

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: T.E.S. Filer City Station 700 MEE Street Filer City, MI REPORT NUMBER(S) 09-01		2. NRC/REGIONAL OFFICE Region III U.S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, Illinois 60532-4351
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3. DOCKET NUMBER(S) 030-31372	4. LICENSEE NUMBER(S) 21-26079-01	5. DATE(S) OF INSPECTION 10/20 thru 11/6/09
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LICENSEE:
 The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

1. Based on the inspection findings, no violations were identified.

2. Previous violation(s) closed.

3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

_____ Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.
 (Violations and Corrective Actions)

Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	Ken Lambert		11/09/2009

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3. DOCKET NUMBER(S) 030-31372	4. LICENSE NUMBER(S) 21-26097-01	5. DATE(S) OF INSPECTION 10/20 thru 11/6/09	
6. INSPECTION PROCEDURES USED 87124		7. INSPECTION FOCUS AREAS 03.01 – 03.09	

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S) 2120	2. PRIORITY 5	3. LICENSEE CONTACT Scott Wing, Plant Manager	4. TELEPHONE NUMBER 231-723-6573
<input checked="" type="checkbox"/> Main Office Inspection		Next Inspection Date: <u>October 2014</u>	
<input type="checkbox"/> Field Office		_____	
<input type="checkbox"/> Temporary Job Site Inspection		_____	

PROGRAM SCOPE

The licensee is a cogeneration electric utility that uses coal, rubber and wood chips to fuel a 60-MW electric plant located in Filer City, Michigan. The licensee possesses four cesium-137 fixed gauges, two with an activity of 16 mCi and two with an activity of 200 mCi. Three gauges are used on conveyor belts to measure the amount of product being conveyed. The fourth is a density gauge affixed to a process pipe to measure flow. The licensee is not authorized to install or remove gauges. These services were performed by gauge manufacturer representatives.

Performance Observations

The inspector verified the location of the devices during a tour of the plant. Inventory and shutter checks are performed every six months. Leak tests were being performed every three years in accordance with the sealed source device registry. No devices have been identified as leaking. Licensee conducts annual training of individuals working in the area, the RSO and assistant RSO, and maintenance personnel. Training records were reviewed for the past four years.

Independent measurements were performed by the inspector in unrestricted areas near the gauges with all readings indistinguishable from background. Radiation levels on contact with the source housings were less than 0.5 millirem/hour.

No violations of NRC requirements were identified.