to just replace the seals; wasn't that it?

COMMISSIONER GILINSKY: Well, certainly, if they do it the minute the stuff comes, it's no reflection on the Romanians.

COMMISSIONER BRADFORD: In fact, the sooner they

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do it, the less of a reflection it is.

MR. GOSSICK: Shouldn't somebody get a hold of the Romanian Embassy here first-hand? Is that permissible, do you think?

MR. SHEA: I think State should handle that under the circumstances.

CHAIRMAN HENDRIE: Make it clear that we've extended our concern for the safeguarding of this material back into the domestic USA.

Further?

COMMISSIONER BRADFORD: Is the next shipment on its way now?

MR. DAVIS: No, sir. I understand there's a package ready to go.

COMMISSIONER GILINSKY: Now, what does that have to wait for? The arrival of the other one or the checkout of the other one?

MR. DAVIS: This is what we are endeavoring to explain to GA: that we must assure that the shipment in Romania is as it is supposed to be in content. So they will not ship until the contents are assured, rather than just the fact that there are four drums. That, however, at this time is not entirely clear. Is that right?

MR. MC CORMICK: That's right.

COMMISSIONER AHEARNE: John, does your inspector have the authority on his own, at that time, to pull the stuff out of the transportation?

MR. DAVIS: What we would do in that case -- of course, he would first refuse to place the seal. And I would assume that the shipping agent would not move it without the seal.

COMMISSIONER AHEARNE: Why?

MR. DAVIS: Because he would become responsible for its content.

MR. MC CORMICK: He would have to assume liability for it.

COMMISSIONER AHEARNE: But normally, those aren't sealed. Right?

MR. MC CORMICK: Well, I would think normally the licensee probably would put a seal on that. I don't know of any transportation company that would accept something like that without the shipper's seal on it.

MR. DAVIS: In any event, we have done this before, and with the cooperation of Customs have put material in the Customs warehouse.

CHAIRMAN HENDRIE: I was going to say: pulling it

off the plane, unless you can get it into some place like the Customs warehouse, and maybe even there, it's not as good as you'd like. But Kennedy Airport is one hell of a place to have four drums of HEU kicking around.

MR. DAVIS: I think you should realize that when it was at Kennedy, it was just like any other freight.

COMMISSICNER AHEARNE: I recognize that. I was just thinking -- I mean, the guy had to make a decision. He had, obviously, two choices: put the seals on and let it go, or he could stop it. But since it was supposed to go Saturday, the stopping to verify it would essentially mean pulling it out.

MR. DAVIS: Exactly.

We have done this, but it is not at all frequent. In fact, I only think we've done it once, and it went to Customs, and they provided us protection for it?

CHAIRMAN HENDRIE: Further?

COMMISSIONER AHEARNE: I guess it ought to be clear that he has that authority.

MR. DAVIS: Yes. What we will do is clarify, in each regional office, how you react when you have a seal broken, or precisely what is expected of you, rather than verify the contents.

COMMISSIONER GILINSKY: I guess I would just like to underline John's point that this is something that involved the NRC, the State Department, Romania, the IAEA, and God knows who else, and we actually thought we were doing something.

(Laughter.)

COMMISSIONER GILINSKY: And I think it's important that it really get handled on that basis. The intent of these decisions really ought to get implemented.

CHAIRMAN HENDRIE: Okay.

Thank you very much.

(Whereupon, at 3:35 p.m., the meeting was adjourned.)

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