

April 2, 2008

Ms. Fenshya Chang, President
Industrial Nuclear Company, Inc.
14320 Wicks Boulevard
San Leandro, California 94577

SUBJECT: NRC INSPECTION REPORT 71-0062/2008-201 AND NOTICE OF VIOLATION

Dear Ms. Chang:

On March 18-20, 2008, the U.S. Nuclear Regulatory Commission (NRC) performed an announced inspection of Industrial Nuclear Company, Inc. (INC), at its office in San Leandro, California. The team inspected INC's activities associated with transportation of radioactive material to determine if they were executed in accordance with the requirements of 10 CFR Parts 21 and 71, certificates of compliance (CoCs), safety analysis reports, and INC's NRC-approved quality assurance program (QAP). The team inspected INC's management, design, testing, and fabrication controls. Inspection results are detailed in Enclosure 1 to this letter.

As a result of the inspection, the team assessed that INC's overall implementation of its NRC-approved QAP was adequate. However, the team assessed that INC has experienced a decrease in QAP implementation effectiveness since the last NRC inspection in 2002. While this decrease in QA program effectiveness has not resulted in any adverse safety issues or non-compliances in INC's products for which it holds NRC CoCs, attention is merited by INC's management in ensuring that this decrease in QA program performance is addressed in order to prevent such issues from occurring. The NRC will schedule a follow-up inspection in the 2009 time frame to assess INC's progress in addressing this concern.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. The two violations are cited in the enclosed Notice of Violation (Enclosure 2) and the circumstances surrounding them are described in detail in the subject inspection report. The violations are being cited in the Notice because they were identified by the NRC.

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.

F. Chang

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Sincerely,
/RA/

David W. Pstrak, Chief
Rules, Inspections, and Operations Branch
Division of Spent Fuel Storage and Transportation
Office of Nuclear Material Safety
and Safeguards

Docket No. 71-0062

Enclosures:

1. NRC Inspection Report No. 71-0062/2008-201
2. Notice of Violation (Notice)

F. Chang

-2-

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

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Docket No. 71-0062

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1. NRC Inspection Report No. 71-0062/2008-201
2. Notice of Violation (Notice)

Distribution: Docket 71-0062
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DATE:	04/02/08		04/02/08		04/02/08						

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**U.S. NUCLEAR REGULATORY COMMISSION
Office of Nuclear Material Safety and Safeguards
Division of Spent Fuel Storage and Transportation**

**Inspection Report
EXECUTIVE SUMMARY**

NRC Inspection Report 71-0062/2008-201

On March 18-20, 2008, the U.S. Nuclear Regulatory Commission (NRC) performed an announced inspection of Industrial Nuclear Company, Inc. (INC), at its office in San Leandro, California. The team inspected INC's activities associated with transportation of radioactive material to determine if they were executed in accordance with the requirements of 10 CFR Parts 21 and 71, certificates of compliance (CoCs), safety analysis reports, and INC's NRC-approved quality assurance program (QAP). The team inspected INC's management, design, testing, and fabrication controls. The results of the inspection are as follows:

Management Controls

In the area of management controls, the team identified a violation of 10 CFR 71.111, with four examples, and a violation of 10 CFR 71.137, with one example, where INC failed to follow QA procedure requirements.

Design Controls

No concerns were identified in this area.

Fabrication Controls

No concerns were identified in this area.

Maintenance Controls

No concerns were identified in this area.

Overall

The team assessed that INC's overall implementation of its NRC-approved QAP was adequate. However, the team assessed that INC has experienced a decrease in QAP implementation effectiveness since the last NRC inspection in 2002. While this decrease in QA program effectiveness has not resulted in any adverse safety issues or non-compliances in INC's products for which it holds NRC CoCs, attention is merited by INC's management in ensuring that this decrease in QA program performance is addressed in order to prevent such issues from occurring. A summary of inspection findings is presented in Table 1 below.

