

October 9, 2012

EA-12-184

Mr. Paul Pelengaris
Radiation Safety Officer
Alfred Benesch & Company
205 North Michigan Avenue, Suite 200
Chicago, IL 60601

SUBJECT: NRC RECIPROCITY INSPECTION REPORT NO. 15000012/2012005(DNMS)
EXERCISE OF ENFORCEMENT DISCRETION AND NOTICE OF VIOLATION –
ALFRED BENESCH & COMPANY

Dear Mr. Pelengaris:

On August 22, 2012, inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a reciprocity inspection at your facility located at 222 N. Washington Square, Suite 200, in Lansing, Michigan. The purpose of the inspection was to review activities performed under reciprocity in conjunction with your Illinois license to ensure that activities were being performed in accordance with NRC requirements.

During this inspection, the NRC staff examined activities conducted under reciprocity related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations, as well as 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 website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation concerned the failure to 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, as required by Title 10 of the Code of Federal Regulations (CFR) Part 30.34(i). The inspector identified the violation during the inspection, and as a result, the NRC is citing the violation in the enclosed Notice of Violation (the Notice).

The root cause of the violation was your staff's oversight of the requirements in 10 CFR 30.34(i). Specifically, members of your staff believed that a lock on the storage room door and a lock on the gauge case itself met the requirements to secure the gauges. As a corrective action your staff provided a means of securing the gauges to the wall of the storage room with a second lock and chain. This action was completed by the end of the day of the inspection, August 22, 2012. In addition, you indicated you would retrain your staff in how to secure the gauge to meet NRC requirements. As such, you are now in compliance with NRC requirements.

In accordance with the Enforcement Policy, although such violations of 10 CFR 30.34(i) are normally categorized at Severity Level III and considered for escalated enforcement action,

because (1) one physical control existed to prevent loss or theft of the portable gauges; (2) you retained possession of the gauges; (3) the violation was isolated; and (4) no indication of programmatic weakness was identified, the NRC is exercising enforcement discretion to categorize this violation as a Severity Level IV.

The NRC has concluded that information regarding the reason for the violation(s), the corrective actions taken and planned to correct the violation(s) and prevent recurrence, and the date when full compliance will be achieved 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's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website 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.

If you have any questions regarding this inspection, please feel free to contact Mr. Edward Kulzer of my staff. You can reach Mr. Kulzer at 630-829-9875.

Sincerely,

/RA/

Anne T. Boland, Director
Division of Nuclear Materials Safety

Docket No. 150-00012
Illinois License No. IL-01696-01

Enclosure:
Notice of Violation

cc w/encl: James H. Canham,
Vice President and Michigan Division Manager
Chad E. Rajala, PE,
Director of Construction Services
State of Illinois
State of Michigan

because (1) one physical control existed to prevent loss or theft of the portable gauges; (2) you retained possession of the gauges; (3) the violation was isolated; and (4) no indication of programmatic weakness was identified, the NRC is exercising enforcement discretion to categorize this violation as a Severity Level IV.

The NRC has concluded that information regarding the reason for the violation(s), the corrective actions taken and planned to correct the violation(s) and prevent recurrence, and the date when full compliance will be achieved 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.

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If you have any questions regarding this inspection, please feel free to contact Mr. Edward Kulzer of my staff. You can reach Mr. Kulzer at 630-829-9875.

Sincerely,

/RA/

Anne T. Boland, Director
Division of Nuclear Materials Safety

Docket No. 150-00012
Illinois License No. IL-01696-01

Enclosure:
Notice of Violation

cc w/encl: James H. Canham,
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State of Illinois
State of Michigan

Distribution w/encl:
See next page

*see previous concurrence

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DATE	10/02/12		10/03/12		10/03/12		10/09/12

Letter to Mr. Paul Pelengaris from Anne Boland, dated October 9, 2012.

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 15000012/2012005(DNMS) AND
NOTICE OF VIOLATION – ALFRED BENESCH & COMPANY

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NOTICE OF VIOLATION

Alfred Benesch & Company
Chicago, IL

Docket No. 150-00012
License No. IL-01696-01

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on August 22, 2012, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the Code of Federal Regulations (CFR) Part 30.34(i) 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.

Contrary to the above, on August 22, 2012, the licensee failed to 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. Specifically, the licensee had two portable gauges locked in its remote storage room with no surveillance using only one lock on the door.

This is a Severity Level IV violation (Section 6.3).

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, and the date when full compliance was achieved, is already adequately addressed on the docket in the letter transmitting this Notice of Violation (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, IR 15000012/2012005(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.

If you choose to respond, your response will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website 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.

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

Dated this 9th day of October 2012.

Enclosure