

January 29, 2013

Mr. Jerry Wiza, Radiation Safety Officer
RAM Services, Inc.
510 County Highway V
Two Rivers, WI 54241

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 15000048/2012002(DNMS) AND
NOTICE OF VIOLATION – RAM SERVICES, INC.

Dear Mr. Wiza:

On November 1, 2012, you contacted the U.S. Nuclear Regulatory Commission (NRC) to discuss your installation of a generally-licensed fixed gauge containing strontium-90 at the Spartech Plastics facility in Muncie, Indiana, on October 31, 2012. The State of Wisconsin had prompted you to contact the NRC on this matter. The NRC completed its in-office review of this case on January 16, 2013. The review included documents concerning the transfer of the gauge from a Spartech Plastics facility in Wisconsin to the Muncie, Indiana, facility and concerning Honeywell's evaluation of the installation at the Indiana site. A final exit meeting was held between you and Mr. Geoffrey Warren of my staff by telephone on January 17, 2013.

Based on the results of the review, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation concerned the transfer of a generally-licensed fixed gauge without first verifying that the recipient was authorized to receive the gauge, as required by Title 10 of the Code of Federal Regulations (CFR) 30.41(c). Spartech Plastics in Muncie, Indiana, possessed neither a specific license nor a general license to possess the gauge because it was not transferred to the licensee by an authorized distributor as required by 10 CFR 31.5(b)(2). Note that, as stated in 10 CFR 31.5(c)(13)(i), each address for a location of use represents a separate general licensee and requires a separate registration and fee. As such, the general license from the facility in Wisconsin was not transferrable to the facility in Muncie, Indiana. The violation is cited in the enclosed Notice of Violation (Notice). The NRC is citing the violation because the NRC identified the violation as a result of your initial discussions with James Lynch, State Agreements Officer, Region III.

The cause of the violation was your lack of knowledge regarding 10 CFR 30.41(c) and your belief that you were authorized to transfer the generally-licensed gauge from the facility in Wisconsin to the facility in Muncie, Indiana. However, this transfer was equivalent to redistributing the gauge, which requires a license that authorizes initial distribution of generally-licensed gauges. Because the device was not transferred by a company licensed under 10 CFR 32.51 or the equivalent from an Agreement State to initially distribute the gauge, no authorized distributor was able to: (1) evaluate the gauge to ensure it remained in good condition, or (2) provide required notifications to NRC concerning the change in location of the gauge as required by 10 CFR 32.52. As corrective action, you committed to ensuring that

paperwork has been issued by the manufacturer authorizing the transfer before transferring generally-licensed materials in the future.

To bring the recipient into compliance with NRC requirements, a representative of the manufacturer visited the site in Muncie, Indiana, to evaluate the gauge and its installation. On December 13, 2012, the manufacturer stated that the device was installed properly and was in good condition, and that the required notification to the NRC would be completed within a week. As such, Spartech Plastics in Muncie, Indiana, is now in compliance with NRC requirements concerning authorization to possess the gauge.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance will be achieved is already adequately addressed on the docket in this letter. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

/RA/

Tamara E. Bloomer, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 150-00048
General license under 10 CFR 150.20
State of Wisconsin License No. 071-1234-01

Enclosure:
Notice of Violation

cc (w/encl): State of Wisconsin
State of Indiana

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Sincerely,

/RA/

Tamara E. Bloomer, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 150-00048
General license under 10 CFR 150.20
State of Wisconsin License No. 071-1234-01

Enclosure:
Notice of Violation

cc (w/encl): State of Wisconsin
State of Indiana

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DATE	01/29/13		01/29/13					

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

RAM Services, Inc.
Two Rivers, Wisconsin

Docket No. 150-00048
License No. 071-1234-01

During a U.S. Nuclear Regulatory Commission (NRC) review of a RAM Services notification on November 1, 2012, of transferring a generally-licensed gauge, with in-office review through January 16, 2013, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the Code of Federal Regulations (CFR) 30.41(c) requires that before transferring by-product material to a specific licensee of the NRC or an Agreement State or to a general licensee who is required to register with the NRC or with an Agreement State prior to receipt of the by-product material, the licensee transferring the material shall verify that the transferee's license authorizes the receipt of the type, form, and quantity of by-product material to be transferred.

Title 10 CFR 31.5(a) states that a general license is hereby issued to commercial and industrial firms and research, educational and medical institutions, individuals in the conduct of their business, and Federal, State or local government agencies to acquire, receive, possess, use or transfer, in accordance with the provisions of paragraphs (b), (c) and (d) of this section, by-product material contained in devices designed and manufactured for the purpose of detecting, measuring, gauging or controlling thickness, density, level, interface location, radiation, leakage, or qualitative or quantitative chemical composition, or for producing light or an ionized atmosphere.

Title 10 CFR 31.5(b)(2) states, in part, with exceptions not relevant here, that the general license in 10 CFR 31.5(a) applies only to devices that were received from a specific licensee with a license issued under 10 CFR 32.51, an equivalent specific license issued by an Agreement State, or an equivalent specific license issued by a State with provisions comparable to 10 CFR 32.51.

Contrary to the above, on October 31, 2012, the licensee failed to verify that Spartech Plastics of Muncie, Indiana, (transferee) was authorized to receive a generally-licensed gauge prior to transferring the generally licensed gauge. Specifically, the transferee did not possess a specific license authorizing possession of the gauge, and the transferee was not authorized to possess the gauge under a general license under 10 CFR 31.5 because the gauge was not received from a specific licensee as required by 10 CFR 31.5(b)(2).

This is a Severity Level IV violation (Section 6.3).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in the letter transmitting this Notice of Violation (Notice). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not

Enclosure

accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, IR 15000048/2012002(DNMS)," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 29th day of January 2013.