Table 1
Summary of Inspection Findings

Regulatory Requirement 10 CFR Section	Subject of Violation or Noncompliance	Number of Findings *	Type of Finding	Report Section
71.111	Instructions, procedures and drawings	4	Level IV Violation	2.3.2, 2.4.2 2.5.2
71.137	Audits	1	Level IV Violation	2.5.2

* Numbers in parentheses indicate the number of instances supporting the violation.

PERSONS CONTACTED

The team held an entrance meeting with INC on March 18, 2008, to present the scope and objectives of the NRC inspection. On March 20, 2008, the team held an exit meeting with INC to present the preliminary results of the inspection. INC individuals present at the entrance and exit meetings, and those participating in the inspection, are listed in Table 2.

Table 2
INC Personnel Involved in the Inspection

Name	Title	Entrance Meeting	During Inspection	Exit Meeting
F. Chang	INC, President	X	X	X
R. Monteforte	INC Consultant		X	X
M. Rose	INC, Manufacturing Supervisor	X	X	X
J. Tucker	INC, QA Manager	X	X	X

INSPECTION PROCEDURE USED

86001, "Design, Fabrication, Testing, and Maintenance of Transportation Packagings"

REPORT DETAILS

1. Inspection Scope

The team inspected INC's management, design, and fabrication controls to determine whether they were executed in accordance with the requirements of 10 CFR Parts 21 and 71, applicable CoCs, related safety analysis reports, and INC's NRC-approved QAP. The team reviewed documentation, interviewed personnel, and observed some activities and facility areas.

2. Management Controls

2.1 General

The team assessed the adequacy of management controls in the areas of INC's QAP implementation, nonconformance controls, documentation controls, and audit program. The team reviewed INC's practices and procedures, and their implementation, to determine the effectiveness of management controls.

2.2 Quality Assurance Program

2.2.1 Scope

The team reviewed INC's QAP to determine the effectiveness of plans and procedures that implement its program. The team inspected INC's QAP goals, objectives and practices, personnel responsibilities, QA organizational independence, delegations of authority, management involvement, and staffing levels.

2.2.2 Observations and Findings

The team had no findings in this area.

2.3 Nonconformance Control

2.3.1 Scope

The team reviewed INC's nonconformance control program to assess the effectiveness of measures established to control materials, parts, or components that did not conform to requirements. The team determined how INC identified, segregated, tracked, and controlled, nonconforming items and any program deficiencies. The team inspected nonconformance reports, nonconforming items, and measures used to keep track of the status of nonconforming items.

The team also reviewed training and implementing procedures, internal postings, supplier notifications, reporting processes, and program controls in accordance with the provisions of 10 CFR Part 21, "Reporting of Defects and Noncompliance."

2.3.2 Observations and Findings

The team identified a violation regarding 10 CFR 71.111, "Instructions, procedures, and drawings," which states, in part, "The certificate holder shall prescribe activities affecting quality by documented procedures, and shall require that these procedures be followed." INC Quality Procedure 15.1, "Control of Nonconformances," Rev. 0, step 6.6 states "For nonconformances that are dispositioned Use-As-Is or Repair, the EM (Engineering Manager) shall provide documented justification that the items performance will comply with design and regulatory requirements and to justify why additional qualification testing is not required."

Contrary to the requirements of INC Quality Procedure 15.1, the team identified several Nonconformance Reports (NCRs) that had been dispositioned Use-As-Is or Repair and that did not have the required justification documentation required of the EM attached. This failure to comply with the requirements of INC Quality Procedure 15.1 is considered a violation of 10 CFR 71.111 and is one of the examples cited in the enclosed Notice (Enclosure 2).

Part 21 controls were determined to be in compliance; no concerns were identified.

