Appendix A

NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES

Magnaflux Corporation Chicago, IL. License No. 12-00622-07 EA 81-52

As a result of the inspection conducted at your Indianapolis, Indiana facility located at 5307 W. 86th Street on March 16 and 17, 1981, the violations listed below were identified. In accordance with the Interim Enforcement Policy 45 FR 66754 (October 7, 1980), the Nuclear Regulatory Commission proposes to impose civil penalties pursuant to Section 234 of the Atomic Energy Act of 1954, as amended, ("Act"), 42 U.S.C. 2282, PL 96-295 and 10 CFR 2.205 in the amounts set forth for the violations listed in section I below.

- I. CIVIL PENALTY VIOLATIONS
 - A. 10 CFR 34.43(b) requires that physical radiation surveys shall be made after each radiographic exposure to determine that the sealed source has been returned to its shielded position.

Contrary to the above, on February 5, 1981, a radiographer made 29 radiographic exposures and entered the radiography room after each of these exposures, without a survey meter. Thus, he did not make a physical radiation survey after each of these exposures to determine that the sealed source had been returned to its shielded position.

This is a Severity Level II violation (Supplement VII.).

(Civil Penalty - \$4,000).

B. 10 CFR 34.2 (h) defines a permanent radiographic installation as meaning a shielded installation or structure designed or intended for radiography and in which radiography is regularly performed. 10 CFR 34.29 (b) states that each entrance that is used for personnel access to the high radiation area in a permanent radiographic installation to which this section applies shall have both visible and audible warning signals to warn of the presence of radiation. The visible signal shall be actuated by radiation whenever the source is exposed. The audible signal shall be actuated when an attempt is made to enter the installation while the source is exposed.

Contrary to the above, on February 5, 1981, the licensee's Indianapolis permanent radiographic installation did not have the required visible and audible warning signals to warn of the presence of radiation. Specifically, the licensee's Indianapolis facility had a shielded gamma ray cell designed or intended for radiography and where radiographic operations had been regularly performed for a year or more. The shielding for the cell consisted of outside walls constructed of

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approximately 24 inches of concrete and an extrance door that was approximately 5 feet wide and made of lead. A red light near the entrance to the cell, a high radiation area, was actuated by a manual switch, but not by radiation whenever the source was exposed as required. No audible warning signal existed at the cell.

This is a Severity Level III violation (Supplement VII).

(Civil Penalty \$2,000).

C. 10 CFR 20.101(a) limits the whole body occupational exposure of an individual in a restricted area to 1.25 rems per calendar quarter, except as provided by 10 CFR 20.101(b). Paragraph (b) allows a whole body exposure of 3.0 rems per calendar quarter provided certain specified conditions are met.

Contrary to the above, an individual working in a restricted area on February 5, 1981, received a whole body occupational radiation dose of approximately 7.01 rems.

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

(Civil Penalty - \$2,000).

II. VIOLATION NOT ASSESSED A CIVIL PENALTY

A. 10 CFR 34.24 requires that each radiation survey instrument used to make physical radiation surveys shall be calibrated at intervals not to exceed three months.

Contrary to the above, a survey instrument (Gamma Grabber, Serial No. 222) which was not calibrated between May 16, 1980, and October 1, 1980, was used to make surveys during radiographic exposures on September 2 and 3, 1980. This is a period in excess of three months.

This is a Severity Level V violation (Supplement VII).

Pursuant to the provisions of 10 CFR 2.201, Magnaflux Corporation is hereby required to submit to this office within 30 days of the date of this Notice, a written statement or explanation in reply, including, for each alleged violation: (1) admission or denial of the alleged violation; (2) the reasons for the violation if admicted; (3) the corrective steps which have been taken and the results achieved; (4) the corrective steps which will be taken to avoid further violations; and (5) the date when full compliance will be achieved. Consideration may be given to extending your response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, Magnaflux Corporation may pay the civil penalties in the cumulative amount of Eight Thousand Dollars or may protest the imposition of the civil

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penalties in whole or in part by a written answer. Should Magnaflux Corporation fail to answer within the time specified, this office will issue an Order imposing the civil penalties in the amounts proposed above. Should Magnaflux Corporation elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, such answer may: (1) deny the violations listed in this Notice in whole or in part; (2) demonstrate extenuating circumstances; (3) show error in this Notice; or (4) show other reasons why the penalties should not be imposed. In addition to protesting the civil penalties in whole or in part, such answer may request remission or mitigation of the penalties. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from your statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate by specific reference (e.g., giving page and paragraph numbers) to awoid repetition. Magnaflux Corporation's attention is directed to the other provisions of 10 CFR 2.205 regarding the procedure for imposing civil penalties.

Upon failure to pay any civil penalties due, which have been subsequently determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalties, mless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282.

The responses directed by this Notice are not subject to the clearance of the Office of Management and Budget required by the Paper Work Reduction Act of 1980, PL 96-511.

Al Deffering fors Victor Stello, Jr. Director

Office of Inspection and Enforcement

Dated at Bethesda, Maryland this 17th day of June , 1981