UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)	
ONCOLOGY SERVICES CORPORATION)	Docket No. 030-31765
)	EA 93-006
(Order Suspending Byproduct)	
Material License No. 37-28540-01))	ASLBP No. 93-674-03-EA

AFFIDAVIT OF BARRY R. LETTS

- I, Barry R. Letts, first being duly sworn, depose and state:
- Regulatory Commission. The Office of Investigations (OI), pursuant to 10 C.F.R. 1.36, carries out investigations of alleged wrongdoing by licensees, applicants and vendors, or their contractors. One of OI's responsibilities is to investigate alleged violations of NRC rules and regulations and to determine whether such alleged violations merit referral to the United States Department of Justice (DOJ) for criminal consideration. See Memorandum of Understanding between the DOJ and the NRC, 53 Fed. Reg. 50317 (December 14, 1988).
- 2. The purpose of this affidavit is to inform the Atomic Safety and Licensing Board (ASLB) presiding over the above-captioned NRC proceeding of the status of the ongoing OI investigation into the activities relating to the Indiana Regional Cancer Center (IRCC) at Indiana, Pennsylvania, its owner(s), employees and related entities, including Oncology Services Corporation (OSC).

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- 3. OI is continuing to review the training procedures and training of the personnel at the cancer centers listed on OSC's NRC license, other issues related to license conditions, the actions of the site personnel during and after the incident at the IRCC, and potentially incomplete and/or inaccurate statements made by company officials to members of the NRC staff.
- Document subpoenas served on February 25 and 26, 1993, required OSC and 6 facilities listed on the license to provide documents by March 12, 1993. Several requests for additional time to produce said documents by counsel for OSC have been accommodated by OI. and ments were received at OI, Region I, on an almost weekly basis beginning March 12, 1993 until on or about April 21, 1993. A review of those documents has been completed. The OSC attorney forwarded an affidavit dated April 26, 1993, stating that OSC has fully complied with the subpoena.
- 5. A final determination was made by OI that OSC has not provided all pertinent documents requested under the subpoenas. This finding has been communicated to OSC. OI is currently working with the NRC Office of the General Counsel to request that the Department of Justice seek to enforce the NRC subpoenas by court order.
- On July 29, 1993, OI received additional documents, under cover letters dated July 23 and 28, 1993. OI has not had the opportunity to fully review these recently received documents, however, a preliminary review of these documents indicates that OSC has not provided all pertinent documents requested under the subpoenas.

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- The investigation is being hampered in its progress because of the failure of OSC to 7. provide all relevant documents. Approximately ten interviews have been completed since my affidavit of June 3, 1993; however, additional interviews are being delayed because OSC has not fully complied with the terms of the subpoenas. In addition, the investigation was further delayed when the OSC attorney stated that she would not be available for participation in pending OI interviews of OSC personnel during the period of June 24 to July 16, 1993.
- The AG and the Pennsylvania State Police have reviewed evidence collected by the NRC 8. and conducted their own investigation/inquiry regarding the incident at the IRCC. As documented in a July 9, 1993 letter, the AG's office determined that the evidence failed to provide sufficient basis for a state criminal prosecution. Information obtained by the AG as a result of his investigation has recently been provided to OI and is currently under review. Additionally, the AG's office is no longer requesting that OI refrain from conducting interviews of the IRCC personnel. To date, OI has not interviewed the IRCC personnel and will not be an a position to do so until we complete our review of the documents provided by the AG's office.
- The decision on whether to refer the matter to the Department of Justice for criminal 9. consideration cannot be made until all documents requested under the subpoenas have been obtained and additional interviews conducted. In light of the uncertain state of compliance with the subpoenas, OI is unable to predict when a decision regarding a referral to the Department of Justice will be made. Although efforts will be made to complete ongoing investigatory

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activities within the current stay period, for the foregoing reasons a request for an additional delay in the proceeding may become necessary.

The matters stated above are true and correct to the best of my knowledge, information, and belief.

> Barry R. Letts, Director Office of Investigations Field Office, Region I

Subscribed and sworn to before me this 2 of August, 1993

Notary Public

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July 28, 1993

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of ONCOLOGY SERVICES CORPORATION Docket No. 030-31765-EA EA No. 93-006

(Byproduct Material License No. 37-28540-01 ASLBP No. 93-674-03-EA

Affidavit of Leo J. Norton

I Leo J. Norton, first being duly sworn, depose and state:

- 1. My name is Leo J. Norton, and I am the J.ssistant Inspector General for Investigations, Office of the Inspector General (OIG), U.S. Nuclear Regulatory Commission (NRC). I have been in this position for three years.
- I have been advised that an administrative proceeding is currently pending before the Atomic Safety and Licensing Board (ASLB) as a result of the January 20, 1993, Suspension Order issued to Oncology Services Corporation (Licensee).
- The purpose of this affidavit is to inform the ASLB presiding over the above-captioned NRC proceeding of the status of the ongoing OIG investigation into activities relating to the Indiana Regional Cancer Center at Indiana, Pennsylvania, its owner(s), employees and related entities, including Oncology Services Corporation (OSC).
- 4. As previously reported, the OIG completed one investigative report and as a result additional issues are now being pursued.
- 5. The investigatory completion date is being delayed by OSC's failure to fully comply with outstanding OI subpoenas and OSC requests for delays in scheduling interviews.
- In light of the uncertain state of compliance with OI subpoenas, OIG is unable to predict when a decision regarding a referral to the Department of Justice will be made.

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

In the Matter of		
ONCOLOGY SERVICES CORPORATION) Docket No. 030-31765-EA	
(Byproduct Material License No. 37-28540-01)) EA No. 93-006	
NOTICE OF AP	PEARANCE	
Notice is hereby given that the undersig above-captioned matter. In accordance with §	ned attorney enters an appearance in the 2.713(b), 10 C.F.R., Part 2, the following	
information is provided:		
Name:	Catherine L. Marco	
Address:	Office of the General Counsel U.S. Nuclear Regulatory Commission Washington, D.C. 20555	
Telephone Number:	(301) 504-3052	
Admission:	Massachusetts Supreme Judicial Court	
Name of Party:	NRC Staff	
	Respectfully submitted,	
	Catherine f. Marco	
	Catherine L. Marco Counsel for NRC Staff	

Dated at Rockville, Maryland this 2nd day of August, 1993

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

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BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF STATUS REPORT ON INVESTIGATIONS" and "NOTICE OF APPEARANCE OF CATHERINE L. MARCO" in the above-captioned proceeding have been served on the following via facsimile or as indicated by an asterisk through deposit in the Nuclear Regulatory Commission's internal mail system this 2nd day of August 1993:

G. Paul Bollwerk, III, Chairman Administrative Judge Atomic Safety and Licensing Board U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dr. Charles N. Kelber Administrative Judge Atomic Safety and Licensing Board U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Marcy L. Colkitt, Esq. General Counsel Oncology Services Corp. 110 Regent Court, Suite 100 State College, PA 16801

Office of the Secretary (2)*
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
Attn: Docketing and Service Section

Kerry A. Kearney, Esq.
Joseph W. Klein, Esq.
Joseph R. Rodkey, Jr., Esq.
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Dr. Peter S. Lam
Administrative Judge
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Adjudicatory File (2)*
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Atomic Safety and Licensing Board Panel (1)* U.S. Nuclear Regulatory Commission Washington, D.C. 20555 Office of Commission Appellate
Adjudication (1)*
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Catherine L. Marco

Catherine L. Marco Counsel for NRC Staff