



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

August 23, 2007

Docket No. 03036639

License No. 29-30940-01

Christopher T. O'Malley, P.E.
Vice-President
Atlantic Engineering Laboratories, Inc.
18 Stern Avenue
Springfield, NJ 07081

SUBJECT: INSPECTION 03036639/2007001, ATLANTIC ENGINEERING
LABORATORIES, INC. AND NOTICE OF VIOLATION

Dear Mr. O'Malley:

On June 29, 2007, Orysia Masnyk Bailey of this office conducted a safety inspection at your corporate office in Springfield, New Jersey. On July 2, 2007, a field inspection was conducted at a temporary job site in Orange, New Jersey. These inspections were 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 you on August 21, 2007.

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 the 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.

Additionally, your dosimetry records were reviewed during the inspection. Unexpected doses were reported by your dosimetry vendor, including doses for exposure to neutrons. These levels and types of exposures are unexpected for routine portable gauge use. One of the gauge users whose records indicated an unexpected exposure advised the inspector that he had not used the gauge during the time frame in question. You were asked, at the end of the inspection, to conduct an investigation into the possible causes for these readings. When you respond to this letter, please provide a report of the results of your investigation.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material**; then **Regulations, Guidance, and Communication Page**. The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select **Site Map**; then scroll down to **Enforcement Policy**. You

C. O'Malley
Atlantic Engineering Laboratories, Inc.

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may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800 . The GPO is open from 7:00 a.m. to 8:00 p.m. EST, Monday through Friday (except Federal holidays).

If you have any questions please call Orysia Masnyk Bailey at (864) 427-1032. Your cooperation with us is appreciated.

Sincerely,

Original signed by Sattar Lodhi, Ph.D.

Marie Miller, Chief
Security and Industrial Branch
Division of Nuclear Materials Safety

Enclosure:
Notice of Violation

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NOTICE OF VIOLATION

Atlantic Engineering Laboratories, Inc.
Springfield, NJ

Docket No. 03036639
License No. 29-30940-01

During an NRC inspection conducted on June 29, and July 2, 2007, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Condition No. 21 of NRC License No. 29-30940-01 requires, in part, that the licensee conduct its program in accordance with the statements, representations, and procedures contained in its application dated August 6, 2004.

The licensee's application, requires, in part, that the licensee implement the operating and emergency procedures described in Appendix H to NUREG-1557, Vol. 1, Rev. 1. The procedures in Appendix H require, in part, that the licensee maintain a log book, that remains at the storage location, and the entries in the log book include the dates of use, names of the authorized users who will be responsible for the gauge, and the temporary job site where the gauge will be used.

Contrary to the above, as of June 29, 2007, the licensee did maintain the required gauge utilization log book in accordance with the procedures in Appendix H to NUREG-1556, Vol. 1, Rev. 1.

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

Pursuant to the provisions of 10 CFR 2.201, Atlantic Engineering Laboratories, 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 23rd day of August 2007