

## UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555

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January 9, 1986

The Honorable Ivan W. Smith
Administrative Law Judge
Atomic Safety and Licensing
Board Panel
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

In the Matter of NORTH AMERICAN INSPECTION, INC. License No. 37-23370-01 (EA 85-01)

Dear Judge Smith:

In accordance with 10 CFR 2.203, the NRC Staff and North American Inspection, Inc., are submitting for your consideration the enclosed joint motion to terminate the civil penalty proceeding. Attached to the joint motion is the agreement between the parties to settle this proceeding and to compromise the civil penalty imposed by order of the Director, Office of Inspection and Enforcement, on August 7, 1985.

The Staff and North American Inspection agree that, in view of the settlement agreement, further proceedings to consider the matters raised by North American Inspection in its request for hearing are unnecessary and unwarranted. The motion requests, therefore, that the Administrative Law Judge approve the settlement agreement and terminate the proceeding.

Sincerely,

Susan Chidakel
Counsel for NRC Staff

Enclosure:
Joint Motion and
Settlement Agreement

cc: Pobert K. Shumway, President North American Inspection, Inc.

→ Docketing and Service

James Taylor, IE

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