



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

May 3, 1985

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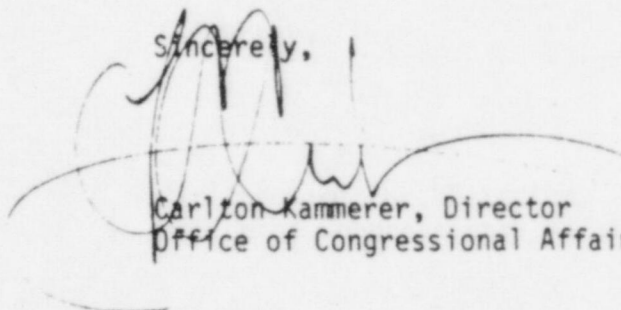
The Honorable Edward Markey, Chairman  
Subcommittee on Energy Conservation and Power  
Committee on Energy and Commerce  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

Enclosed for your information is an announcement that the Nuclear Regulatory Commission's staff has proposed to fine Nuclear Fuel Services, Inc., \$18,750 for alleged noncompliance with NRC requirements at the company's nuclear fuel fabrications facility at Erwin, Tennessee.

It is planned to mail this information to the news media today, May 3, 1985.

Sincerely,



Carlton Kammerer, Director  
Office of Congressional Affairs

Enclosure:  
As stated

cc: Rep. Carlos Moorhead

IDENTICAL LETTER SENT TO:  
Sen. Simpson/cc: Sen. Hart  
Rep. Udall/cc: Rep. Lujan  
Sen. Gore  
Sen. Sasser  
Rep. Quillen

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# UNITED STATES NUCLEAR REGULATORY COMMISSION

Office of Public Affairs  
Washington, D.C. 20555

No. 85-63  
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FOR IMMEDIATE RELEASE  
(Wednesday, May 2, 1985)

## NRC STAFF PROPOSES TO FINE NFS \$18,750; WILL MITIGATE EARLIER PROPOSED FINE

The Nuclear Regulatory Commission staff has proposed to fine Nuclear Fuel Services, Inc., \$18,750 for alleged noncompliance with NRC requirements at the company's nuclear fuel fabrication facility at Erwin, Tennessee.

The NRC informed the company that its inspectors conducted special safety inspections of activities authorized at the Erwin facility on October 15-20, November 5-9, December 5-19, 1984, and January 7 through 17, 1985. As a result of these inspections, the NRC staff cited NFS for alleged noncompliance associated with releases of radioactive material to the employee working environment; the preparation of, and adherence to, radiation work permits related to nonroutine work activities; and failures to perform adequate evaluations of employee exposures and to conduct surveys for airborne radioactivity.

In a letter to NFS, Dr. J. Nelson Grace, administrator of the NRC's Region II office in Atlanta, said the NRC staff is concerned that the violations may have resulted in the exposure of an employee to concentrations of airborne radioactive material in excess of federal limits and that the number of examples of these violations and the time period over which they were observed indicate programmatic weaknesses in the plant's health and safety program.

The company has 30 days in which to either pay the penalty or to protest its imposition, in whole or in part.

In a separate action, James M. Taylor, director of the NRC's Office of Inspection & Enforcement in Washington, D.C., informed the company that an earlier proposed fine of \$100,000 announced in July of 1984 for alleged noncompliance with safeguards requirements related to control of access to certain areas, had been reduced to \$50,000 after NRC officials visited the plant and viewed firsthand the extensive corrective action taken to correct the problem and preclude its recurrence.

Taylor said the NRC had agreed to a \$20,000 reduction in the proposed fine earlier this year and further reduced the fine by a total of \$50,000 following the company's demonstration of its corrective actions.