

#### UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV

612 EAST LAMAR BLVD, SUITE 400 ARLINGTON, TEXAS 76011-4125

January 4, 2011

Pruhs Corporation ATTN: J. Dana President 2193 Viking Drive Anchorage, Alaska 99501-1730

#### SUBJECT: POSSESSION OF RADIOACTIVE MATERIAL WITHOUT A LICENSE

Dear Mr. Dana:

On August 7, 2009, the U.S. Nuclear Regulatory Commission (NRC) expanded its jurisdiction in the State of Alaska to include regulating naturally occurring and accelerator-produced radioactive material (NARM), such as radium-226. Companies in Alaska in possession of radium-226 contained in portable nuclear devices were given the opportunity to apply for a NRC license by August 7, 2010.

The NRC has become aware that Pruhs Corporation may be in possession of portable nuclear gauges containing radium-226 without a valid license issued by the NRC contrary to Title 10 of the Code of Federal Regulations, Part 30. On September 8, 2010, Mr. Jason Razo, an inspector in the Nuclear Materials Safety Branch A, contacted Mr. Kyle Finch of your staff via electronic communication and provided him with information on how to apply for an NRC license (enclosure). As of the date of this letter, the NRC has not received a license application from Pruhs Corporation.

If Pruhs Corporation is in possession of radioactive material without a license, you need to place the radioactive material in storage and not use the material until a license is obtained from the NRC. Furthermore, you need to submit a license application and corresponding application fee within 7 business days after receipt of this letter. You may contact Mr. Roberto Torres at 817-860-8189 for information on how to obtain a license.

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 document system (ADAMS). ADAMS is accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>.

Thank you for your cooperation. Sincerely Jack E. Whitten, Chief Nuclear Materials Safety Branch B Enclosure: As stated

#### Torres, RobertoJ

From: Sent: To: Subject: Torres, RobertoJ Wednesday, September 08, 2010 12:26 PM Razo, Jason RE: NRC license information

Thanks Jason.

From: Razo, Jason Sent: Wednesday, September 08, 2010 11:47 AM To: KyleFinch@Pruhscorp.com Cc: Torres, RobertoJ Subject: NRC license information

Mr. Finch:

I recently spoke with Mr. Derrek Anderson and he indicated that you might be a good point of contact for the use of a radium portable gauge by Pruhs Construction. I've attached the information on how to apply for a portable gauge license with the NRC. Pruhs Construction needs to obtain a U.S. Nuclear Regulatory Commission license for the possession, storage and use of its portable gauge containing radioactive material.

Previously, the radium gauge that you possess did not require a license with the NRC, but that waiver expired for Alaska in August 2010. The application fee for a portable gauge license is \$1,400 and the annual fee to maintain the license active is \$3,400. If Pruhs Construction qualifies as a small business entity, they can pay a reduced annual fee of \$400 by calling Brenda Brown at 301-415-6055 or email her at <u>brenda.brown@nrc.gov</u> after receipt of each year's annual fee invoice.

Information needed to apply for a license.

1. Fill out NRC Form 313 (see attached).

2. Fill out Appendix B of NUREG-1556, Volume 1, revision 1 (see attached). This NUREG-1556, Volume 1, revision 1, provides guidance for you the applicant on the type of information you need to submit to the NRC in support of your license application.

3. State who the proposed Radiation Safety Officer (RSO) is for the application. Submit training certificate as RSO or gauge user for the proposed RSO, if the training has been taken. Submit resume indicating previous work experience related to the use of radioactive material or radiation safety or use of gauges, if applicable.

4. State why you are requesting a license to use portable gauges, provide examples of projects in which you will use portable gauges.

5. Describe the radiation survey that you plan to possess (type of radiation it can detect and range of scale) or the arrangement that you will make to have access to an instrument during an emergency.

6. Please note that 10 CFR 30.34, Terms and Conditions of Licenses, was revised to enhance the security requirements for portable gauges containing byproduct material. This revision became effective July 11, 2005. Revised 10 CFR 30.34 now requires that "each portable gauge licensee shall use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal, whenever portable gauges are not under the control and constant surveillance of the licensee" (i.e., when not in use). Guidance on these security procedures is provided in revised Appendix H of NUREG-1556, Volume 1, rev. 1 (see attachment). Commit to the following language: "We will implement and maintain the

"Operating, Emergency, and Security Procedures" in Appendix H of NUREG-1556, Volume 1, Revision 1, and provide copies of these procedures to all gauge users and at each job site."

7. Is your company registered with your State Department of State. If so, provide registration number.

8. Do you have a company website? If so, please state.

9. Please provide the names of all the owners of the company, if applicable.

10. Provide an organization chart with individual's names and positions.

11. Describe the security of the proposed storage location for the portable gauges. Provide diagram with dimensions. Diagram should include storage location for the gauges. Indicate if location of use is a residence or a business location.

