

February 27, 2015

EA-14-223

Mr. William Gibb
Reuter Stokes, Inc.
8944 Darrow Rd.
Twinsburg, OH 44087

SUBJECT: LATE REPORTING OF EXPORTS OF NUCLEAR REACTOR COMPONENTS DESCRIBED IN PARAGRAPHS (5) – (9) OF APPENDIX A TO 10 CFR PART 110 AND SHIPPED UNDER THE 10 CFR 110.26 GENERAL LICENSE

Dear Mr. Gibb:

This letter refers to your letter dated November 14, 2014, regarding Reuter Stokes, Inc.'s (RS) reporting of exports of nuclear reactor components described in paragraphs (5) – (9) of Appendix A to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 110, and covered by a U.S. Nuclear Regulatory Commission (NRC) general license.

Based on the information provided, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. Specifically, for the year 2013, RS made 13 shipments of nuclear reactor components under the NRC general license established by 10 CFR 110.26(a) to Spain, Sweden, Switzerland and Taiwan, and failed to report these shipments by February 1st of the year following the year in which the shipments were made, in accordance with 10 CFR 110.54(c).

In an email dated December 3, 2014, RS attributed the cause of the failure to provide the reports in a timely manner to the retirement of the person assigned the responsibility. When the retiree's workload was reassigned, the reporting assignment was overlooked. Once the oversight was discovered, the late report and self-disclosure of the oversight was submitted to the NRC. To prevent a reoccurrence of the oversight, RS recorded the reporting requirement into their digital business management system to ensure multiple parties within the organization are aware of their responsibilities to provide data input that will ensure timely reporting of exports made under the general license.

This violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is available on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation is being treated as a Non-Cited Violation (NCV) because all the criteria in Section 2.3.2 of the NRC's Enforcement Policy are met: (1) you identified the violation, (2) you initiated prompt and comprehensive corrective actions to prevent recurrence as documented in your email dated December 3, 2014, (3) the violation was not repetitive as a result of inadequate corrective actions, and (4) the violation was not willful.

If you contest the violation or significance of this NCV, you should provide a response within 30 days of the date of this report, with the basis for your denial, to the Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the

W. Gibb

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Deputy Director, Office of International Programs, and Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), 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 document system (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

Please contact Brooke Smith at (301) 415-2347 if you have any questions regarding this matter.

Sincerely,

/RA/

Nick D. Hilton, Chief
Enforcement Branch
Office of Enforcement

cc: See next page

W. Gibb

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cc:

Office of Nonproliferation and International Security (NA-24)
U.S. Department of Energy/National Nuclear Security Administration
ATTN: Katie Strangis, Senior Policy Advisor
1000 Independence Avenue, SW
Washington, D.C. 20585-1615

Office of Nonproliferation and International Security (NA-24)
U.S. Department of Energy/National Nuclear Security Administration
ATTN: Mr. Richard S. Goorevich, Senior Policy Advisor
1000 Independence Avenue, SW
Washington, D.C. 20585-1615

Office of Nonproliferation and International Security (NA-24)
U.S. Department of Energy/National Nuclear Security Administration
ATTN: Ms. Jessica Norles, National Security Analyst
1000 Independence Avenue, SW
Washington, D.C. 20585-1615

LSS Technical Data Assessment & Teleforensics Center, DHS/CBP
ATTN: Christopher Baugues
12825 Worldgate Plaza, Building 3
Department of Homeland Security
Herndon, VA 20170

Office of Nuclear and Missile Technology,
Bureau of Industry and Security
U.S. Department of Commerce
ATTN: Steve Clagett
14th Street & Penn Avenue, NW, Room 2631
Washington, D.C. 20230

NAC International/Nuclear Materials Management Safeguards System
ATTN: Peter Dessaulles, Program Manager
1000 Independence Ave., SW
Washington, D.C. 20585-1290

Office of Nuclear Energy, Safety and Security Affairs, Room 3320 HST
Bureau of International Security and Nonproliferation
U.S. Department of State
ATTN: Robin DeLaBarre
2201 C Street, NW
Washington, D.C. 20520

Deputy Director, Office of International Programs, and Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

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/RA/

Nick D. Hilton, Chief
Enforcement Branch
Office of Enforcement

cc: See next page

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N. Hilton, OE L. Sreenivas, OE R. Fretz, OE

OE Case File EA-14-223
OE Day File

ADAMS Accession No: ML14345A190

*concurrence via email

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