2.4 Documentation Controls

2.4.1 Scope

The team reviewed INC's documentation control program to determine the effectiveness of the QA program in controlling quality-related documentation and records. The team reviewed instructions, procedures, and drawings for adequacy, approval signatures, release by authorized personnel, and availability to personnel. The team reviewed such documents as inspection and test procedures, maintenance and test results, nonconformance reports, QA procedures, and packaging drawings. The team reviewed quality records to assure that they are properly identified, retrievable, controlled, and maintained.

2.4.2 Observations and Findings

The team identified two instances of a violation regarding 10 CFR 71.111, "Instructions, procedures, and drawings," which states, in part, "The certificate holder shall prescribe activities affecting quality by documented procedures, and shall require that these procedures be followed."

The first instance concerned INC Quality Procedure 3.1, "Design Control," steps 5.4.4, 5.4.5, and 5.4.6, which state, in part, "The original DCN (Design Change Notice) shall be attached to the original affected design document," that "DCNs shall be incorporated into the affected design document when three DCNs have been issued against a design document," and that "Once the DCN is incorporated into the design document, the file copy of the previous design document and DCN(s) shall be marked as Superseded."

Contrary to these requirements of INC Quality Procedure 3.1, the team identified that when a DCN is generated by INC, it is immediately incorporated into the affected design document, rather than waiting for three DCNs to be issued. Further, the team identified that once the DCN is incorporated into the design document, it is maintained in the same file as the affected design document, and the DCN is not being stamped as Superseded. This failure to comply with the requirements of INC Quality Procedure 3.1 is considered a violation of 10 CFR 71.111 and is one of the examples cited in the enclosed Notice (Enclosure 2).

The second instance concerned INC Quality Procedure 3.1 "Design Control," steps 5.3.4, and 5.3.5, which state, in part, that "The Document Control Clerk shall distribute new and revised documents in accordance with the Controlled Document Master Distribution Log," and "The Document Control Clerk shall remove superseded documents from the

controlled locations and replace documents with the revised documents and shall discard all superseded copies.”

Contrary to the requirements of INC Quality Procedure 3.1, the team reviewed controlled drawings issued to the fabrication shop areas against the Controlled Document Master Distribution Log and identified the following discrepancies: 1) drawing IR-100-1B, Rev. 2, was located at the welding booth but was not indicated as being at that location in the Controlled Document Master Distribution Log; 2) the Controlled Document Master Distribution Log indicated that drawing OP-100-1, Rev. 4, was located in the plywood assembly area, however, Rev. 3 of the drawing was actually located there, and Rev. 5 is the actual current revision of the drawing; and 3) drawing IR-100-C14A, Rev. 0, was shown on the Controlled Document Master Distribution Log as being in the plywood assembly area, however, the drawing could not be located in any of the fabrication shop areas. This failure to comply with the requirements of INC Quality Procedure 3.1 is considered a violation of 10 CFR 71.111 and is one of the examples cited in the enclosed Notice (Enclosure 2).

The team also observed a number of additional discrepancies with regard to required drawing and document logs, required to be maintained by INC Quality Procedure 3.1 and 6.1 “Document Control.” This observation was discussed with INC’s QA personnel who stated that the two procedures would be reviewed and the discrepancies addressed, most likely by revision to the procedures to clarify the log keeping requirements.

2.5 Audit Program

2.5.1 Scope

The team reviewed INC’s audit program to determine whether plans, procedures, and records were available. The team determined whether INC scheduled and performed internal QA audits and vendor audits in accordance with approved procedures or checklists; whether qualified, independent, personnel performed the audits; whether INC management reviewed audit results; and whether INC took appropriate follow up actions in those areas found to be deficient.

2.5.2 Observations and Findings

The team identified a violation regarding 10 CFR 71.137, “Audits,” which states, in part, “The certificate holder shall carry out a comprehensive system of planned audits to verify compliance with all aspects of the quality assurance program.” INC’s Quality Assurance Program document, Rev. 10, Section 18.0.1, states, in part, “These audits shall verify compliance with all aspects of the QA Program on an annual basis to determine its effectiveness.” Further, INC Quality Procedure 18.1, “Audits and Commercial Grade Surveys,” step 6.1.1, states, in part, “All elements of the QA Program shall be audited within a 12 month period.”

