

March 7, 2008

Mr. Scott Nelson
President
H. H. Holmes Testing Laboratories, Inc.
170 Shepard Avenue
Wheeling, IL 60090

SUBJECT: NRC INSPECTION REPORT NO.030-34387/08-01(DNMS) AND NOTICE OF VIOLATION – H. H. HOLMES TESTING LABORATORIES, INC.

Dear Mr. Nelson:

This refers to the routine inspection conducted on February 28, 2008, at the H.H. Holmes Testing Laboratories, Inc. facility in Wheeling, Illinois. The inspection results were discussed with you and your staff at the conclusion of the inspection and during a final telephone conference held with you on March 3, 2008.

This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that four Severity Level IV violations of NRC requirements occurred. The violations were evaluated in accordance with the NRC Enforcement Policy included on the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violations are cited in the enclosed Notice of Violation (Notice). The violations are being cited in the Notice because they were discovered by the NRC inspectors.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. 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, its enclosure, 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

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the NRC 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.

Sincerely,

/RA/

John Madera, Chief
Materials Inspection Branch

Docket No. 030-34387
License No. 12-26781-01

Enclosure:
Notice of Violation

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NOTICE OF VIOLATION

H.H. Holmes Testing Laboratories, Inc.
Wheeling, Illinois

Docket No. 030-34387
License No. 12-26781-01

As a result of a routine inspection conducted on February 28, 2008, four violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

Title 10 Code of Federal Regulations (CFR) 71.5 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 170 through 189.

1. Title 49 CFR 177.817(e)(1) requires that shipping papers, if carried with other shipping papers or other papers of any kind, be either distinctively tabbed or by having it appear first.

Contrary to the above, on February 28, 2008, the licensee had shipping papers placed in a binder under several other papers and the paper was not distinctively tabbed.

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

2. Title 49 CFR 177.817(e)(2) requires, in part, that the driver of a motor vehicle containing hazardous material will have the shipping paper readily available to, and recognizable by, authorities in the event of accident or inspection. Specifically, (i) when the driver is at the vehicle's controls, the shipping paper shall be: (A) within his immediate reach while he is restrained by the lap belt; and (B) either readily visible to a person entering the driver's compartment or in a holder which is mounted to the inside of the door on the driver's side of the vehicle; (ii) when the driver is not at the vehicle's controls, the shipping paper shall be: (A) in a holder which is mounted to the side of the door on the driver's side of the vehicle; or (B) on the driver's seat in the vehicle.

Contrary to the above, as of February 28, 2008, the authorized user stored his shipping papers in the holder which was mounted to the side of the door on the passenger's side of the vehicle.

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

3. Title 49 CFR 172.301(a)(1) requires, in part, that each person who offers a hazardous material for transportation in non-bulk packaging must mark the package with the proper shipping name and identification number (preceded by "UN" or "NA," as appropriate) for the material as shown in the 49 CFR 172.101 Table.

Contrary to the above, as of February 28, 2008, the gauge case (package) was not marked with the proper shipping name or "UN" number.

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

Enclosure

4. Title 49 CFR 172.403(g) requires, in part, that the applicable items of information be entered in the blank spaces on the RADIOACTIVE label by legible printing using a durable weather resistant means of marking.

Contrary to the above, as of February 28, 2008, the Licensee used a gauge case which had illegible information contained in the blank spaces on the RADIOACTIVE labels.

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

Pursuant to the provisions of 10 CFR 2.201 you are 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 and Enforcement Officer, Region III, 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 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 day 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, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

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 identified the information that should be protected and a redacted copy of your 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 may be required to post this Notice within two working days.

Dated this 7th day of March 2008

Enclosure