

SEP 20 1990

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of:
Rhodes-Sayre Associates, Inc.
P.O. Box 365
Brookfield, MO 64628

Byproduct Material
License 24-18959-02

ORDER TO SHOW CAUSE

I

Rhodes-Sayre Associates, Inc. P.O. Box 365, Brookfield, MO 64628 (the "licensee"), is the holder of Byproduct Material License 24-18959-02 issued by the Nuclear Regulatory Commission ("the Commission"). The license authorizes the possession and use of byproduct material under certain conditions specified therein. The license was originally issued on May 22, 1986, and expires on May 31, 1991.

II

On April 15, 1987, the licensee's activities authorized by License 24-18959-02 and located at 401 W. Helm, Brookfield, MO, were inspected by a representative(s) of the NRC Region III Office for health and safety purposes. On August 14, 1987, the Commission sent Invoice 1719A, together with the "Terms and Conditions," to the licensee requesting payment within 30 days of the inspection fee of \$530 required by 10 CFR 170 of the Commission's regulations. A second notice of payment due was sent to the licensee on September 25, 1987. A final notice of payment due was sent to the licensee on October 14, 1987. To date, the fee required by Part 170 has not been paid by the licensee.

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III

In view of the foregoing and pursuant to the Atomic Energy Act of 1954, as amended, and the regulations in 10 CFR Parts 2, 30 and 170, IT IS HEREBY ORDERED THAT:

The licensee show cause, in the manner hereinafter provided, why the licensee should not be required to cease all operations involving the licensed material, place the material in secured storage, dispose of the material within 10 days, and decontaminate facilities and equipment in accordance with 10 CFR 30.36 and thereafter have its License 24-18959-02 revoked permanently for non-payment of the inspection fee.

IV

In accordance with the provisions of 10 CFR 2.202 of the Commission's regulations, the licensee may, within twenty days of the date of receipt of this Order, file a written answer to this Order and may also request a hearing within said twenty-day period. Any answer filed shall specifically admit or deny such allegation made in Section II above, and may set forth the matters of fact and law upon which the licensee relies. Filing of an answer or any

request for a hearing should be with the Commission's Director, Division of Accounting and Finance, Washington, D.C. 20555, with a copy to the Office of the General Counsel. If a hearing is requested, the Commission will issue an Order designating the time and place of hearing. Upon failure of the licensee to file an answer within the time specified, the Controller will, without further notice, issue an Order revoking License 24-18959-02 for activities at 401 W. Helm, Brookfield, MO, subject to the removal of the material and completion of the decontamination activities which will be required.

V

In the event the licensee files a timely answer and requests a hearing within the time specified, the issues to be considered at such hearing shall be (1) whether the licensee violated the Commission's regulations as specified in Section II above, and (2) whether License 24-18959-02 should be permanently revoked.

VI

In lieu of filing an answer to this Order, the licensee may pay the prescribed inspection fee within twenty days of the date of receipt of this Order. In the event the licensee remits the required fee of \$530 plus applicable interest and penalties of \$207.00 (through August 31, 1990), within said twenty-day period for a total of \$737.00, and which

increases 22¢ a day for interest and penalties and \$10 a month in administrative charges, the Commission will issue an Order terminating this proceeding. Otherwise, the foregoing procedure for revocation of License 24-18959-02 shall be followed.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by

W. H. Miller, Acting Director
Division of Accounting and Finance
Office of the Controller

Dated at Bethesda, Maryland
this 19th day of September 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED