December 29, 2009

EA-09-250

Mr. John Newland, President
JANX Integrity Group
8550 East Michigan
Parma, Michigan 49269

SUBJECT: NOTICE OF VIOLATION – JANX INTEGRITY GROUP
NRC INSPECTION REPORT NO. 03011772/2009-003(DNMS)

Dear Mr. Newland:

This refers to the inspection conducted on August 5 and 6, 2009, with continuing U.S. Nuclear Regulatory Commission (NRC) review through September 10, 2009, at your facility in Piscataway, New Jersey. The purpose of the inspection was to determine whether activities authorized under your license were conducted safely and in accordance with NRC requirements. During the inspection, apparent security violations of NRC requirements were identified by the NRC inspector. Details regarding the apparent violations were provided in NRC Inspection Report No. 03011772/2009-003(DNMS), dated October 9, 2009.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violations identified in the report by either attending a Predecisional Enforcement Conference or by providing a written response before we made our final enforcement decision. In letters dated October 30 and November 23, 2009, you responded to the apparent violations.

Based on the information developed during the inspection and the information that you provided in your October 30 and November 23, 2009, responses to the inspection report, the NRC has determined that violations of NRC requirements occurred. The violations are cited in the enclosed Notice of Violation (Notice) (Enclosure 1) and the circumstances surrounding them are described in detail in our inspection report dated October 9, 2009.

The violations are of concern to the NRC for the reasons stated in Enclosure 2. Therefore, the violations have been categorized, in accordance with the NRC Enforcement Policy, as Severity Level III violations. In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of $7000 is normally considered for each Severity Level III violation. Because your facility has not been the subject of escalated enforcement actions within the last two years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process described in Section VI.C.2 of the Enforcement Policy. In your

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letters dated October 30, and November 23, 2009, you outlined the corrective actions that your staff had taken and those that were planned to be taken. The corrective actions are also described in Enclosure 2. Based on those corrective actions, the NRC has determined that *Corrective Action* credit is warranted.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of these Severity Level III violations constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and to prevent recurrence, and the date when full compliance was achieved, was adequately addressed on the docket in the inspection report dated October 9, 2009, and in your replies dated October 30 and November 23, 2009. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice. Additionally, if you choose to respond, please mark your entire response "Security-Related Information – Withhold from Public Disclosure under 10 CFR 2.390." In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for any response to this letter. However, to the extent possible, a response should not include any personal privacy, proprietary, or safeguards information.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html. However, because of the Security-Related Information contained in the enclosures, and in accordance with 10 CFR 2.390, copies of this letter's enclosures will not be available for public inspection.

Sincerely,

/RA by Cynthia D. Pederson Acting for/

Mark A. Satorius
Regional Administrator

Docket No. 030-11772
License No. 21-16560-01

Enclosures:
1. Notice of Violation (Non-Public)
2. Final Determination of Significance (Non-Public)

cc w/encls: State of Michigan
State of New Jersey

Letter to John Newland from Mark A. Satorius dated December 29, 2009

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NRC INSPECTION REPORT NO. 03011772/2009-003(DNMS)

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NAME	Lougheed	Bloomer	Louden for Reynolds	Zimmerman[1]	Orth	Pederson for Satorius
DATE	12/24/09	12/24/09	12/28/09	12/23/09	12/28/09	12/29/09

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1. OE concurrence received via e-mail from K. Day on December 23, 2009.