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

March 9, 2007

Docket No. 03034791 License No. 29-30465-01
Control No. 140172

Frank G. Pennisi
President/RSO
Materials Testing, Inc.
175 Quincy Court
Hopelawn, NJ 08861

SUBJECT: MATERIALS TESTING, INC., LICENSE AMENDMENT, CONTROL NO. 140172

Dear Mr. Pennisi:

This refers to your license amendment request dated March 6, 2007. Enclosed with this letter is the amended license.

The amended license is written in accordance with current NRC policy and includes revisions of a few conditions. Please review the enclosed document carefully and be sure that you understand and fully implement all the conditions incorporated into the amended license. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region I Office, Licensing Assistance Team, (610) 337-5239, so that we can provide appropriate corrections and answers.

An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14).

Current NRC regulations and guidance 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.** 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).

Thank you for your cooperation.

Sincerely,

Original signed by Sattar Lodhi, Ph.D.

Sattar Lodhi, Ph.D.
Senior Health Physicist
Materials Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure:
Amendment No. 02

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SUNSI Review Complete: SLodhi
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Amendment No. 02

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	
1. Materials Testing Inc.	In accordance with the letter dated February 6, 2007, 3. License number 29-30465-01 is amended in its entirety to read as follows:
2. 175 Quincy Court Hopelawn, New Jersey 08861	4. Expiration date November 30, 2008 5. Docket No. 030-34791 Reference No.

6. Byproduct, source, and/or special nuclear material	7. Chemical and/or physical form	8. Maximum amount that licensee may possess at any one time under this license
A. Cesium 137	A. Sealed sources (Troxler Drawing Nos. A-102112, A-102451 and A-102113; Amersham Model CDCW 556; IPL Model HEG-137-8M)	A. Not to exceed 9 millicuries per source and 152 millicuries total
B. Americium 241	B. Sealed sources (Troxler Drawing Nos. A-102112, A-102451, A-102113 and C-106580)	B. Not to exceed 44 millicuries per source and 760 millicuries total

9. Authorized use:

A. and B. For measuring physical properties of materials, in Troxler Models 3411B, 3440 and 4640B portable gauging devices that have been registered either with NRC under 10 CFR 32.210 or with an Agreement State and have been distributed in accordance with an NRC or Agreement State specific license authorizing distribution to persons specifically authorized by an NRC or Agreement State license to receive, possess, and use the devices.

MATERIALS LICENSE
SUPPLEMENTARY SHEET

License Number
29-30465-01

Docket or Reference Number
030-34791

Amendment No. 02

CONDITIONS

10. Licensed material may be used or stored at the licensee's facilities located at 175 Quincy Court, Hopelawn, New Jersey, and 5702 Route 873, Neffs, Pennsylvania; and may be used at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.

11. Licensed material shall only be used by, or under the supervision and in the physical presence of, individuals who have received the training described in the application dated June 25, 1998.

12. The Radiation Safety Officer (RSO) for this license is Frank G. Pennisi.

13. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed six months or at the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State.

    B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.

    C. Sealed sources need not be tested if they are in storage and are not being used; however, when they are removed from storage for use or transferred to another person and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.

    D. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations.

    E. Tests for leakage and/or contamination, limited to leak test sample collection, shall be performed by the licensee or by other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services. The licensee is not authorized to perform the analysis; analysis of leak test samples must be performed by persons specifically licensed by U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.

MATERIALS LICENSE
SUPPLEMENTARY SHEET

License Number
29-30465-01

Docket or Reference Number
030-34791

Amendment No. 02

F. Records of leak test results shall be kept in units of microcuries and shall be maintained for 5 years.

14. Sealed sources or source rods containing licensed material shall not be opened or sources removed or detached from source rods or gauges by the licensee, except as specifically authorized.

15. The licensee shall conduct a physical inventory every six months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 5 years from the date of each inventory and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.

16. Each portable nuclear gauge shall have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. The gauge or its container must be locked when in transport, storage or when not under the direct surveillance of an authorized user.

17. Any cleaning, maintenance, or repair of the gauges that requires detaching the source or source rod from the gauge shall be performed only by the manufacturer or other persons specifically licensed by the Commission or an Agreement State to perform such services.

18. A. If the licensee uses unshielded sealed sources extended more than 3 feet below the surface, the licensee shall use surface casing that extends from the lowest depth to 12 inches above the surface and other appropriate procedures to reduce the probability of the source or probe becoming lodged below the surface. If it is not feasible to extend the casing 12 inches above the surface, the licensee shall implement procedures to ensure that the cased hole is free of obstruction before making measurements.

    B. If a sealed source or a probe containing sealed sources becomes lodged below the surface and it becomes apparent that efforts to recover the sealed source or probe may not be successful, the licensee shall notify the U.S. Nuclear Regulatory Commission and submit the report required by 10 CFR 30.50(b)(2) and (c). The licensee shall not abandon the sealed source or probe without obtaining the Commission's prior written consent.

19. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

License Number
29-30465-01

Docket or Reference Number
030-34791

Amendment No. 02

MATERIALS LICENSE
SUPPLEMENTARY SHEET

20. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.

    A. Application dated June 25, 1998
    B. Facsimile received October 9, 1998
    C. Application dated June 4, 2006- facility diagram only (ML061710511)

For the U.S. Nuclear Regulatory Commission

Date March 9, 2007

By ***Original signed by Sattar Lodhi, Ph.D.***

Sattar Lodhi, Ph.D.
Materials Security and Industrial Branch
Division of Nuclear Materials Safety
Region I
King of Prussia, Pennsylvania 19406