Contrary to the requirements of INC Quality Procedure 18.1 and the INC Quality Assurance Program document, the team identified that INC did not perform annual audits for the calendar years 2006 and 2007. This failure to comply with the requirements of INC Quality Procedure 18.1 and the Quality Assurance Program document is considered

a violation of 10 CFR 71.137 and is one of the examples cited in the enclosed Notice (Enclosure 2).

It was noted that during the 2006 and 2007 time frame, INC was not producing any radiography cameras while resolving a technical issue with the procurement of depleted uranium shields, and that this factored into INC's decision not to perform the annual audits. However, the team informed INC that some activities subject to QA requirements still occurred during those years, and that the audits should have been performed as required by Quality Procedure 18.1 and by INC's NRC-approved QAP. Further, the audits could have been modified to reflect limited activities in certain areas due to the production stoppage.

The team also identified a violation regarding 10 CFR 71.111, "Instructions, procedures, and drawings," which states, in part, "The certificate holder shall prescribe activities affecting quality by documented procedures, and shall require that these procedures be followed." INC Quality Procedure 18.1, Rev. 2, "Audits and Commercial Grade Surveys," step 7.4.4, states, in part, "The QAM shall also verify and document on the Maintenance of Lead Auditor Proficiency record, Attachment 18.1.D, that the Lead Auditor has maintained his proficiency."

Contrary to the above requirement, the team identified that the contract Lead Auditor, used by INC for the required annual QA program audits since at least 1999, did not have any Attachment 18.1.D forms on file attesting to his having maintained proficiency for conducting audits on INC's behalf. This failure to comply with the requirements of INC Quality Procedure 3.1 is considered a violation of 10 CFR 71.111 and is one of the examples cited in the enclosed Notice (Enclosure 2). The team reviewed additional information regarding the contract Lead Auditor's qualifications to perform audits for INC and concluded that he was qualified to perform the audits; however, INC had not maintained paperwork in accordance with their QA procedures to attest to this fact.

2.6 Corrective Action

2.6.1 Scope

The team inspected records and interviewed INC personnel to determine if INC's corrective action commitments were implemented and if the corrective actions were effective in precluding repetition of the problems.

2.6.2 Observations and Findings

In the area of corrective action, the team had no findings.

2.8 Conclusions on Management Controls

In the area of management controls, the team identified a violation of 10 CFR 71.111, with three examples, and a violation of 10 CFR 71.137, with one example, where INC failed to follow QA procedure requirements.

3. Design Controls

3.1 General

The team reviewed design controls in all phases of INC's design process, from the onset of design through the completion of testing and delivery. The team examined original designs and design modifications to ensure that adequate evaluations and reviews were performed by qualified personnel.

3.2 Design Development

3.2.1 Scope

The scope of the inspection of design development included the review of design control and design modification control, design organization interfaces, use of appropriate regulatory requirements and quality standards in design activities, and design deviation control. The team assessed INC's design development process to ensure that high standards of design control were implemented and practiced.

3.2.2 Observations and Findings

In the area of design development, the team had no findings.

3.3 Design Modifications

3.3.1 Scope

The scope of the inspection of design modifications included the inspection of engineering changes, design reviews, and drawing and document changes to ensure that the design modification process was controlled and effective. The team reviewed design modification controls to ensure that modifications made to the design received the same level of review as the original design, and that the modifications were correctly reflected in the design documentation.

3.4.2 Observations and Findings

As discussed above in Section 2.4, the team identified an instance in which DCNs were not being controlled in accordance with INC Quality Procedure 3.1. No other concerns were identified with the limited number of design modifications implemented by INC since the previous NRC inspection in 2002.

3.5 Conclusions of Design Controls

In the area of design controls, the team had no findings.

