

APPENDIX A
NOTICE OF VIOLATION

Engineering, Inc.
Billings, Montana

Docket: 30-17300/89-01
License: 19303-01

During an NRC inspection conducted on September 26, 1989, violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1989) (Enforcement Policy), the violations are listed below:

1. 10 CFR 30.41(c) requires that, prior to transferring licensed material, each licensee verify that the transferee's license authorizes the receipt of the type, form, and quantity of byproduct material to be transferred. 10 CFR 30.41(d) specifies the requirements for verifying authorization.

Contrary to the above, on March 20, 1989, a Troxler moisture density gauge containing byproduct material was transferred without utilizing one of the verification procedures.

This is a Severity Level IV violation. (Supplement VI)

2. License Condition 12.A(1) requires that sources containing licensed material shall be tested for leakage and/or contamination at intervals not to exceed 6 months.

Contrary to the above, on September 11, 1989, 9 months after the gauge was placed in storage, the gauge was used without having the source leak tested.

This is a repeat violation.

This is a Severity Level IV violation. (Supplement VI)

Pursuant to the provisions of 10 CFR 2.201, Engineering, Inc., is hereby required to submit to this office, within 30 days of the date of the letter transmitting this Notice, a written statement or explanation in reply, including for each violation: (1) the reason for the violation if admitted, (2) the corrective steps which have been taken and the results achieved, (3) the corrective steps which will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Where good cause is shown, consideration will be given to extending the response time.

Dated at Arlington, Texas,
this 16th day of November 1989

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