



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

July 5, 2006

Docket No. 03033888

License No. 37-30232-01

John Rice
Vice President Environmental Affairs/RSO
Pennsy Supply, Inc.
1001 Paxton Street
Harrisburg, PA 17104-1645

SUBJECT: INSPECTION 03033888/2006001, PENNSY SUPPLY, INC., HARRISBURG, PENNSYLVANIA SITE AND THE SLUSSER BROTHERS, PITTSTON, PENNSYLVANIA SITE, AND NOTICE OF VIOLATION

Dear Mr. Rice:

On May 18 and June 8, 2006, Jim Schmidt of this office conducted a safety inspection at the above address and the Slusser Brothers, Pittston, Pennsylvania site 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 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. Specifically, you failed to notify the NRC prior to replacing the radiation safety officer. A Notice of Violation is enclosed that categorizes the violation by severity level. The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence is already adequately addressed. These corrective actions included assignment of a fully trained radiation safety officer and submittal of an amendment request on June 7, 2006 (ML061700321). Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

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).

J. Rice
Pennsy Supply, 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:
Commonwealth of Pennsylvania

J. Rice
Pennsy Supply, Inc.

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NAME	JSchmidt/JS		Jkinneman/JDK				
DATE	06/26/06		07/05/06				

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NOTICE OF VIOLATION

Pennsy Supply, Inc.
Harrisburg, PA

Docket No. 03033888
License No. 37-30232-01

During an NRC inspection conducted on May 18 and June 8, 2006, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

- A. Condition 12 of License No. 37-30232-01 specifies the approved radiation safety officer for use by the licensee.

Contrary to the above, the licensee replaced the radiation safety officer without obtaining approval for the replacement radiation safety officer. Specifically, the licensee replaced the radiation safety officer on April 13, 2006, but did submit an amendment request to replace this position until June 7, 2006.

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

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed in the NRC letter dated June 26, 2006. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it 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).

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 5 day of July 2006