12. Indicate if you have been a previous authorized user or RSO of a portable gauge working under an NRC or Agreement State portable gauge licensee. State years of work experience as a portable gauge user with another company, and company name and license number, if applicable.

13. Indicate if your company has ever had an NRC or Agreement State license for portable gauges.

14. Provide copies of federal tax identification number, professional licenses, and/or drivers license.

15. Indicate how many portable gauges you have. Provide manufacturer's name, model number, gauge serial number, type of radionuclide and activity of radionuclide.

16. Last but not least, provide a copy of the most recent leak test results for the portable gauge in your possession.

Submit all this information as part of your license application to the following address:

US Nuclear Regulatory Commission Region IV Attention: Licensing Assistant 612 East Lamar Boulevard, Suite 400 Arlington, TX 76011-4125

Please email Mr. Roberto J. Torres <u>robertoj.torres@nrc.gov</u>, or call at 817-860-8189, if you have any questions.

Jason M. Razo

817-276-6589 Health Physicist US Nuclear Regulatory Commission

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Thank you for your cooperation.

Sincerely,

#### Jack E. Whitten, Chief Nuclear Materials Safety Branch B

Enclosure:	As	stated	

ADAMS	☑ Yes □ No	☑ SUNSI Rev Complete	Reviewer Initials:	RJT
Publicly Avail	🗹 Yes 🗆 No	Sensitive Value: N o n	-Sensitive	· · · · · · · · · · · · · · · · · · ·

DNMS:B	QNMS:B					
RJTorres	JEWhitten					
RIC	UR I					
01/04/1	01/04/11					
OFFICIAL	RECORD CC		T=Te	lenhone	E=E-mail	F=Fax

OFFICIAL RECORD COPY

T=Telephone E=E-mail F=Fax

#### Torres, RobertoJ

From: Sent: To: Subject: Attachments: Torres, RobertoJ Tuesday, January 04, 2011 9:12 AM 'kylefinch@pruhscorp.com' NRC letter for your immediate attention Pruhs letter.pdf

Mr. Dana:

NRC letter for your immediate attention.

Roberto J. Torres Senior Health Physicist U.S. Nuclear Regulatory Commission - Region IV Division of Nuclear Materials Safety Nuclear Materials Safety Branch B 612 East Lamar Boulevard, Suite 400 Arlington, Texas 76011-4125 Telephone 817-860-8189 Facsimile 817-860-8263 robertoj.torres@nrc.gov



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Jason M. Razo

817-276-6589 Health Physicist US Nuclear Regulatory Commission



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# **DIVISION OF NUCLEAR MATERIALS SAFETY**

DATE / TIME:	1-4-2011		
PRIORITY: IMMEDIATELY 1-HOUR 2-4 HOUR			
MESSAGE TO:	J. Dan	a	
MESSAGE FROM:	Jacku	2hitten	
NUMBER OF PAGES	<u>3</u> PLUS	TRANSMITTAL SHEET	
TELECOPY NUMBER:	<del>31-860-826</del> 3		817-860-8263(F)
CONTACT:	907-279-1028	?	

**SPECIAL INSTRUCTIONS / ATTACHMENTS:** 

Immediate attention

TRANSMITTED AND VERIFIED BY:

**DISPOSITION:** 

RETURN TO ORIGINATOR: \_\_\_\_\_

PLACE IN MAIL:

NAME

DATE

OTHER:

TRANSMISSION VERIFICATION REPORT

TIME : 01/04/2011 09:18 NAME : USNRC RIV FAX : 8178608263 TEL : SER.# : BROL2J847623

DATE,TIME FAX NO./NAME DURATION PAGE(S)

RESULT MODE 01/04 09:17 719072791028 00:00:42 04 COVERPAGE OK STANDARD ECM



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UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV 612 EAST LAMAR BLVD, SUITE 400 ARLINGTON, TEXAS 76011-4126

## **DIVISION OF NUCLEAR MATERIALS SAFETY**

DATE / TIME: PRIORITY: IMMEDIATELY 1-HOUR 2-4 HOUR	<u>/-4-2011</u>		
MESSAGE TO:	J. Dar	a	· · · · · · · · · · · · · · · · · · ·
MESSAGE FROM:	Jack	shiften	1. S. 1. W.
NUMBER OF PAGES	<u>3</u> plus	TRANSMITTAL SHEET	
TELECOPY NUMBER:		VERIFICATION NUMBER:	817-860-8263(F)
CONTACT:	907-279-1028	3	

### SPECIAL INSTRUCTIONS / ATTACHMENTS:

Immediate attention