



United States
Enrichment Corporation

Paducah Site Office
P.O. Box 1410
Paducah, KY 42001

Tel: 502 441-5803
Fax: 502 441-5801

March 31, 1997

Dr. Carl J. Paperiello, Director
Office of Nuclear Materials Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Dr. Paperiello:

Paducah Gaseous Diffusion Plant (PGDP) Docket No. 70-7001, 10 CFR 20.2203 Report

In accordance with 10 CFR 20.2203(a)(3), this is notification that in February 1997, the possession limit for Americium 241 (Am-241) was exceeded. This was self-identified and reported through our internal problem report system.

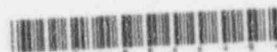
USEC-01, Table 1-3, "Possession Limits for NRC-Regulated Materials And Substances," states that for isotopes of atomic number 93 and 95-100 the possession limits shall be "100 microcuries in addition to that quantity remaining as a consequence of the historical feed of recycled uranium."

In February 1997, the PGDP Laboratory completed an inventory of unsealed sources. On February 27, 1997, the Laboratory informed Health Physics that the Am-241 exceeded the plant limit of 100 microcuries. Health Physics determined that the Laboratory had 105 microcurie liquid source of Am-241 which resulted in a total plant inventory of 152 microcuries of Am-241. Health Physics determined that the dose was <0.2mRem/hr from this material and that no health hazard existed from external radiation. The material was under radiological materials control when discovered and remained until disposed of.

The Am-241 source had been purchased in January 1991; therefore, possession of this material predates issuance of Table 1-3, "Possession Limits For NRC-Regulated Materials And Substances." No procedure, or policy, existed prior to the February 1997 inventory to ensure a compliance with the possession limit. Procedure CP2-HP-RP1040, "Compliance With Certificate Possession Limits," was made effective on February 28, 1997. This procedure mandates a periodic physical inventory to demonstrate compliance with possession limits and establishes controls over the procurement of radioactive materials to ensure that radioactive materials in excess of the limit are not procured.

When the exceedence was identified, immediate actions were taken to achieve compliance. These actions included requesting assistance from the Department of Energy (DOE) in disposing

9704090204 970331
PDR ADDCK 07007001
C PDR



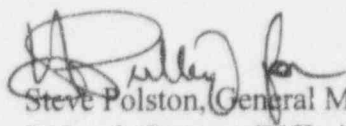
AF04
1/0

Dr. Carl J. Paperiello
Page 2
March 31, 1997

of the excess Am-241 since the Am-241 was purchased in support of DOE activities. DOE determined that the University of Cincinnati had a need for the material. The University possesses NRC License Number 34-069-03-05 with an expiration date of June 6, 2002. The excess material was shipped to the University of Cincinnati on March 19, 1997, reducing the total plant inventory of Am-241 below the approved possession limit. An accountability system to ensure the possession limits of Table 1-3, USEC-01 are not exceeded has been implemented and should preclude recurrence of this type event.

If you have any questions regarding this notification, please call Bill Sykes, Manager Nuclear Regulatory Affairs at (502) 441-6796.

Sincerely,


Steve Polston, General Manager
Paducah Gaseous Diffusion Plant

cc: A. William Beach, NRC Region III Administrator
Gary Shear, NRC Region III
NRC Resident Inspector, PGDP
NRC Document Control Desk