

MAR 08 1989

Docket No. 99990001
EA No. 89-62

General License

James River Corporation
ATTN: John C. Cuthbertson
Director, Environmental Affairs
Tredegar Street
Richmond, Virginia 23219

Gentlemen:

Subject: Special Inspection No. 99990001/89-001

This letter refers to the special safety inspection conducted by Thomas K. Thompson of this office on January 30, 1989 of activities at your facility in South Hadley, Massachusetts, and to the discussions of our findings held by Mr. Thompson with Alfred T. DiLascia and Jeffrey M. Collins of your James River Graphics Group staff at the conclusion of the inspection. The inspection was conducted as the result of the telephone notification made by Mr. Collins to this office on October 11, 1988 relative to the improper disposition of a static eliminator containing 22.5 millicuries of americium-241. This letter also refers to subsequent telephone conversations between Mr. Collins and Mr. Thompson on February 8 and 9, 1989, between you and Mr. Thompson on February 3 and 14, 1989; and between you and Mr. John R. White of this office on March 6, 1989.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, measurements made by the inspector, and observations by the inspector.

As discussed in the telephone conversation between you and Mr. White, an Enforcement Conference will be held in our office in King of Prussia, Pennsylvania at 10:30 a.m. on March 20, 1989. We understand that you will attend this meeting with Mr. Benjamin Thorp, Senior Vice President, James River Corporation Technology, and Mr. Alfred DiLascia, Vice President and Executive General Manager, James River Graphics Group.

We are concerned with the recurrent nature of the type of violation identified at the South Hadley facility. Previously, James River Corporation's Easton, Pennsylvania facility was cited for improper disposal of radioactive material on October 15, 1984; and your Parchment, Michigan facility was cited for the same type of violation on May 27, 1986. Both occurrences resulted in escalated enforcement actions, including civil penalties. This latest instance indicates that the James River Corporation has been unable or unwilling to establish, implement and maintain management oversight and control of radioactive materials sufficient to prevent recurrence. At the Enforcement Conference you should be prepared to discuss the corporate policy and management plan designed to effectively address the proper handling and control of licensed radioactive materials at all James River Corporation facilities. Enforcement action pertaining to this latest event will be considered by the NRC following the conference.

OFFICIAL RECORD COPY

IR RIVER - 0003.0.0
03/08/89

8903220286 890308
REG1 QA999 EMUJRC
99990001 PDC

11

The NRC Enforcement Policy is described in Appendix C of 10 CFR Part 2, a copy of which is enclosed for your information. Directions to the NRC Region I office are also enclosed.

In accordance with 10 CFR 2.790(a), a copy of this letter and Enclosure 1 will be placed in the NRC Public Document Room.

No reply to this letter is required. Your cooperation with us in this matter is appreciated.

Sincerely,

Original Signed by:

Malcolm R. Knapp, Director
Division of Radiation Safety
and Safeguards

Enclosures:

1. Region I Inspection Report No. 99990001/89-001
2. Appendix C of 10 CFR Part 2
3. Directions to NRC Region I

cc w/encl:

Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
Commonwealth of Massachusetts

bcc:

Region I Docket Room (w/concurrences)
Management Assistant, DRMA

RI:DRSS
Thompson/bc/mlb
03/7/89

RI:DRSS
White
03/7/89

RI:DRSS
Joyner
03/7/89

RI:DRSS
Knapp
03/8/89

OFFICIAL RECORD COPY

IR RIVER - 0003.1.0
02/15/89