

August 23, 2000

Roger Eggen, Manager
Analytical Instruments, Ltd.
9921 13th Avenue North
Plymouth, MN 55441-5004

SUBJECT: NRC INSPECTION

Dear Mr. Eggen:

This refers to the special inspection conducted on June 20, 2000 with continuing in-office review through July 24, 2000, at Analytical Instruments, Ltd. The inspection included a review of your activities involving the receipt and transfer of two generally licensed devices. At the conclusion of the inspection, the findings were discussed with you on July 24, 2000.

The inspection was to determine whether activities by Analytical Instruments, Ltd., were conducted safely and in accordance with NRC requirements. The inspection was an examination of your activities as they relate to radiation safety and to compliance with the Commission's rules and regulations.

The inspector determined that you received two generally licensed devices on April 10, 2000. The devices consisted of a liquid scintillation counter (LSC), containing a 1.5 megabecquerel (40 microcurie) cesium-137 sealed source, and a gas chromatograph (GC), containing a 560 megabecquerel (15 millicurie) nickel-63 foil source. You had transferred the LSC to a research laboratory on or about May 23, 2000, and still possessed the GC as of our June 20, 2000 inspection.

Our inspection also determined that you did not have an NRC license for possession of licensed material nor for re-distribution of generally licensed devices. You stated that Analytical Instruments, Ltd., acquired these two generally licensed devices from a North Dakota licensee (an Agreement State licensee). Your receipt and possession of these generally licensed devices constituted a violation of 10 CFR 30.3 which requires that no person shall transfer, receive, acquire, or possess byproduct material except as authorized in a specific or general license. In addition the transfer of the LSC was in violation of 10 CFR 32.51 which requires that persons be specifically licensed by the Commission to distribute generally licensed devices. You should note that this transfer could also place your customer in noncompliance with 10 CFR 31.5 since your customer did not obtain the LSC from a firm authorized to distribute generally licensed devices.

At the time of the on-site inspection the inspector found the GC securely stored; the source intact and free of removable contamination; and all labels intact. Analytical Instruments, Ltd., had no prospective buyer for the GC and agreed to transfer the device to the manufacturer or another licensed firm. On July 21, 2000, you transferred the GC unit to a specific NRC licensee for safe storage. You stated that these transactions were the first involving radioactive

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materials contained in devices. In addition, you acknowledged that Analytical Instruments, Ltd., should have been licensed for these activities and that you were in the process of filing a license application for re-distribution of generally licensed devices.

Given the minimal safety significance of the issues, the fact that you had no specialized knowledge about the NRC and its requirements, and that you no longer possess licensed material, NRC will exercise enforcement discretion. A Notice of Violation will not be issued for the violations identified during this inspection. We caution you that any similar violation in the future will carry increased significance and may result in additional enforcement action, including imposition of monetary penalties.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

/RA/

Cynthia D. Pederson, Director
Division of Nuclear Materials Safety

Non-Licensee

Enclosures: 10 CFR 30
10 CFR 31

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