Amer Industrial Technologies, Inc. Wilmington, Delaware Docket No.: 99901292 Report No.: 96-01

During an NRC inspection conducted at your Wilmington, Delaware facility on January 29 through February 2, 1996, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

10 CFR 21.21(a) requires, in part, that each corporation subject to the regulations shall adopt appropriate procedures to ensure the evaluation of deviations within 60 days of discovery, the submittal to the NRC of an interim report if the evaluation cannot be completed within 60 days, and the reporting to a responsible official of a defect or a failure to pmply related to a substantial safety hazard within 5 working days of completing the evaluation.

Contrary to the above, (1) AMER Industrial Technologies, Inc. (AIT) document, "Procedures for Compliance With 10 Cin Part 21," dated April 27, 1993, which described the AIT policy for compliance with 10 CFR Part 21 did not provide for evaluation and reporting in accordance with 10 CFR 21.21(a), and (2) AIT performed inadequate and incomplete evaluations to determine if a defect or failure to comply associated with a substantial safety hazard existed. The evaluations consisted of three Interoffice Memos from the QA Manager to the AIT President that stated that none of the findings from the December 5-7, 1994, and the June 26-28, 1995, ASME surveys contained issues that should have been reported to the NRC per 10 CFR Part 21. (99901219/96-01-01)

This is a Severity Level IV Violation (Supplement VII).

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Pursuant to the provisions of 10 CFR 2.201, AMER Industrial Technologies, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Chief, Special Inspection Branch, Division of Technical Support, Office of Nuclear Reactor Regulation, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. Where good cause is shown, consideration will be given to extending the response time.

Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Enclosure 1

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Dated at Rockville, Maryland this 21st day of March 1996