



American RENOLIT Corporation

January 7, 2009

Mr. John R. Madera, Chief
Materials Inspection Branch
U. S. Nuclear Regulatory Commission
Region III
2442 Warrenville Road, Suite 210
Lisle, IL 60532-4352

Re: Response to Notice of Violation dated 12/8/08

Dear Mr. Madera:

In response to the Notice of Violation letter dated 12/8/08, we agree with the findings of the commission that actions of American RENOLIT Corporation (ARC) personnel resulted in three violations to NRC requirements of our license. A combination of a restructuring of our physical plant and our organization personnel unintentionally led to the situation of violation. Within the same relative time frame, ARC released from service a supervisor who also served as the RSO and started the dismantling of equipment that included a gauge containing a controlled source. Corrective actions to these violations are listed below:

- 1.) The on site copy of the License agreement has been moved from a private un-marked and un-organized file to a location where the remainder of the Environmental and Safety permits, licenses, and regulations are kept. When the RSO was released from service, the location of the License was not known and therefore compliance requirements which were not handled by other personnel also were unknown.
- 2.) On November 3, 2008, a letter requesting that Mr. Tim Jones be listed as our RSO was submitted. Mr. Jones is the Electrical Maintenance Supervisor. Since he is responsible for the personnel who maintain this equipment, this change in organization will ensure that the people who are closest to the equipment are aware of our License requirements.
- 3.) The gauge which was improperly removed from service and stored by our personnel was moved to a secure storage area as soon as the non-compliance issue was identified. The device remained there until it was removed from our facility by the manufacturer's licensed technician on November 18, 2008. Please see the attached Honeywell Field Service Report and Fed-EX US Air bill verifying this activity.
- 4.) Our intention was to isolate and hold the gauge until the manufacturer could reclaim it so that machinery movers removing adjacent equipment could not damage it. Although the intentions may have been good, the action resulted in violation. It has been communicated that no one presently in our facility can remove a gauging device containing a regulated material. The device manufacturer will be contacted to arrange proper handling of all gauging components containing a regulated material in the future. Please see the attached email from Betacontrol for services to be performed in the Jan 14th – 16th time frame as confirmation of this process.

We believe that these actions have addressed the immediate non-compliance and will continue to safeguard against re-occurrence. Please feel free to contact me with any questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeremy Bannwart', is written over a white background.

Jeremy Bannwart
Plant Engineer

1207 E. Lincolnway, La Porte, IN 46350
P: 219-324-6886 x 2137 F: 219-326-3105
Jeremy.Bannwart@RENOLIT.com

RECEIVED JAN 12 2009

HONEYWELL

Field Service and Material Report

Service Dispatch: (800) 525-7439

Work Order Information			Service Location			
Service Call (RID)	1-653576529		Customer	American Renolit Corp		
Service Status	complete		Address	1207 E Lincolnway		
Scheduled Date	11/18/08		Address			
Service Date(s)	11/18/08		City	La Porte	State, Zip	IN 46350
Honeywell Contact			Billing Address			
Service Rep	Terry Brant		Customer	American Renolit Corp		
Telephone			Address			
eMail	terry.brant@honeywell.com		Address			
Service Lead			City		State, Zip	
American Renolit Corp Contact			Payment Information			
Name	Tim Jones		Agree	1-653576529	Exp	
Telephone	(2193246) 886-2250		Type		PO	4500056551
eMail			CIB	96134402	Project	157954
			Task	851-1-653576529		Card Holder
					Credit Card	Exp
					CC Number	
					Card Holder	

Work Performed						
<input type="checkbox"/>	Calibration	<input type="checkbox"/>	Tuning	<input type="checkbox"/>	Upgrade	<input type="checkbox"/>
<input type="checkbox"/>	Training	<input type="checkbox"/>	Repair	<input type="checkbox"/>	Audit	<input type="checkbox"/>
<input type="checkbox"/>	Process Improvement	<input type="checkbox"/>	Preventative Maintenance			
Removal of BAL source to Honeywell for disposal.						

Test Equipment Used			
Test Equipment Description	Serial Number	Last Calib	Next Due
NONE USED			

Itemized Materials (Parts/Software) Used				
Part / Model Number	Description	Qty	Unit Price	Total
RSDISP5	Disposal of Kr85 BAL source	1	\$2,899.00	\$2,899.00
42000881	Shipping container	1	\$154.00	\$154.00
Sales Order:			Total Material	\$3,053.00

Labor Charges							
	Hrs/Days	Bill Rate	Total		Hrs/Days	Bill Rate	Total
Labor Hrs Standard	4	\$151.00	\$604.00	Travel Hrs Standard	4	\$151.00	\$604.00
Labor Hrs Overtime				Travel Hrs Overtime			
Labor Hrs Premium				Travel Hrs Premium			
Daily Rate						Flat Rate	
				Total Labor and Travel Charges			\$1,208.00

