

UNITED STATES GOVERNMENT

Memorandum

TO : Region III Files

DATE: April 30, 1965

FROM : James M. Allan
Radiation Specialist (Sup.)SUBJECT: TELEPHONE CALL FROM DICK CHITWOOD AND KEN LAUTERBACH, DML
SOURCE & SPECIAL NUCLEAR MATERIALS BRANCH

Two subject individuals called on April 28, 1965 and stated that Diamond Alkali Company, Painesville, Ohio had submitted an application for permission to use their own company vehicles to transport shipments of fabricated special nuclear material. Chitwood inquired if we had recently conducted an inspection of Diamond Alkali and whether we had planned to cite the subject company for transporting special nuclear materials in their own vehicles. I advised Chitwood that we had recently inspected Diamond Alkali and that we were planning to cite the licensee for transporting special nuclear materials to Bettis in company owned vehicles without having specific authorization to do so.

Lautebach stated he felt that the licensee had submitted adequate intent of doing this in an application where in they had stated they would use exclusive use of vehicles for making such transfers of special nuclear materials. I got Jack Finn and Dave Foster on the telephone and they went over in detail the matters involved in this citation of Diamond Alkali. Lauterback and Chitwood stated that they would review the matter further and call this office back on April 30, 1965 to let us know the outcome.

On April 30, 1965 Jack Roeder called me and advised that Compliance and the Division of Materials Licensing had gone over Diamond Alkali's license and they agreed that authorization for the use of company owned vehicles for the transportation of special nuclear materials was authorized pursuant to an application submitted by the licensee. I advised Roeder that I did not agree that this carried the right to use company owned vehicles since in my opinion exclusive use of vehicles refers to common carriers and not company owned vehicles, and therefore, there is no indication in the licensee's procedures that he would abide by ICC requirements and further there were no procedures in the application indicating how the material would be secured within the vehicles. Roeder stated the agreement had been made that the application submitted by Diamond Alkali fulfilled the requirements required by Part 71. Roeder stated that Mr. Lauterbach was going to call Diamond Alkali and explain the situation to them indicating they are authorized to use company owned vehicles in such instances and that it had been agreed by Materials Licensing and Compliance that additional authorization was not required. Mr. Roeder stated that a copy of Mr. Lauterbach's telephone memo to file would be furnished this office.

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I advised Roeder that I did not feel that the information contained in the licensee's application was sufficient to fulfill the requirements of 10 CFR 71. Roeder advised that the proposed citation should be deleted from the 592 report to be submitted to the licensee. This information was passed-on by me to Jack Finn and Dave Foster. It was agreed then that based on Headquarters ~~assertion~~ *assertion* that the licensee should not be cited in this instance.

Allan/pts

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LICENSEE TELEPHONE NOTIFICATION OF INSPECTION
(GENERAL)

Licensee: Diamond Laboratories
Licenses No: SADM-922

Date: 3-29-65
Individual Contacted:
(Name & Title)

Barbara Alpiers (Dr. Jackson's secretary)

Type Inspection: Reinspection

Contacted by: Jat

The following information was given to the licensee:

- A. Informed of inspection of above listed licenses to be performed on April 26, 1965.
- B. AEC representative may be accompanied by a representative of the state or local Health Agency.
- C. Inspection of the program will include:
1. Observation of operations
 2. Inspection of facilities and equipment
 3. Review of following records:
 - a. Receipts, transfers, and/or disposals
 - b. Surveys to show an evaluation of use and storage of licensed material
 - c. Personnel monitoring (film badges, pocket dosimeters, etc.)
 - d. Leak tests (if applicable)
 - e. Reports of incidents, loss or theft, or overexposures

Additional Records for 10CFR70 Licenses

- f. Inventory
- g. Form AEC-578, Material Status Report
- h. Form AEC-388, Material Transfer Report

D. Remarks:

process - contains 4 or 5
or 6 (to ensure 2000)