



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005**

December 23, 2004

Mr. Patrick Redmond, President
Piedmont Engineering, Inc.
1215 Apple's Way
Belgrade, Montana 59714

**SUBJECT: RESPONSE TO NRC INSPECTION REPORT 030-34456/04-001 AND
NOTICE OF VIOLATION**

Dear Mr. Redmond:

Thank you for your letter of November 23, 2004, in response to the violations identified in our letter and Notice of Violation (Notice) dated November 2, 2004. We have reviewed your reply and find it generally responsive to the concerns raised in our Notice. However, please be reminded that with regard to Violation D, occupancy times as well as radiation levels are required to evaluate public dose to demonstrate compliance with the requirements of 10 CFR 20.1301. In addition, with regard to Violation E, we noted that you plan to attend a nuclear gauge training course and a Radiation Safety Officer training course. Please ensure that Hazmat training is part of each course curriculum as failure to provide recurrent Hazmat training was the basis for the violation.

We have no further questions regarding your response to the Notice. We will review the implementation of your corrective actions during a future inspection to determine that full compliance has been achieved and will be maintained.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and any response will be made available electronically for public inspection 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 response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Please note that on October 25, 2004, the NRC suspended public access to ADAMS, and initiated an additional security review of publicly available documents to ensure that potentially sensitive information is removed from the ADAMS database accessible through the NRC's web site. Interested members of the public may obtain copies of the referenced documents for review and/or copying by contacting the Public Document Room pending resumption of public access to ADAMS. The NRC Public Document Room is located at NRC Headquarters in Rockville, MD, and can be contacted at 800-397-4209 or 301-415-4737 or pdr@nrc.gov.

Piedmont Engineering, Inc.

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Should you have any questions concerning this letter, contact Lawrence Donovan at 817-276-6549.

Sincerely,

/RA/

Mark R. Shaffer, Chief
Nuclear Materials Inspection Branch

Docket No.: 030-34456
License No: 25-27563-01

cc w/copy of licensee's letter dated 11/23/04:
Montana Radiation Control Program Director

