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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

SEP 22 2010

Chris Sarvanidis  
Radiation Safety Officer  
ArcelorMittal Burns Harbor, LLC  
250 W. US Highway 12  
Burns Harbor, IN 46304

Dear Mr. Sarvanidis:

Enclosed is Amendment No. 03 to your NRC Material License No. 13-32670-01 in accordance with your request. Please note that the changes made to your license are printed in **bold** font.

Please review the enclosed document carefully and be sure that you understand all conditions.

If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

**This also refers to the unsuccessful attempts that I and my colleague, Colleen Carol Casey, made to reach you, Kevin Lackman, and Anthony LaMastra, via telephone on September 10, 2010, to discuss your letter dated June 16, 2010.**

Your June 16, 2010, letter requested authorization to permit the temporary relocation of gauges by your radiation workers, who were minimally trained, i.e., initial and refresher training only, as specified in Section 8.4 of your "Policies Governing the Use of Ionizing Radiation." This temporary relocation would be conducted when the individuals named to your license to perform specified non-routine maintenance activities were not immediately available.

We are unable to approve this request at this time because the information in your letter dated June 16, 2010, was insufficient to complete our review. In addition, the minimal level of training for your radiation workers is insufficient to permit them to temporarily relocate your gauging devices. The procedures described in Section 8.4 of your "Policies Governing the Use of Ionizing Radiation" appear to lack the rigor required by NRC to perform non-routine activities.

As we were unable to reach you to explore alternatives, if necessary, to your proposed amendment, please contact me at (630) 829-9752 to discuss this matter further.

Please be reminded that guidance for the training requirements and procedures to conduct non-routine maintenance on fixed gauges is in Section 10.8 and Appendix N of NUREG 1556, Vol. 4, October 1998, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Fixed Gauge Licenses," which may be found on our website at:

The enclosed document contains sensitive security-related information.  
When separated from this cover letter this letter is uncontrolled.

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C. Sarvanidis

<http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1556/v4/sr1556v4.pdf>

If you would like to pursue this amendment request, please respond by submitting an written, currently dated and signed (by a senior manager) amendment request, addressed to my attention as “additional information to control number 573014,” to facilitate proper handling in our office. We will then resume our review.

We did remove Condition No. 23 from Amendment No. 2 of you material license. The condition was redundant due to already having possession limits on you license. This change required us to renumber subsequent license conditions.

Please note, however, that you are strongly encouraged to contact me by telephone first in order to discuss this matter and clarify our mutual understanding and expectations.

If you have any questions concerning this amendment please contact me at 630-829-9752 or (800) 522-3025, ext. 9752.

NRC's Regulatory Issue Summary (RIS) 2005-31 provides criteria to identify security-related sensitive information and guidance for handling and marking of such documents. This ensures that potentially sensitive information is not made publicly available through ADAMS, the NRC's electronic document system.

Pursuant to NRC's RIS 2005-31 and in accordance with 10 CFR 2.390, the enclosed license document is exempt from public disclosure because its disclosure to unauthorized individuals could present a security vulnerability.

The RIS may be located on the NRC Web site at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/reg-issues/2005/ri200531.pdf> and the link for frequently asked questions regarding protection of security related sensitive information may be located at: <http://www.nrc.gov/reading-rm/sensitive-info/faq.html>.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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>.

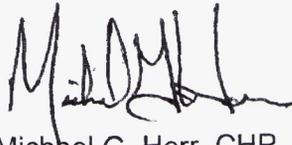
You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions.

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C. Sarvanidis

Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael G. Herr".

Michael G. Herr, CHP  
Materials Licensing Branch

License No. 13-32670-01  
Docket No. 030-37546

Enclosure:

Amendment No. 03

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