

Richard K. Witchko

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March 30, 1998

OVERNIGHT MAIL

Office of Commission Appellate Adjudication
Mail Stop: O-16-G15
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: Power Inspection, Inc.

Gentlemen:

Enclosed you will find a conforming copy of the Answer to Notice of Violation in the above-captioned matter.

Very truly yours,

Richard K. Witchko/sm
Richard K. Witchko

RKW/sm

enclosure

OFFICE OF SECRETARY
RULEMAKING AND
ADJUDICATIONS STAFF

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**U.S. NUCLEAR REGULATORY COMMISSION
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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

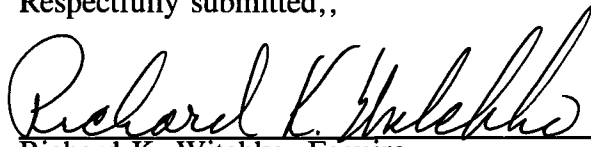
In the matter of)
)
POWER INSPECTION, INC.) Docket No. 30-20644-CivP
)
(Order Imposing Civil Monetary penalty)) ASLBP No. 98-737-02-CivP

NOTICE OF APPEARANCE

Notice is hereby given that the undersigned attorney enters an appearance in the above-captioned matter. In accordance with 10 C.F.R. §2.713(b), the following information is provided:

Name: Richard K. Witchko, Esquire
Address: 7805 McKnight Road
Pittsburgh, PA 15237
Telephone: (412) 367-2266
Admissions: Pennsylvania
Name of Party: Paul E. Chambers

Respectfully submitted,,


Richard K. Witchko, Esquire
Counsel for Paul E. Chambers

Dated in Pittsburgh, PA
this 30th day of March, 1998

**UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
ATOMIC SAFETY AND LICENSING BOARD**

**Before Administrative Judges:
Peter B. Bloch, Presiding Officer
Dr. Richard F. Cole, Administrative Judge
Frederick J. Shon, Administrative Judge**

**In the matter of
POWER INSPECTION, INC.**

Docket No. 30-20644-civP

**Re: Order Imposing
Civil Monetary Penalty**

ASLBP No. 98-737-02-CivP

ANSWER TO NOTICE OF VIOLATION

AND NOW, comes Paul E. Chambers by and through his attorney, Richard K. Witchko, and files the following Answer to the Notice of Violation and respectfully avers the following:

1. It is specifically denied that Paul E. Chambers at any time violated or had knowledge of any of the violations listed in the Notice of Violations dated February 18, 1997.
2. Paul E. Chambers sole relationship to Power Inspection, Inc. was that of a creditor. See letter to Krishna Kumar dated July 15, 1991 attached hereto and made part hereof as Chambers "Exhibit 1."
3. In addition to the original loan of \$15,000 to Power Inspection Inc., Paul E. Chambers arranged a line of credit for Power Inspection, Inc. with Capital Bank in the amount of \$100,000 that was personally guaranteed by Paul E. Chambers.

4. As security for said line of credit, Krishna Kumar granted a Judgment Note in the amount of \$100,000 to Paul E. Chambers. See Judgment Note attached hereto and made part hereof as Exhibit B.

5. As additional security, Krishna Kumar transferred 47.5% of the Common Stock of Power Inspection Inc. to Paul E. Chambers.

6. At no time did Paul E. Chambers have any part in the day to day operation of Power Inspection Inc. See letter of Krishna Kumar dated December 17, 1993 attached hereto as Exhibit C.

7. At all times all of radiographic testing and handling of nuclear source material was conducted by or under the direct supervision of Krishna Kumar. See Exhibit C.

8. Paul E. Chambers relied on the statements of Krishna Kumar concerning his expertise and knowledge in handling nuclear source materials.

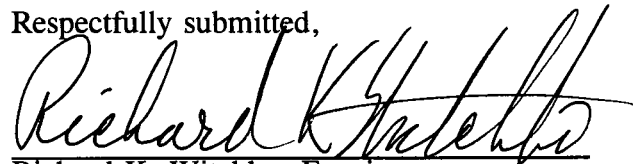
9. The statement detrimentally relied upon by Paul E. Chambers constituted a fraud perpetrated by Krishna Kumar on Paul E. Chambers to obtain monies and financing by Paul E. Chambers.

10. As a direct result of the fraud of Krishna Kumar Paul E. Chambers has incurred personal debt of over \$105,000.

11. Paul E. Chambers avers that the civil penalty imposed is arbitrary, capricious and unreasonable under the circumstances.

WHEREFORE, the defendant, Paul E. Chambers, respectfully requests that the Atomic Safety and Licensing Board Panel dismiss the violations as they apply to Paul E. Chambers.

Respectfully submitted,



Richard K. Witchko, Esquire
Counsel for Paul E. Chambers

**UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION**

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the matter of)	
)	
POWER INSPECTION, INC.)	Docket No. 30-20644-CivP
)	
(Order Imposing Civil Monetary penalty))	ASLBP No. 98-737-02-CivP

CERTIFICATE OF SERVICE

I hereby certify that copies of "ANSWER" and "NOTICE OF APPEARANCE" in the above-captioned proceeding have been served on the following by deposit into United States Mail overnight delivery and regular First Class U.S. Mail on the 30th day of March, 1998.

Administrative Judge
Peter B. Bloch, Chairman
Atomic Safety and Licensing Board
Mail Stop: T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Administrative Judge
Richard F. Cole
Atomic Safety and Licensing Board
Mail Stop: T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Administrative Judge
Frederick J. Shon
Atomic Safety and Licensing Board
Mail Stop: T-3 F23
Washington, DC 20555

Office of Commission Appellate Adjudication
Mail Stop: O-16 G15
U.S. Nuclear Regulatory Commission
Washington, DC 20555

I hereby certify that copies of "ANSWER" and "NOTICE OF APPEARANCE" in the above-captioned proceeding have been served on the following by regular First Class U.S. Mail on the 30th day of March, 1998.

Krishna Kumar
Power Inspection, Inc.
c/o William F. Manifesto, Esquire
1550 Koppers Building
Pittsburgh, PA 15219

Susan L. Uttal, Esquire
U.S. Nuclear Regulatory Commission
Office of General Counsel
Washington, DC 20555