Other Charges			
Description	Quantity	Amount/Rate	Total
Travel / Living			
Misc Charge			
Misc Charge	Shipping of container to be used for return	1	\$235.00
Charge for Expedite Service? <input checked="" type="checkbox"/>	Mileage	228	\$0.59
	Shipping / Handling		NONE
	Total Other Charges		\$369.52
	Total All Charges		\$4,630.52

(total charges do not include tax)

Approval			
Terry Brant	11/18/2008	Tim Jones	11/18/2008
<i>Technician Signature</i>	Date	<i>Customer Signature</i>	Date

QUALITY SERVICE means conforming to CUSTOMER REQUIREMENTS. If I have met your requirements please sign above.

Payment terms are net thirty (30) days from the date of Honeywell's invoice

FedEx US Airbill
Express

FedEx
Tracking
Number

851761350990

1 From Please print and press hard.

Date 11/18/2008 Sender's FedEx Account Number 143874397
Sender's Name Terry Brant Phone (765) 603-8188
Company Honeywell/American Renolit
Address 1207 East Lincolnway
City La Porte State IN ZIP 46350

2 Your Internal Billing Reference

First 24 characters will appear on invoice.

OPTIONAL

3 To

Recipient's Name WILLIAM SERIGHT Phone (770) 689-0161
Company Honeywell
Recipient's Address 3079 Premiere Pkwy
We cannot deliver to P.O. boxes or P.O. ZIP codes.
Address
To request a package be held at a specific FedEx location, print FedEx address here.
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0200 Sender's Copy

4a Express Package Service Packages up to 150 lbs. * To most locations

FedEx Priority Overnight Next business morning* FedEx Standard Overnight Next business afternoon* FedEx First Overnight Earliest next business morning delivery to select locations*

FedEx 2Day Second business day* FedEx Express Saver Third business day*

FedEx Envelope rate not available. Minimum charge. One-pound rate.

4b Express Freight Service Packages over 150 lbs. ** To most locations

FedEx 1Day Freight* Next business day** FedEx 2Day Freight Second business day** FedEx 3Day Freight Third business day**

* Call for Confirmation. ** Declared value limit \$500

5 Packaging

FedEx Envelope* FedEx Pak* Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak FedEx Box FedEx Tube Other

6 Special Handling Include FedEx address in Section 2.

SATURDAY Delivery Available ONLY for FedEx Priority Overnight, FedEx 2Day, FedEx 1Day Freight, and FedEx 2Day Freight to select ZIP codes HOLD Weekday at FedEx Location NOT Available for FedEx First Overnight HOLD Saturday at FedEx Location Available ONLY for FedEx Priority Overnight and FedEx 2Day to select locations

Does this shipment contain dangerous goods?
 No Yes As per attached Shipper's Declaration Yes Shipper's Declaration not required Dry Ice Dry Ice, 6, UN 1845 Cargo Aircraft Only

7 Payment BY Sender Sender's Acct. No. in Section 1 will be billed. Recipient Third Party Credit Card Cash/Check

FedEx Acct. No. Credit Card No. Enter FedEx Acct. No. or Credit Card No. below. Exp. Date

Total Packages	Total Weight	Total Declared Value†
		\$.00

†Our liability is limited to \$100 unless you declare a higher value. See back for details. FedEx Use Only

8 Sign to Authorize Delivery Without a Signature

By signing you authorize us to deliver this shipment without obtaining a signature and agree to indemnify and hold us harmless from any resulting claims.

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Jones, Tim D.

From: Betacontrol of America [boa@betacontrol.de]
Sent: Tuesday, January 06, 2009 12:14 PM
To: Jones, Tim D.
Subject: Estimate for service Jan 14-16

Hello Tim,

Per our conversation of today I am sending you my estimate for a possible service on Jan. 14-16.

I would arrive on Jan. 14 and leave Jan. 16. On these two days I will work eight hours for you (mainly replacing the micro switches in all source housings except the new line).

My estimate is \$2,900.00. Please keep in mind that this is a door to door service based on the flight schedule provided by the airlines. A delay at the airport would increase the cost.

Please note that my estimate would be \$4,500.00, if I just come out for you.

The ticket for the flight is pricey, otherwise it would be even cheaper.

Please let me know if you would be willing to schedule a service for my above estimate of \$2,900.00.

If you have any question, please feel free to contact me.

Kindest Regards,

Markus Hannig

betacontrol of America, Inc.
P.O. Box 18
425 Route 202
Towaco, NJ 07082
Phone 973-263-8053
Fax 973-263-0477
Email: boa@betacontrol.de
Internet: <http://www.betacontrol.de>

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American RENOLIT
Corporation

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La Porte, IN 46350-3987



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