

HARREL, incorporated

1780

16 FITCH STREET

EAST NORWALK, CONN. 06855

PHONE: (203) 866-2773

November 1, 1982

Mr. Paul R. Guinn
Material Licensing Branch
Division of Fuel Cycle & Material Safety
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555



File: FCML:PG
(07762 and 11916)
030-11492

Dear Mr. Guinn:

This refers to the questions raised in your letter of October 21, 1982:

Inventory Procedures:

Let me point out first of all that the inspection performed by the Region I office found no fault in our inventory procedures. Our fault was that when our shipping schedules lagged, we failed to instruct our vendor to halt incoming shipments of sources.

I am enclosing a copy of our reply to the inspection report. Briefly what happened is that we placed a blanket order for sources, with deliveries spaced out & synchronized with our production schedules in such a way that we would never exceed our possession limit. Unfortunately, our production schedules slipped, so that for a time we did, in fact have on hand more than the authorized quantity.

Our primary error, of course, was in trying to handle an increased level of business with an inadequate level of authorized possession. If we had submitted an amendment to our license back in 1979 this would not have been a problem.

Please note that if our pending request for amendment is approved, the problem will be removed once and for all.

In this connection, please note also that Miss McGinness specifically stated that she saw no objections to the way we were handling the material; it was just that we had exceeded the authorized quantity for a time.

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To answer your specific question; when a shipment of licenses material is received at Harrel, it is logged in on a specific log which indicates:

- Date Received
- Description (including strength)
- Where from
- Date of performance of package wipe test
- Operator performing package wipe test
- Date of performance of capsule wipe test
- Operator wipe test.

When gauges are shipped, a record of shipment is also kept, which shows:

- Date Shipped
- General Licensee & address
- Person responsible at destination
- Customer Purchase Order
- Harrel Sales Order
- Harrel model number
- Harrel serial number
- Source Strength.

Most of this information is also sent to NRC in our regular quarterly reports.

2. Devices being distributed:

There has been a huge misunderstanding here. At no time has Harrel, Incorporated distributed any gauges other than those authorized by our license; nor do we have any intention of doing so.

I am afraid we failed to make clear to the inspector what had happened here. The inspector was under the impression that when we added a roller head or a flattening ring, it modified the shutter mechanism described in our license. This was not the case. In every instance the roller mechanism or flattening is a clamp-on device. It clamps on to the basic TG-601, TG-602, TG-603, or TG-604 device described in our license, and that part remains unchanged.

Where we goofed was in the paperwork. We used the description TG-601B, TG-603C, etc. to describe a complete system consisting of a TG-601 or TG-603 plus a cable, an electronics package, and a roller or flattening ring. Our paperwork made it appear that we were shipping unauthorized forms.