4. Fabrication Controls

4.1 General

The team evaluated the fabrication process to ensure that it was controlled and verifiable from the onset of design through the completion of the manufacturing process. The team reviewed fabrication controls to verify that all phases of the fabrication process were properly controlled and implemented. The team inspected fabrication controls in the areas of material procurement, fabrication and assembly, test and inspection, and tools and equipment.

4.2 Material Procurement

4.2.1 Scope

The scope of the inspection of material procurement included the review of procurement documents, material traceability documentation, drawings and procedures, and the receipt inspection program. The team verified that materials were controlled, verifiable, and traceable from the time of purchase through the life of the packaging.

4.2.2 Observations and Findings

No material procurement concerns were identified.

4.3 Fabrication and Assembly

4.3.1 Scope

The scope of the inspection of fabrication and assembly included the review of activities concerning fabrication travelers, welding, assembly, cleaning, and storage. The team ensured that fabrication procedures were documented, approved, and implemented for each step of the fabrication process. The team verified that appropriate codes, standards, and drawings were identified and implemented.

4.3.2 Observations and Findings

In the area of fabrication and assembly, the team had no findings.

4.4 Test and Inspection

4.4.1 Scope

The assessment of test and inspection activities included the review of inspection requirements, acceptance criteria, test conditions, test documentation, nondestructive examination controls, and QA hold points. The team ensured that tests and inspections were controlled, verifiable, and traceable. The team reviewed procedures and inspection records, and interviewed personnel to determine compliance with the INC test and inspection program. The team verified that the procedures controlling testing and inspection were documented, approved, and implemented.

4.4.2 Observations and Findings

In the area of test and inspection, the team had no findings.

4.5 Tools and Equipment

4.5.1 Scope

The scope of the inspection of tools and equipment included the review of physical controls, testing methods, and the calibration program. The team evaluated the use of tools and equipment to determine whether proper ranges and sensitivities were maintained, calibration was traceable to a national standard, as applicable, and whether tools and equipment used were traceable to specific tests and inspections performed. The team verified that procedures for the control of tools and equipment were documented, approved, and implemented.

4.5.2 Observations and Findings

In the area of tools and equipment, the team had no findings.

4.6 Conclusions of Fabrication Controls

In the area of fabrication controls, the team had no findings.

5. Maintenance Controls

5.1 Scope

The assessment of maintenance activities included the review of controlling procedures, forms and checklists. The team verified that procedures for the control of maintenance activities were documented, approved, and implemented.

5.2 Observations and Findings

The team interviewed INC personnel in regard to the maintenance activities performed by INC for their customers on INC IR-50 and IR-100 devices. The INC personnel provided a walkthrough of the maintenance operations for the team, including the spare parts locations. The team reviewed multiple purchase orders for parts replaced during maintenance activities and the associated receipt inspection reports for those parts. The team also reviewed multiple completed maintenance check list forms for multiple devices. The team noted that the maintenance check list form is utilized from the INC work instruction, WI 7, Revision 0, "Maintenance Program."

5.3 Observations and Findings

In the area of maintenance controls, the team had no findings.

6. Exit Meeting

On March 20, 2008, at the conclusion of the inspection, the team held an exit meeting with INC's management to present the preliminary inspection results. INC's management acknowledged the inspection results presented by the team.

NOTICE OF VIOLATION

Industrial Nuclear Company, Inc. (INC)
San Leandro, California

Docket 71-0062

Based on the results of a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on March 18 through 20, 2008, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violations are listed below:

- A. 10 CFR 71.111, "Instructions, procedures, and drawings," which states, in part, "The certificate holder shall prescribe activities affecting quality by documented procedures, and shall require that these procedures be followed."

