

17 NOV 1981

Docket No. 30-11401
Inquiry No. 81-01

The Ocean County Utility Authority
ATTN: Mr. Bill Seaman
Northern Facility
P.O. Box "P"
Bayville, New Jersey 08721

License No. 29-16648-01
Expiration Date: August 31, 1980

Gentlemen:

SUBJECT: NOTICE OF VIOLATION

This refers to the telephone discussion between Ms. J. Johansen of this office and Mr. Bill Seaman of your staff on October 13, 1981. The subject of the discussion was the fact that NRC records show that the Byproduct License identified above has expired and no renewal application has been filed in accordance with Section 30.37 of Title 10, Code of Federal Regulations, Part 30.

From our discussions we learned that you still possess material which requires a specific NRC license. Your possession of that material without a valid, specific license is a violation of Section 30.3 of 10 CFR Part 30. Section 30.3 states:

"Except for persons exempt as provided in this part and Part 150 of this chapter, no person shall manufacture, use, import or export byproduct material except as authorized in a specific or general license issued pursuant to the regulations in this chapter".

This Notice of Violation is sent to you under the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office a written statement or explanation in reply including: (1) corrective steps which have been taken by you, and (2) corrective steps which will be taken to avoid this happening in the future. Since you plan to continue possession of radioactive material, your corrective steps must include prompt filing of an application for a new license.

Also, you must immediately place the radioactive material on hand in secure storage until such time as you acquire a valid license. No other use of the material on hand or purchase of additional material is authorized. Include a statement in your reply to this Notice of Violation confirming that you have taken this action and describing the controls that will be exercised over the stored material until such time that you obtain a valid license.

RI:DETI
Rowe/wb
11/13/81

RI:DETI
Kinneman
11/14/81

OFFICIAL RECORD COPY

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You are required to reply to this Notice within thirty days of the date of this letter. Address your reply to Region I, U.S. Nuclear Regulatory Commission, Attention: Chief, Materials Radiological Protection Section, 631 Park Avenue, King of Prussia, Pennsylvania 19406.

Since your present license has expired, your application for renewal will be processed as a request for a new license. Accordingly, you must determine if your program is subject to a license fee as required by Section 170.31 of 10 CFR Part 170 and, if one is required, submit the appropriate fee along with the application. Copies of appropriate application forms and guides are enclosed for your use.

We request that you give prompt attention to these matters. Should you have any questions regarding them, we would be pleased to discuss them with you.

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

The responses directed by this Notice are not subject to the clearance procedures of the Offices of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

Original Signed By:

John D. Kinneman, Chief
Materials Radiological Protection
Section

Enclosures:

1. NRC Form 313
2. 10 CFR Part 170

cc w/encls:

Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
State of New Jersey

bcc w/encls:

Region I Docket Room (with concurrences)