

FEB-17-2005 15:08

P.02/02

U.S. NUCLEAR REGULATORY COMMISSION

NRC FORM 591M PART 1
(10-2003)
10 CFR 2.231

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:
CFC Logistics, Inc.
4000 AM Drive
Quakertown, Pennsylvania 18951

2. NRC/REGIONAL OFFICE
U.S. Nuclear Regulatory Commission
Region I, 475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

REPORT 2005-001

3. DOCKET NUMBER(S)
030-36239

4. LICENSE NUMBER(S)
37-30804-02

5. DATE(S) OF INSPECTION
February 15, 2005

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

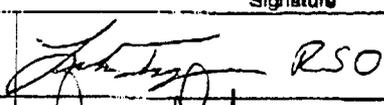
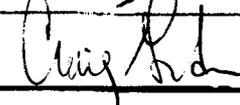
Condition 20 of License No. 37-30804-02 requires, in part, that the licensee shall conduct its program in accordance with statements, representations, and procedures contained in the application dated February 19, 2003._

Item 10 of the application dated February 19, 2003 states, that leak testing (continuous testing) of installed sources should be performed by changing filters at six month intervals or less, and testing filters for Cobalt-60 contamination.

Contrary to the above, the commitment to leak test sources at the six-month interval was not met since the HEPA filter changed in October 2004 was not properly analyzed.

Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE	Luke Trauger, RSO	 RSO	2/17/05
NRC INSPECTOR	Craig Gordon/James Schmidt		2/18/05

NRC-002