

October 27, 2005  
EN-05-046

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee:     Ledoux & Company     (EA-05-135)  
                 Teaneck, New Jersey  
                 Docket No. 07000314

Subject:     PROPOSED IMPOSITION OF CIVIL PENALTY - \$3,250

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$3,250 will be issued on or about November 1, 2005, to Ledoux & Company. This action is based on a Severity Level III problem involving the loss of an analytical sample containing 3.3 grams of uranium-235. Specifically, the licensee received a shipment of seven analytical samples on April 1, 2005. The licensee staff removed six of the samples and, after a cursory survey, failed to recover the seventh sample from the packaging. Subsequently, the licensee failed to perform an adequate survey of the packaging material when they released it for disposal, which resulted in the failure to maintain constant security and control of the radioactive material. Further, the material was improperly transferred to an unauthorized recipient when it was disposed of in a landfill which has been determined to be located in either Pennsylvania or New York. Both States were notified of the issue when it was identified. Because this was the first escalated enforcement action within 2 years and 2 inspections, the staff considered whether credit was warranted for corrective action. Credit was warranted for corrective action because the licensee implemented prompt and comprehensive corrective actions to prevent future occurrences. Although application of the normal civil penalty assessment process would not have resulted in a civil penalty in this case, to emphasize the importance of maintaining security and control of special nuclear material, NRC is exercise discretion in accordance with Section VII.A.1 of the Enforcement Policy and issuing a Notice of Violation and Proposed Imposition of Civil Penalty in the base amount of \$3,250 for this Severity Level III problem.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice	November 1, 2005
Telephone Notification of Licensee	November 1, 2005

The States of New Jersey, Pennsylvania and New York will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: Audrey Hayes, OE, 415-3121    Christopher Nolan, OE, 415-3360

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**PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL  
VERIFICATION THAT LICENSEE HAS RECEIVED ACTION**