



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

August 9, 2016

Mr. Steve Dobos
Radiation Safety Officer
Energy Laboratories, Inc.
P.O. Box 247
Casper, WY 82602

SUBJECT: NRC INSPECTION REPORT 030-29502/2016-001; NOTICE OF VIOLATION

Dear Mr. Dobos:

This letter refers to the unannounced inspection conducted on March 1, 2016, at your facilities located in Casper, Wyoming, with continued in-office research until August 1, 2016. The inspection examined activities conducted under your license as they relate to public health and safety, and to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules and regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel. A final telephonic exit briefing was conducted with you on August 4, 2016.

Based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements was identified. The violation was evaluated in accordance with the NRC Enforcement Policy, which can be found at the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violation involved a failure to follow procedures committed to in your license and maintain records that demonstrated your compliance with the discharge limits of 10 CFR 20.2003, "Disposal by Release into Sanitary Sewerage," and is being cited in the enclosed Notice of Violation (Notice) because it was identified by the NRC during the inspection.

You are required to respond to this letter and must follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful. You can find the Information Notice on the NRC Web site at <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/info-notices/1996/in96028.html>.

Information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence, and the date when full compliance will be (was) achieved should be addressed. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC's Web site 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.

If you have any questions concerning this matter, please contact Jason C. Dykert at 817-200-1427 or the undersigned at 817-200-1191.

Sincerely,

/RA/

Ray L. Kellar, P.E., Chief
Nuclear Materials Safety Branch A
Division of Nuclear Materials Safety

Docket: 030-29502
License: 49-26846-01

Enclosure:
Notice of Violation (Notice)

cc: Wyoming Radiation Control Program Director

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC's Web site 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.

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Enclosure:
Notice of Violation (Notice)

cc: Wyoming Radiation Control Program Director

DISTRIBUTION:

S. Morris
M. Shaffer
L. Howell
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ADAMS ACCESSION NUMBER: ML16222A762

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SIGNATURE	<i>/RA/</i>	<i>/RA/</i>			
DATE	08/08/16	08/09/16			

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Energy Laboratories, Incorporated
Casper, Wyoming

Docket: 030-29502
License: 49-26846-01

During an NRC inspection conducted on March 1, 2016, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 20.2108(a) requires, in part, that each licensee maintain records of the disposal of licensed materials made under of 10 CFR 20.2003, "Disposal by Release into Sanitary Sewerage."

License Condition 14 A. of NRC License 49-26846-01, Amendment No. 14 requires, in part, that the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed in the license. In license application dated March 14, 2013, Item 11, "Waste Management," the licensee committed to elect to utilize the procedure found in Appendix N of NUREG-1556, Vol. 18 for waste disposal by release to sanitary sewerage, which provides a model method for meeting requirements in 10 CFR 20.2108 and 10 CFR 20.2003.

Contrary to the above, from September 12, 2013 when NRC License 49-26846-01 was renewed to present, the licensee failed to maintain records of the disposal of licensed materials made under 10 CFR 20.2003, and failed to conduct its program in accordance with the terms and conditions of its license. Specifically, the licensee failed to follow the procedure in Appendix N and maintain records which confirmed that the liquid waste was soluble, which recorded the dates when specific licensed materials were disposed of, which recorded the location where those materials were discharged, and which recorded the names of individuals who discharged the waste, records that would have fully indicated the licensee's compliance with discharge limits found in 10 CFR 20.2003.

This is a Severity Level IV violation (Section 6.3.d.3).

Pursuant to the provisions of 10 CFR 2.201, Energy Laboratories Incorporated is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance was achieved.

Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Enclosure

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC Web site at www.nrc.gov/reading-rm/pdr.html or 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 personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information).

In accordance with 10 CFR 19.11(a)(4), you are required to post this Notice within two working days.

Dated this 9th day of August 2016.