



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555 - 0001

July 14, 2004

EA-03-177

Christopher Roudebush
President and Radiation Safety Officer
KTL Roudebush Testing
P.O. Box 15512
Kansas City, MO 64106

SUBJECT: GRANTING EXTENSION OF TIME TO REQUEST HEARING ON
MARCH 11, 2004, ORDER SUSPENDING LICENSE (EFFECTIVE
IMMEDIATELY) AND DEMAND FOR INFORMATION

Dear Mr. Roudebush:

This refers to your correspondence dated June 14, and June 18, 2004, with regard to the Order Suspending License (Effective Immediately) and the Demand for Information (Order) issued by the Nuclear Regulatory Commission (NRC) to KTL Roudebush Testing (licensee) on March 11, 2004. The NRC issued this Order based on the findings of an NRC inspection (Inspection Report No. 03033765/ 2003001) and an investigation by the NRC's Office of Investigations (OI) (OI Report No. 3-2003-009). Based on the results of the inspection and investigation, the NRC had serious concerns regarding the willingness of the licensee to comply with NRC requirements which ensure the protection of public health and safety. As a result, the Order was issued to KTL Roudebush Testing, suspending all activities under the license, including those that may be authorized by 10 CFR 150.20, and required the licensee to place all NRC-licensed material in secure storage. The Order also required KTL Roudebush Testing to refrain from ordering, purchasing, receiving, or transferring material authorized by the license and required the licensee to maintain all records related to licensed activities and materials in original form and not remove, destroy or alter any of those records. Additionally, the Demand for Information (DFI) required the licensee to provide the NRC with information as to why the licensee believes the NRC should not revoke the license.

The immediate safety significance of the matter precluded a meeting between the licensee and the NRC Staff in advance of issuing the Order. On March 17, 2004, the attorney representing the licensee requested, by letter, an extension of time to respond to the Order. An extension of 60 days to provide a written response to the Order was granted by the NRC in a letter dated April 2, 2004. The letter also noted that the licensee's right to request a hearing on the Immediate Effectiveness of the Order had expired. On June 3, 2004, the licensee provided a written response to the Order and requested a hearing on the Order. However, on June 14 and June 18, 2004, the licensee sent additional correspondence. In your correspondence you have: (1) withdrawn your request for a hearing; (2) asked to have a meeting with the NRC staff to discuss the circumstances associated with the order issued suspending licensed activities; and

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(3) asked for an extension of time to request a hearing until after you have met with the NRC staff.

This letter is to acknowledge your withdrawal of your hearing request at this time. In addition, NRC is granting you a meeting with the staff. This meeting will be closed to members of the public as it will discuss investigation findings, but the meeting will be transcribed. As per your July 12, 2004 conversation with Bruce Berson, Regional Counsel, Region III, the meeting has been scheduled for Wednesday, July 21, 2004, at 1:00 p.m. CDT in Region III . The NRC Region III is located at 2443 Warrenville Road, Suite 210, Lisle, Illinois 60532.

Your request for additional time to request a hearing is granted. You must request a hearing no later than twenty (20) days from the date which you receive follow-up correspondence from the NRC after the meeting takes place.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures and your June 3, 2004, letter, and faxes dated June 14, 2004 and June 18, 2004 will be made available electronically for public inspection (subject to redaction of personal privacy information) in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible your presentation or other response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Should you have any questions, please contact Mr. Bruce Berson, Regional Counsel (RIII) at (630)- 829-9653.

Sincerely,

/RA/

Frank Congel, Director
Office of Enforcement

Docket No. 030-33765
License No. 24-26628-01

cc: James L. Caldwell, Regional Administrator, RIII

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