NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES

The Mead Corporation Dayton, Ohio

General License (10 CFR 31.5) EA 87-215

During an NRC inspection conducted during the period August 18 through October 26, 1987, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1987), the Nuclear Regulatory Commission proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalties are set forth below:

1. Violations Assessed Civil Penalties

10 CFR 31.5(c)(8) requires that, except as provided in 10 CFR 31.5(c)(9), a general licensee shall dispose of a device containing byproduct material only by transfer to persons holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device.

A. Contrary to the above, between 1979 and 1987, at the Mead Corporation's Kalamazoo, Michigan facility, four generally licensed static eliminator bars containing americium-241 were disposed of but not transferred to a person holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device or as excepted by 10 CFR 31.5(c)(9).

This is a Severity Level III violation (Supplement VI). Civil Penalty - \$500

B. Contrary to the above, between 1979 and 1987, at Mead Corporation's Alexandria, Pennsylvania facility, three generally licensed static eliminator bars containing americium-241 were disposed of but not transferred to a person holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device or as excepted by 10 CFR 31.5(c)(9).

This is a Severity Level III violation (Supplement VI). Civil Penalty - \$500

C. Contrary to the above, between 1982 and 1987, at the Mead Corporation's Lynchburg, Virginia facility, five generally licensed static eliminator bars containing polonium-210 were disposed of but not transferred to a person holding a specific license pursuant to 10 CFR Parts 30 and 32 or from an Agreement State to receive the device or as excepted by 10 CFR 31.5(c)(9).

This is a Severity Level III violation (Supplement VI). Civil Penalty - \$500

2. Violations Not Assessed Civil Penalties

10 CFR 31.5(c)(2) requires that the general licensee test the device for leakage of radioactive material at no longer than six-month intervals or as described on the label.

A. Contrary to the above, between 1979 and 1987, the licensee failed to leak test static eliminator bars containing americium-241 at its Kalamazoo, Michigan facility every six months.

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

B. Contrary to the above, between 1979 and 1987, the licensee failed to leak test static eliminator bars containing americium-241 at its Alexandria, Pennsylvania facility every six months.

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

C. Contrary to the above, subsequent to 1982, the licensee failed to leak test static eliminator bars containing polonium-210 at its Lynchburg, Virginia facility every 13 months as described on the label.

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

Pursuant to the provisions of 10 CFR 2.201, the Mead Corporation (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of this Notice. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation; (2) the reasons for the violation if admitted; (3) the corrective steps that have been taken and the results achieved; (4) the corrective steps that will be taken to avoid further violations; and (5) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order may be issued to show cause why the license should not be modified, suspended, or revoked or why such other action, as may be proper, should not be taken. Consideration may be given to extending the 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, the Licensee may pay the civil penalty by letter to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, or money order payable to the Treasurer of the United States in the amount of the civil penalty proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, or may protest imposition of the civil penalty in whole or in part by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an order imposing the

civil penalty will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalty, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violation(s) 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 penalty should not be imposed. In addition to protesting the civil penalty, such answer may request remission or mitigation of the penalty.

In requesting mitigation of the proposed penalty, the five factors addressed in Section V.B of 10 CFR Part 2, Appendix C (1987), should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing a civil penalty.

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

The responses to the Director, Office of Enforcement, noted above (Reply to a Notice of Violation, letter with payment of civil penalty, and Answer to a Notice of Violation) should be addressed to: Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region III.

FOR THE NUCLEAR REGULATORY COMMISSION

for A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois this /8 day of December 1987