



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005

January 15, 2008

Kakivik Asset Management
ATTN: Paul Casey
Radiation Safety Officer
111 West 16th Avenue Suite 100
Anchorage, Alaska 99501

SUBJECT: NRC INSPECTION REPORT 030-35371/07-02 AND NOTICE OF VIOLATION

Dear Mr. Casey:

This refers to the inspection conducted on December 3, 2007, at a temporary job site in Anchorage, Alaska. The inspection was an examination of activities conducted under byproduct material license 50-27667-01 as it relates to safety and security, and compliance with the Commission's rules and regulations and with the conditions of the license. Within these areas, the inspection consisted of selected examination of procedures and representative records and interviews with personnel. Preliminary inspection findings were discussed with your staff at the conclusion of the onsite portion of the inspection. A final exit briefing was conducted with you on January 10, 2008.

Based on the results of this inspection, the NRC has determined that one violation of NRC requirements occurred. This violation involved the failure to have shipping papers while transporting radioactive material in accordance with transportation requirements for radioactive materials.

This violation was evaluated in accordance with the NRC Enforcement Policy included on the NRC's website at www.nrc.gov/about-nrc/regulatory/enforcement.html. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in the subject Notice. This violation is being cited in the Notice because it was identified by the NRC, rather than being self-identified by the licensee.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. For your consideration and convenience, an excerpt from NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," is enclosed. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, Enclosure 1, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Should you have any questions concerning this inspection, please contact Mr. Larry Donovan at (817) 860-8140 or the undersigned at (817) 860-8287.

Sincerely,

/RA/

Vivian H. Campbell, Chief
Nuclear Materials Safety Branch A

Docket No.: 030-35371
License No.: 50-27667-01

Enclosures:

1. Notice of Violation
2. Excerpt from NRC Information Notice 96-28

cc w/Enclosure 1:
Alaska Radiation Control Program Director

bcc w/Enclosure 1 (via ADAMS distrib):
 ECollins
 LWert
 CLCain
 VHCampbell
 JEWhitten
 LDonovan
 RITS Coordinator
 NMSB-A
 RIV Materials Docket File (5th Floor)

SUNSI review completed: ADAMS: Yes Initials: LD
 Publicly Available Non_Sensitive

s:\dnms\nmib\Reports in concurrence kakivik7-03.doc

Final: r:_dnms\

RIV:DNMS:NMIB	C:NMSB-B	C:NMSB
LDonovan	JEWhitten	VHCampbell
<i>/RA VHCampbell for/</i>	<i>/RA/</i>	<i>/RA/</i>
1/11/08	1/15/08	1/11/08

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

NOTICE OF VIOLATION

Kakivik Asset Management
Anchorage Alaska

Docket No. 030-35371
License No. 50-27667-01

During a NRC inspection conducted from December 3, 2007 to January 9, 2008, one violation of NRC requirements was identified. In accordance with the Enforcement Policy, the violation is listed below:

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 transport, comply with the applicable requirements of the regulations appropriate to the mode of transport of the Department of Transportation (DOT) in 49 CFR Parts 170 through 189.

49 CFR 177.817(a) requires that a carrier not transport a hazardous material unless it is accompanied by a shipping paper prepared in accordance with 49 CFR 172.200 – 203. Pursuant to 49 CFR 172.101, radioactive material is classified as hazardous material.

Contrary to the above, on December 3, 2007, the licensee transported radioactive material outside the confines of its facility without shipping papers. Specifically, at a temporary job site in Anchorage, Alaska, the licensee did not have shipping papers in their possession for the transportation of iridium-192 used in an exposure device.

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

Pursuant to the provisions of 10 CFR 2.201, Kakivik Asset Management, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, U.S. Nuclear Regulatory Commission, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, 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: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (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.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your

ENCLOSURE 1

response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential, commercial, or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

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

Dated this 15th day of January 2008