



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

**OCT 17 2005**

John Thornton  
Radiation Safety Officer  
PSI, Inc.  
1901 South Meyers Road  
Suite 400  
Oak Brook Terrace, IL 60181

Dear Mr. Thornton:

Enclosed is Amendment No. 66 to your NRC Material License No. 12-16941-01 in accordance with your request. Please note that the changes made to your license are printed in **bold font**.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Please note that License Condition 18, which addresses **security criteria for portable nuclear gauges**, has been modified in its entirety to incorporate additional security measures. These security measures are based on revisions to 10 CFR Part 30, by the addition of paragraph 30.34(l), "**Security requirements for portable gauges**," as published in the Federal Register on January 12, 2005, with an effective date of July 11, 2005. The final rule requires a portable gauge licensee to use a minimum to two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauges are not under the control and constant surveillance of the licensee. You should have previously received a copy of this regulatory requirement by mail. This mailing included a revised copy of Appendix H, "**Operating, Emergency, and Security Procedures**," of NUREG 1556 Volume 1, Revision 1, Consolidated Guidance About Materials Licenses; Program-Specific Guidance About Portable Gauge Licenses, dated November 2001, which incorporates these changes.


You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

J. Thornton

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). The NRC's document system is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. The enclosed license document is exempt from public disclosure in accordance with 10 CFR 2.390, because its disclosure to unauthorized individuals could present a security vulnerability.

Sincerely,

  
James R. Mullauer, M.H.S.  
Health Physicist  
Materials Licensing Branch

License No. 12-16941-01

Docket No. 030-11906

Enclosure: Amendment No. 66