March 5, 2010

Greg Kramer, President,
Chief Executive Officer
C&G Technologies, Inc.
6209 Gheens Mill Road
Jeffersonville, IN 47130

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 030-38008/10-01(DNMS) AND NOTICE OF VIOLATION – C&G TECHNOLOGIES, INC.

Dear Mr. Kramer:

On February 9, 2010, the U.S. Nuclear Regulatory Commission (NRC) conducted an inspection at your Jeffersonville, Indiana facility, with continued NRC in-office review through February 23, 2010. The NRC in-office review included receipt and review of information related to your possession limit of radioactive materials. A telephone exit meeting between your Chief Operating Officer Todd Raderer and Michael LaFranzo of my staff was conducted on February 23, 2010, to discuss the inspection findings.

This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violation involved a failure to comply with the maximum possession limit of two sources of Germanium-68 listed on your NRC license. Specifically, as of February 9, 2010, C&G Technologies, Inc. possessed three sources of Germanium-68. The reason for this violation was that the licensee was not aware of the possession limit requirement. As part of your corrective actions, your staff stated that they intend to submit a license amendment request for a new possession limit, and on February 24, 2010 the NRC received your request.

The violation is cited in the enclosed Notice of Violation (Notice). The violation is being cited in the Notice because it was identified by the NRC.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence is already adequately addressed on the docket in this letter. Therefore, you are not required to respond to this letter unless the description herein 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.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, 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. To the extent possible, your response should not include any personal privacy, proprietary or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

***/RA/***

Tamara E. Bloomer, Chief
Materials Inspection Branch

Docket No. 030-38008
License No. 13-32739-01

Enclosure:
Notice of Violation

cc w/ encl: Todd Raderer, Chief Operating Officer
Patrick Byrne, RSO
State of Indiana

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, 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. To the extent possible, your response should not include any personal privacy, proprietary or safeguards information so that it can be made available to the Public without redaction.

Sincerely,

***/RA/***

Tamara E. Bloomer, Chief
Materials Inspection Branch

Docket No. 030-38008
License No. 13-32739-01

Enclosure:
Notice of Violation

cc w/ encl: Todd Raderer, Chief Operating Officer
Patrick Byrne, RSO
State of Indiana

Distribution:
Docket File
Cynthia Pederson
Steven Reynolds
Patrick Louden
Steven Orth
Carole Ariano
Paul Pelke
Patricia Buckley
Tammy Tomczak
MIB Inspectors

*See previous concurrence
DOCUMENT NAME: G:\Work in progress\IR- CG Technologies and NOV.doc
☒ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☒ Non-Sensitive
**To receive a copy of this document, indicate in the concurrence box "C" = Copy without attach/encl "E" = Copy with attach/encl "N" = No copy**

| OFFICE | RIII | | RIII | | RIII | | RIII | |
|---|---|---|---|---|---|---|---|---|
| NAME | MMLaFranzo: jm | | AMBramnik* | | TEBloomer | | | |
| DATE | 03/5/10 | | 03/05/10 | | 03/5/10 | | | |

**OFFICIAL RECORD COPY**

## NOTICE OF VIOLATION

**C&G Technologies, Inc.**
**Jeffersonville, Indiana**

**Docket No. 030-38008**
**License No. 13-32739-01**

During a U. S. Nuclear Regulatory Commission (NRC) inspection conducted on February 9, 2010, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

> Condition 8.A. of NRC License No. 13-32729-01 states that the maximum amount of Germanium-68 that the licensee may possess at any one time under the license is two sources not to exceed 20 millicuries each.
>
> Contrary to the above, as of February 9, 2010, the licensee possessed more than two sources of Germanium-68. Specifically, as of February 9, 2010, the licensee possessed three sources of Germanium-68 that did not exceed 20 millicuries each.
>
> This is a Severity Level IV violation (Supplement VI).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to be taken to correct the violation and prevent recurrence, and the date when full compliance will be achieved, is already adequately addressed on the docket in the letter transmitting this notice. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, Inspection Report No. 030-38008/10-01(DNMS)" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response 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. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 5th day of March 2010.