



# NRC NEWS

**U.S. NUCLEAR REGULATORY COMMISSION**

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## **NRC PROPOSES \$9,600 FINE AGAINST LOUISIANA COMPANY FOR VIOLATION OF REQUIREMENTS FOR SHIPPING RADIOACTIVE MATERIAL**

The Nuclear Regulatory Commission staff has proposed a \$9,600 fine against Source Production and Equipment Co., Inc. (SPEC) in St. Rose, Louisiana, for failing to comply with NRC safety requirements regarding the use of a specific shipping package for transporting radioactive material.

An NRC investigation conducted between May 2, 2005, and March 2, 2006, determined that two violations had occurred between July 2003 and May 2004. The first violation occurred when a transportation package was delivered that did not comply with the terms and conditions of the NRC Certificate of Compliance (CoC) for the package. Specifically, the end caps of the package had been modified. The second violation occurred when SPEC did not inspect the transportation package prior to shipment, as required by NRC regulations and the CoC. In addition, SPEC did not provide training to two individuals who performed pre-shipping inspections of the transportation package; however, this last violation is not subject to a fine.

While the NRC is not aware of actual safety consequences associated with the shipments, the potential safety consequences were significant, considering that radioactive materials were shipped in an unapproved package design. This altered package had not been shown to meet standards for both normal and hypothetical accident conditions.

In a pre-decisional enforcement conference with the NRC on June 5, 2008, SPEC described corrective actions and procedural controls put in place to ensure compliance with package CoCs. These actions include putting in place specific requirements for work instructions and checklists for preparing and shipping all transportation packages. Additionally, all new employees are required to go through quality assurance training and a new component on CoC compliance and verification has been added to quality assurance refresher training. As a result, credit was given for SPEC's corrective actions.

The NRC notified SPEC of the violation and proposed fine in a July 14, 2008, letter. The company has 30 days in which to either pay the fine or to protest it.

A copy of the July 14 letter will be available through the NRC's Agencywide Documents Access and Management System (ADAMS) on the NRC's Web site at [www.nrc.gov/reading-rm/adams.html](http://www.nrc.gov/reading-rm/adams.html). Help in using ADAMS is available from the NRC Public Document Room at 301-415-4737 or 1-800-397-4209.

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