



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

May 3, 2011

Mr. Eduardo M. Freire, P. E.
President
Craig Testing Laboratories, Incorporated
5439 Harding Highway
P. O. Box 427
Mays Landing, NJ 08330

RI-2010-A-0012

Subject: NRC Office of Investigations Case No. 1-2010-021

Dear Mr. Freire:

The Region I Field Office, NRC Office of Investigations (OI), initiated an investigation (Case No. 1-2010-021) on March 4, 2010, to determine whether two named Craig Testing Laboratories (CTL) employees deliberately provided false information to the NRC during inspection and investigation activities regarding a nuclear gauge that was reported lost, and then stolen, by the licensee in 2007. Based upon testimonial and documentary evidence gathered during this investigation, the NRC concluded that no CTL employees willfully provided false information to the NRC regarding the loss and/or theft of the gauge.

In November 2007, a gauge owned by CTL went missing. At that time, the licensee originally reported to the NRC that the gauge had been lost, but a short time later, informed the NRC that the gauge had been stolen from a gauge user's truck. After comprehensive inspection and investigation activities (reference NRC Inspection Report No. 03014353/2008001 and NRC Office of Investigations Report No. 1-2008-017 dated March 4, 2009), no violations of NRC requirements were identified nor was the NRC able to conclude that any CTL employee willfully provided incomplete or inaccurate information regarding the loss and/or theft of the gauge. About a year following issuance of the NRC's correspondence regarding this matter, the NRC became aware of an additional concern that two named CTL employees may have provided false information to the NRC regarding the nuclear gauge that was reported stolen in 2007.

As part of its investigation, OI interviewed current and former employees of CTL and reviewed documentary evidence. Based on the evidence reviewed, OI concluded that it was reasonable for the named CTL employees to believe that the gauge may have been stolen, and not lost, as originally reported. OI found no evidence to suggest that CTL willfully provided the NRC with any incomplete or inaccurate information about the incident.

Please note that final NRC investigation documents, such as the OI report described above, may be made available to the public under the Freedom of Information Act (FOIA) subject to redaction of information appropriate under the FOIA. Requests under the FOIA should be made in accordance with 10 CFR 9.23, Requests for Records, a copy of which is enclosed for your information.

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 Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Mr. Eduardo M. Freire, P. E.

2

RI-2010-A-0012

No response to this letter is required. Should you have any questions regarding this letter, please contact Mr. B. Welling of my staff at (610) 337-5205.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Nuclear Materials Safety

Enclosure: As Stated

No response to this letter is required. Should you have any questions regarding this letter, please contact Mr. B. Welling of my staff at (610) 337-5205.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Nuclear Materials Safety

Enclosure: As Stated

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