



NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs, Region I
475 Allendale Road, King of Prussia, Pa. 19406

E-mail: opa1@nrc.gov

Site: www.nrc.gov

Blog: <http://public-blog.nrc-gateway.gov>

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Contact: Diane Screnci, (610) 337-5330
Neil Sheehan, (610) 337-5331

Email: OPA1.RESOURCE@nrc.gov

NRC PROPOSES FINE FOR PUERTO RICO FIRM OVER IMPROPER POSSESSION OF NUCLEAR GAUGE

The Nuclear Regulatory Commission is proposing a \$14,000 civil penalty for a San Juan, Puerto Rico, firm for failing to properly transfer a nuclear gauge to an authorized possessor once its license to use the device was no longer valid. In addition, the NRC is considering fines of \$100 daily for the firm, S&R Engineering, S.E., if the gauge is not transferred within 30 days.

S&R was issued an NRC license on June 21, 2004, allowing it to possess, use and store radioactive material contained in portable moisture density gauges. The gauges are used for such purposes as measuring the amount of moisture in soil at construction sites. S&R possesses a single gauge.

In response to the company's failure to pay its licensing fee for fiscal year 2009, the NRC issued an order to S&R on Oct. 29, 2009. According to the order, if a payment was not received within 30 days, the firm's license would be revoked and the gauge would have to be transferred to an authorized recipient within 60 days. Also, the agency would have to be notified in writing regarding its disposition.

However, S&R has not yet paid the required fees or transferred the gauge. Several NRC inspections and investigations, including an inspection conducted on Oct. 3, 2011, verified that the company still possessed the device.

Four violations of NRC requirements by S&R have been identified by the agency. The violations are: a failure to comply with the Oct. 29, 2009, order revoking the license; a failure to provide complete and accurate information regarding continued possession of the gauge on Aug. 3, 2010; a continued failure, since Aug. 3, 2010, to respond to NRC communications, thereby preventing the agency from fully inspecting S&R's activities and the status of the gauge; and a failure to use two independent physical controls to secure the gauge from unauthorized removal, as identified by an NRC inspector on Oct. 3, 2010.

"The NRC's primary interest in this matter is to ensure that the gauge is immediately and appropriately transferred to an authorized recipient since S&R is no longer authorized to possess

this licensed material,” NRC Region I Administrator William Dean wrote to S&R regarding the enforcement action.

The NRC will grant S&R a grace period of 30 days to transfer the gauge and comply with other requirements. Should the company fail to do so within 30 days, the NRC intends to consider additional civil penalties of \$100 per day. If assessed, the daily civil penalty will continue until the gauge is properly transferred.

S&R is required to respond in writing to the NRC enforcement action within 30 days.

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