

May 23, 2008

EA-08-126
EA-08-127

Surendra K. Gupta, Ph.D.
President
American Radiolabeled Chemicals, Inc.
101 ARC Drive
St. Louis, MO 63146

SUBJECT: NRC PREDECISIONAL ENFORCEMENT CONFERENCE SUMMARY -
AMERICAN RADIOLABELED CHEMICALS, INC.

Dear Dr. Gupta:

This letter transmits to you a summary of the May 20, 2008, Predecisional Enforcement Conference held at the NRC Region III office. The purpose of the conference was to discuss the apparent violations identified in NRC Inspection Report No. 030-20567/2008-001(DNMS).

In accordance with the NRC Enforcement Manual, the statements and information provided during the Predecisional Enforcement Conference will assist the NRC in making an enforcement decision. You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding these apparent violations is required at this time.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosures 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>.

If you have any questions please feel free to contact Mr. George M. McCann of my staff at (630) 829-9856 or Mike.McCann@nrc.gov.

Sincerely,

/RA/

Patrick L. Loudon, Chief
Decommissioning Branch

Docket No.: 030-20567
License No.: 24-21362-01

Enclosure:
Predecisional Enforcement Conference Summary

cc: Regis Greenwood, Radiation Safety Officer
State of Missouri

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State of Missouri

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Letter to Surendra K. Gupta, Ph.D. from Patrick L. Loudon dated May 23, 2008

SUBJECT: NRC PREDECISIONAL ENFORCEMENT CONFERENCE SUMMARY -
AMERICAN RADIOLABELED CHEMICALS, INC.

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PREDECISIONAL ENFORCEMENT CONFERENCE SUMMARY

Licensee: American Radiolabeled Chemicals (ARC)

Facility: Buildings 100, 200, 300, and 400

License No.: 24-21362-01

Docket No.: 030-20567

EA-08-126, EA-08-127

On May 20, 2008, representatives of American Radiolabeled Chemicals (ARC) met with NRC personnel in the Region III office located in Lisle, IL to discuss the apparent violations identified in NRC Inspection Report Number 030-20567/08-001(DNMS).

During its presentation, the licensee agreed with four of the five apparent violations identified in the inspection report. The licensee agreed to the apparent violations associated with: 1) failure to comply with license commitments related to management oversight of the Radiation Protection Program; 2) failure to comply with license commitments related to radiological surveys; 3) failure to secure from unauthorized removal or limit access to licensed material, and; 4) failure to comply with license commitments related to the performance and documentation of investigations of contamination. For each of these apparent violations, the licensee indicated that the primary root cause was its failure to ensure the primacy of its responsibility for meeting regulatory requirements during periods of increased licensee work load. The licensee indicated that the primary corrective action for each of the apparent violations was a commitment to increase management attention to these areas.

The licensee disagreed with one apparent violation involving its discharge of licensed material into the sanitary sewerage in excess of the limitations of 10 CFR 20.2003. The licensee indicated that its initial estimates of the dilution factor for the discharges did not include all of the water flowing into the sewerage system from the site. Upon inclusion of the remaining non-radioactive effluents into the discharge calculation, the licensee believed that its monthly discharges were below the regulatory limits. The licensee committed to provide calculations and data to support its position within one day of the conference.

At the conclusion of the meeting, the NRC personnel expressed concern with the licensee's planned corrective measures, in that, the licensee's actions did not appear to include provisions to prevent the licensee from having a repeat of these issues in the future. The NRC personnel noted that several of the current issues were the focus of discussions following routine inspections approximately five years ago. The NRC personnel also encouraged the licensee to explore other actions it may be able to take to increase the likelihood that it will be able to ensure compliance with NRC regulations and its license in the future.

The attendance list is attached to this summary.

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Attachment: Attendance List

Enclosure