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Reichhold

March 15, 1994

United States Nuclear Regulatory Commission
Region III
801 Warrenville Road
Lisle, Illinois 60532-4351
ATTN: Mr. B. J. Holt, Chief
Nuclear Materials Inspection/Section 1

RE: RESPONSE TO NOTICE OF VIOLATION

Notice Dated February 15, 1994
License No. 34-18893-01
Docket No. 030-17324

Gentlemen:

This letter will serve as our written response to the Notice of Violation (NOV) issued to ATEC Associates, Inc. in our Cincinnati office dated February 15, 1994 and received by us on February 17, 1994. As directed in the cover letter to your NOV, our reply outlines 1) the reason for the action considered to be a violation of the terms of our license, 2) the corrective steps that have been taken and the results achieved, 3) the corrective steps that will be taken to avoid future violations, and 4) the date when full compliance will be achieved.

The first situation cited in the NOV involves the use of a gauge containing regulated/licensed materials by an individual prior to receiving formal gauge safety training, a violation of Condition 11 of the referenced license.

1) We do not agree that any individual in our organization has been allowed to routinely use a nuclear-density gauge for any great period of time prior to receiving formal training in nuclear safety and the use of our gauges. The individual who is the primary subject of the cited violation did not routinely use the gauge between May and September of 1993, but did use a unit for procedural training in gauge use under the direction of a Senior Technician on a periodic, infrequent basis during May and June, 1993, after independently studying all of ATEC's nuclear gauge and safety policies and procedures. He was then further allowed to use the gauge for his work as needed in June and July, 1993. He received his formal training class as required in the license on August 7, 1993.

The previous policy in our office on training for new technicians provided that they would be given the formal gauge training class in groups of 6 or more as quickly as we could get each group together. In the meantime, they could do independent study of

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the ATEC policies and procedures for nuclear gauge use, and begin their field training on gauge use under the supervision of a Senior ATEC Field Technician immediately thereafter. Classes were usually scheduled about once a month during our busiest season for the formal training, and no technicians would ordinarily be allowed to use the gauge on their own without completing the formal gauge training class.

In the instance cited for this NOV, the technician involved could not attend the formal training class on the day in mid-June when it was scheduled. Because of the press of a heavy work schedule, his immediate supervisor had observed the technician in the field working with the gauges during his training times, and felt that he was sufficiently knowledgeable to perform work with the gauge in a safe manner. He was allowed to work with the gauge until the next class, and he received his formal training at that time.

2) The personnel involved had already received the required formal training in August, 1993.

3) Effective January 1, 1994, no field technician will be allowed to work with or around any nuclear-density gauge under our licensure who does not have the formal gauge safety and use training. This policy will require more frequent classes, and added cost, but will not be infringed.

4) Except for this incident, ATEC has been in general compliance with this condition of our license. We are now in full compliance.

The second apparent violation relates to the requirement of the regulations that our gauges containing licensed material be under the constant surveillance and immediate control of the licensee, and the fact that one of our gauges was damaged in a construction accident on July 29, 1993, and thereby not under the immediate control of the licensee.

1) We will stipulate that an incident occurred on the stated date whereby a gauge containing licensed material, owned by ATEC and operated under the referenced NRC license number, was damaged in a construction accident. We do not agree, however, that the gauge was not under our control. That gauge was under the surveillance of our agent (our field technician), and had been placed in a location considered to be safe from harm by construction equipment. Because of unusual site conditions, the gauge was struck by earthmoving equipment in what we would consider to be a "freak" accident.

It is not possible to provide complete control of the gauges containing licensed material from all possible circumstances where they could be damaged. In a field situation where earthmoving equipment is involved, the potential for physical damage to the gauge (and possibly the user) is always there because the earthmoving machines are so

much larger than our equipment or personnel. In order for us to have complete control of the gauges at all times, the gauge would have to be virtually in the field personnel's hands at all time. This is neither safe from an exposure standpoint, nor practical for the way the gauges are used and the field work is done. We believe that we have provided adequate control of the gauges by keeping them in safe locations. However, even in generally safe locations in the field, there is the potential for an unusual, or "freak", accident whereby a gauge could be damaged due to circumstances beyond the control of the Field Technician. This occurred in the subject incident. We believe that we have fulfilled the intent of the regulation. We also realize that we can improve our practices in this regard, and will endeavor to improve through more training and emphasis on this to our field employees.

2) We have asked our field technicians to improve our field procedures for gauge use in placing our gauges in the safest possible positions when not in use. We believe that the continued emphasis on gauge placement safety has increased our field gauge safety.

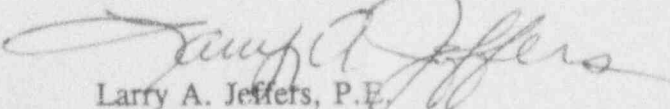
3) We have instituted new policies throughout the ATEC organization with regard to gauge use in the field that outline formal guidelines with appropriate sanctions for failure to keep our gauges in our control at all times.

4) We are currently in full compliance.

We fully recognize the seriousness of the situation(s) which occasioned your special safety inspection. We have tried, and will continue to try, to improve our compliance with the current regulations under which we are licensed to use these nuclear materials. If you have any further questions, please let us know.

Very truly yours,

ATEC ASSOCIATES, INC.



Larry A. Jeffers, P.E.
Radiation Safety Officer
Ohio District Manager