

NOTICE OF VIOLATION

Grace Pacific Corporation
P.O. Box 78
Honolulu, Hawaii 96810

Docket No. 030-20138
License No. 53-21273-01

During an NRC inspection conducted on November 3-4, 12, 23-24, and December 9, 1992, 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, the violations are listed below:

- A. 10 CFR 71.5(a) requires that a licensee who transports licensed material outside of the confines of its plant or other place of use, or who delivers licensed material to a carrier for transport, comply with the applicable requirements of the regulations appropriate to the mode of transport of the Department of Transportation (DOT) in 49 CFR Parts 170 through 189.

49 CFR 177.817(a) requires that a carrier not transport a hazardous material unless it is accompanied by a shipping paper prepared in accordance with 49 CFR 172.200-203. Pursuant to 49 CFR 172.101, radioactive material is classified as a hazardous material.

Contrary to the above, between April 14, 1989 and November 3, 1992, the licensee routinely transported nuclear density gauges containing radioactive material (americium-241 and cesium-137) outside the confines of its plant without a shipping paper.

This is a Severity Level IV violation (Supplement V). This is a repeat or a violation cited on April 13, 1989.

- B. License Condition 13.A. of License No. 53-21273-01 requires in part, that sealed sources contained in Campbell Pacific Nuclear Models MC and AC-2 gauges be tested for leakage and/or contamination at intervals not to exceed 6 months.

Contrary to the above, as of November 24, 1992, leak tests of the americium-241 and cesium-137 sealed sources contained in a Model AC-2 gauge and three Model MC gauges, were not conducted since May 1991.

This is a Severity Level IV violation (Supplement VI). This is a repeat of a violation cited on April 13, 1989.

- C. License Condition 16 requires in part that the licensee possess and use licensed material in accordance with the statements, representations, and procedures contained in the application dated February 3, 1983.

Item 12 of the application dated February 3, 1983 requires the licensee to exchange film badges on a monthly frequency.

Contrary to the above, as of November 24, 1992, the licensee had not exchanged film badges following their use for personnel monitoring each month since January 1992, in that film badges were not returned to the

supplier for processing to determine the exposures received.

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


Pursuant to the provisions of 10 CFR 2.201, Grace Pacific Corporation, is hereby required to submit a written statement or explanation to the Regional Administrator, Region V, with a copy to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, the Commission may issue an order or a demand for information as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.


Dated at Walnut Creek, California
this 22nd day of December 1992


bcc w/enclosure:
 Docket File
 Inspection File
 G. Cook
 R. Huey
 B. Faulkenberry
 J. Martin
 State of Hawaii

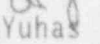
bcc w/o enclosure:
 M. Smith
 J. Zollicoffer

Region V/ann

DSkov 
 12/18/92

TPruett 
 12/18/92

RHuey 
 12/21/92

GYuhas 
 12/22/92

REQUEST COPY	REQUEST COPY	REQUEST COPY	REQUEST COPY	SEND TO PDR
YES / NO	YES / NO	YES / NO	YES / NO	YES / NO