

**Alaska Industrial X-ray Inc.**

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10/23/2007

Alaska Industrial X-ray Inc.

Docket No. 030-10346
License No. 50-16084-01
EA-07-261

Subject: Response to "Order Suspending Licensed Activities"

In order to ensure the Nuclear Regulatory Commission that Alaska Industrial X-ray Inc is abiding by the two-man rule we propose to set up a program of oversight that is administered by a third party

We have discussed the situation with Robert McCauley who is in charge of the University of Alaska, Anchorage's two-year Welding & Nondestructive Testing Technology program. Robert teaches a four-credit course in X-ray and Radioisotopes and a 1-credit course in Radiation Safety for Radiographers and holds a current IIRSP certification. He has been employed as a full time instructor since 1983 with the University. He has completed a 100-hour course in Radiography in 1982 from the University of Alaska and a 40-hour course from CTI Inc in 1993 and worked for CTI as a Level II Technician. Robert McCauley's work phone is (907) 786-6478 and home phone is [REDACTED]

He is willing to oversee a program where our radiographers would clock in at the start of any radiographic operation and clock out at the end of the operation at our facility. We would also notify him by Fax and by phone. The Fax will give us a permanent record of notifying him at the start of each operation. He would periodically arrive at the ASRC facility unannounced to verify that the personnel are there and conducting all operations in a safe manner. We will then have records of any camera leaving our facility along with the two-man crew, records that we have contacted Robert McCauley, and records of his periodic inspections.

I have discussed the two-man rule with Brian Kingsley, manager of the ASRC Operation and Maintenance Fabrication facility in Anchorage, AK and he has agreed to give Robert McCauley access to the ASRC facility

If necessary we are willing to replace Ken Vandiver our current Radiation Safety Officer.

*Weld Inspection
Welding Engineering
Metallurgical Engineering*

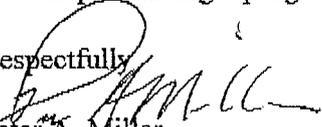
Welder Certification

*Nondestructive Testing
Gamma Ray - X-ray
Ultrasonics*

I am also willing to transfer ownership of Alaska Industrial X-ray Inc to my son Donald Millar. He has been with Alaska Industrial X-ray Inc for the past eighteen years. He holds a current IIRSP certificate, and has a degree from the University of Alaska in Welding Technology.

We would appreciate any recommendations or suggestions that you have in aiding us in implementing a program.

Respectfully


Peter A. Millar
President
Alaska Industrial X-ray Inc