



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NOV 30 1989

General Licensee
10 CFR 150.20
EA 88-290

American Testing & Inspection, Inc.
ATTN: Mr. Ron Preston
President
1904 Cherry Hill Road
Joliet, Illinois 60433

Gentlemen:

SUBJECT: ORDER MODIFYING LICENSE

Enclosed is an Order Modifying License in response to your April 5, 1989 letter which responded to the NRC Order to Show Cause and Order Suspending License (Effective Immediately) sent to you on February 27, 1989. The February 27, 1989 Order suspended your general license under the provisions of 10 CFR 150.20 and directed you to show cause why your general license to possess and use byproduct material for industrial radiography in non-Agreement States should not be revoked.

In your response, you admitted that several violations occurred as stated in the February Order; however, you denied that those violations were made knowingly or willfully on the part of the American Testing & Inspection, Inc. (ATI) President who is the Radiation Safety Officer (RSO). You also stated that several violations did not occur as stated in the Order. Your response requested that the NRC vacate the Order.

NRC's evaluations and conclusions are provided in the enclosed Appendix. Based upon the analysis of your response, the NRC concludes that the licensee's President was responsible either directly or indirectly for violations of NRC requirements, and he remains in control of ATI's licensed activities. In addition, licensee employees knowingly violated NRC requirements and these employees were under the supervision of the President. While the termination of all radiographers, radiographer assistants and helpers employed by ATI prior to the 1987 special inspection and the hiring of new experienced radiographers provide some assurance of future compliance, the licensee's response did not propose adequate methods or steps to assure that the President or other persons responsible for supervision of licensed activities will, in view of past supervisory failures, comply with NRC requirements in the future. Therefore, after carefully reviewing all of the relevant circumstances, the NRC staff has concluded that, while revocation of the licensee's general license may not be warranted, the information in the licensee's response does

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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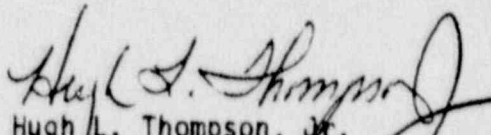
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not provide an adequate basis for lifting the suspension Order at this time without additional requirements to provide adequate assurance that the President of ATI or other persons responsible for the supervision of licensed activities will comply with NRC requirements in the future.

Accordingly, modification of the general license is necessary to give the NRC reasonable assurance that you will properly conduct future licensed activities in non-Agreement States. If you satisfy the conditions stated in Section IV of the enclosed Order, then the NRC will lift the suspension of your general license. After the NRC lifts the suspension and you operate under the terms of the enclosed Order for one year, the NRC will entertain your written request for rescission of this Order. If NRC evaluation shows that you have satisfactorily performed under the terms of this Order during that time, the NRC may relax or rescind the provisions of this Order.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

Sincerely,



Hugh L. Thompson, Jr.
Deputy Executive Director for
Nuclear Materials Safety, Safeguards,
and Operations Support

Enclosures: As Stated

cc w/enclosures:
Illinois Department of Public Health