Contrary to the above, the following instances were identified by the NRC where activities affecting quality were not prescribed in documented procedures, or where procedures for activities affecting quality were not followed:

- 1) INC Quality Procedure 15.1, "Control of Nonconformances," step 6.6 states "For nonconformances that are dispositioned Use-As-Is or Repair, the EM (Engineering Manager) shall provide documented justification that the items performance will comply with design and regulatory requirements and to justify why additional qualification testing is not required." The NRC identified several Nonconformance Reports (NCRs) that had been dispositioned Use-As-Is or Repair and that did not have the required justification documentation required of the EM attached.
- 2) INC Quality Procedure 3.1 "Design Control," steps 5.4.4, 5.4.5, and 5.4.6 state, in part, "The original DCN (Design Change Notice) shall be attached to the original affected design document," that "DCNs shall be incorporated into the affected design document when three DCNs have been issued against a design document," and that "Once the DCN is incorporated into the design document, the file copy of the previous design document and DCN(s) shall be marked as Superseded." The NRC identified that when a DCN is generated by INC, it is immediately incorporated into the affected design document, rather than waiting for three DCNs to be issued. Further, the NRC identified that once the DCN is incorporated into the design document, it is maintained in the same file as the affected design document, and the DCN is not stamped as Superseded.
- 3) INC Quality Procedure 3.1 "Design Control," steps 5.3.4 and 5.3.5, state, in part, "The Document Control Clerk shall distribute new and revised documents in accordance with the Controlled Document Master Distribution Log," and "The Document Control Clerk shall remove superseded documents from the controlled locations and replace documents with the revised documents and shall discard all superseded copies." Contrary to the requirements of INC Quality Procedure 3.1, the NRC reviewed controlled drawings issued to the fabrication shop areas

Enclosure 2

against the Controlled Document Master Distribution Log and identified that: 1) drawing IR-100-1B, Rev. 2, was located at the welding booth but was not indicated as being at that location in the Controlled Document Master Distribution Log; 2) the Controlled Document Master Distribution Log indicated that drawing OP-100-1, Rev. 4, was located in the plywood assembly area, however, Rev. 3 of the drawing was actually located there, and Rev. 5 is the actual current revision of the drawing; and 3) drawing IR-100-C14A, Rev. 0, was shown on the Controlled Document Master Distribution Log as being in the plywood assembly area, however, the drawing could not be located in any of the fabrication shop areas.

- 4) INC Quality Procedure 18.1, Rev. 2, "Audits and Commercial Grade Surveys," step 7.4.4, states, in part, "The QAM shall also verify and document on the Maintenance of Lead Auditor Proficiency record, Attachment 18.1.D, that the Lead Auditor has maintained his proficiency." Contrary to the above requirement, the NRC identified that the contract Lead Auditor, used by INC for the required annual QA program audits since at least 1999, did not have any Attachment 18.1.D forms on file attesting to his having maintained proficiency for conducting audits on INC's behalf.

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

- B. 10 CFR 71.137, "Audits," states, in part, "The certificate holder shall carry out a comprehensive system of planned audits to verify compliance with all aspects of the quality assurance program." INC's Quality Assurance Program document, Rev. 10, Section 18.0.1, states, in part, that "These audits shall verify compliance with all aspects of the QA Program on an annual basis to determine its effectiveness." Further, INC Quality Procedure 18.1, "Audits and Commercial Grade Surveys," step 6.1.1, states, in part, that "All elements of the QA Program shall be audited within a 12 month period."

Contrary to the above, the NRC identified that INC did not perform annual audits for the calendar years 2006 and 2007.

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

Pursuant to the provisions of 10 CFR 2.201, INC is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to David W. Pstrak, Chief, Rules, Inspections and Operations Branch, Division of Spent Fuel Storage and Transportation, Office of Nuclear Material Safety and Safeguards, 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 date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. 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 Publicly Available Records (PARS) component of NRC's document system (ADAMS), <http://www.nrc.gov/NRC/ADAMS/index.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. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>, (the Public Electronic Reading Room). 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 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 2.790(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 2nd day of April, 2008.