

November 13, 2006

Mr. J.L. Shepherd, President  
J.L. Shepherd & Associates  
1010 Arroyo Ave.  
San Fernando, CA 91340-8095

Re: Request for Rescission of Confirmatory Order Conditions

Dear Mr. Shepherd:

The Nuclear Regulatory Commission (NRC) staff has reviewed your letter dated September 11, 2006, requesting that the Commission rescind the conditions in "Confirmatory Order Rescinding Shutdown Order (Effective Immediately)" (Confirmatory Order) issued to J.L. Shepherd & Associates (JLS&A) on June 30, 2005.

JLS&A currently maintains an NRC-approved Quality Assurance Program (QAP) as required by 10 CFR Part 71; however, JLS&A does not currently possess an NRC Certificate of Compliance (CoC), having retired its only two CoCs since the 2005 NRC inspection. JLS&A plans to apply for a CoC for a new packaging design for which preliminary design activities are currently being conducted.

The 2006 NRC inspection and the independent audits required by the Confirmatory Order concluded that JLS&A's implementation of its QAP had certain inconsistencies; however, these were minor in nature. In addition, JLS&A has committed to correcting these inconsistencies prior to the initiation of regulated activities associated with the new packaging designs.

Therefore, based on the NRC staff's review of your request, the staff has concluded that JLS&A has satisfied the conditions of the Confirmatory Order, and, therefore, these conditions are hereby rescinded. If you have any further questions about this action, please feel free to contact Maria Schwartz of my staff at (301) 415-1888.

Sincerely,

/RA/

Cynthia A. Carpenter, Director  
Office of Enforcement  
U.S. Nuclear Regulatory Commission

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