



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

November 18, 2005

Docket No. 03035285

License No. 37-30547-01

William D. Kee, P.E.
Chairman
Cowan Associates, Inc.
120 Penn-Am Drive
P.O. Box 949
Quakertown, PA 18951

SUBJECT: INSPECTION 03035285/2005001, COWAN ASSOCIATES, INC.,
QUAKERTOWN, PENNSYLVANIA SITE AND NOTICE OF VIOLATION

Dear Mr. Kee:

On October 13 & 20, 2005, Judith A. Joustra and Michael Reichard of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selected examination of representative records. The findings of the inspection were discussed with Charles Tomko of your organization at the conclusion of the inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed that categorizes each violation by severity level. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, industrial, and academic uses of nuclear material**; then **toolkit index page**. The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select **What We Do, Enforcement**, then **Enforcement Policy**. Or you may obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays).

W. Kee
Cowan Associates, Inc.

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Your cooperation with us is appreciated.

Sincerely,

Original signed by John D. Kinneman

John D. Kinneman, Chief
Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure: Notice of Violation

cc:
Charles R. Tomko, P.E., Radiation Safety Officer
Commonwealth of Pennsylvania

W. Kee
Cowan Associates, Inc.

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OFFICE	DNMS/RI	N	DNMS/RI	N	DNMS/RI	N		
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DATE	11/08/2005		11/08/2005		11/18/2005			

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NOTICE OF VIOLATION

Cowan Associates, Inc.
Quakertown, PA

Docket No. 03035285
License No. 37-30547-01

During an NRC inspection conducted on October 13, 2005 and October 20, 2005, five violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.34 requires, in part, that a portable gauge licensee uses a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauges are not under the control and constant surveillance of the licensee.

Contrary to the above, the portable gauge licensee did not use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauges are not under the control and constant surveillance of the licensee. Specifically, when in storage the gauges were secured behind one locked door with no second tangible second barrier. Additionally, when in transport in a pickup truck a single wire cord secured the gauge to the truck bed with no second tangible barrier.

This is a Severity Level IV violation (Supplement VI).

- B. 10 CFR 71.5(a) requires that a licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for the transport, comply with the requirements of the regulations appropriate to the mode of the transport of the Department of Transportation (DOT) in 49 CFR Part 170 through 189.

1. 49 CFR 172.403 requires, in part, that packages labeled with a radioactive label must have two of these labels, affixed to opposite sides of the package.

Contrary to the above, one package did not have two of these labels, affixed to opposite sides of the package. Specifically, one of the portable gauges (Serial Number: 3225) was transported on December 14, 2005, May 2, 2005, May 16, 2005, May 26, 2005, and September 28, 2005 with only one of the required labels.

This is a Severity Level IV violation (Supplement V).

2. 49 CFR 173.422 requires, in part, that each package must be marked with the four digit UN identification number for the material preceded by the letters UN.

Contrary to the above, one package was not marked with the four digit UN identification number for the material preceded by the letters UN. Specifically, one of the portable gauges (Serial Number: 3225) was transported on December 14, 2005, May 2, 2005, May 16, 2005, May 26, 2005, and September 28, 2005 with the UN number UN2974 instead of the correct UN Number UN3332.

This is a Severity Level IV violation (Supplement V).

3. 49 CFR 172.202 (a) requires, in part, that the shipping description of a hazardous material on the shipping paper must include ... (3) the identification number prescribed for the material as shown in column 4 of the 172.101 Table.

Contrary to the above, the shipping description of the hazardous material on the shipping paper did not include the identification number prescribed for the material as shown in column 4 of the 172.101. Specifically, the shipping papers showed the UN number as UN2974, instead of the correct UN number of UN3332.

This is a Severity Level IV violation (Supplement V).

4. 49 CFR 172.702 requires that each hazmat employer shall ensure that each hazmat employee is trained and tested, and that no hazmat employee performs any function subject to the requirements of 49 CFR Parts 171-177 unless trained, in accordance with Subpart H of 49 CFR Part 172. The terms Hazmat Employer and Hazmat Employee are defined in 49 CFR 171.8.

49 CFR 172.704 (c)(2) requires, in part, that a hazmat employee shall receive the training required by this subpart at least once every three years.

Contrary to the above, one hazmat employee did not receive the training required by this subpart at least once every three years. Specifically, one of the hazmat employee's hazmat training had last been taken in 2000, giving it an expiration date in 2003.

This is a Severity Level IV violation (Supplement V).

Pursuant to the provisions of 10 CFR 2.201, Cowan Associates, Inc. Is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

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

Dated This 18th day of November 2005