



**UNITED STATES**  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
2100 RENAISSANCE BOULEVARD, SUITE 100  
KING OF PRUSSIA, PA 19406-2713

June 25, 2015

Docket No. 03038428

License No. 44-31434-01

John W. Haas, III, Ph.D.  
Vice President  
Applied Research Associates, Inc.  
250 Beanville Road  
Randolph, VT 05060

SUBJECT: NRC INSPECTION REPORT NO. 03038428/2015001, APPLIED RESEARCH ASSOCIATES, INC., RANDOLPH, VERMONT SITE AND NOTICE OF VIOLATION

Dear Dr. Haas:

On June 10, 2015, Dennis Lawyer of this office conducted a safety inspection at your facility in Randolph, Vermont. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. The findings of the inspection were discussed with you at the conclusion of the inspection.

Based on the results of this inspection and in accordance with the NRC Enforcement Policy, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. The violations involved: 1) the failure to notify the NRC of no principal activities under the license for a period of 24 months; and 2) the failure to perform annual program content and implementation reviews.

These violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at:

<http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

The violations are cited in the enclosed Notice of Violation (Notice), because the violations were identified by the NRC. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that

it can be made available to the Public without redaction.

Current NRC regulations and guidance are included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **Nuclear Materials; Med, Ind, & Academic Uses**; then **Regulations, Guidance and Communications**. The current Enforcement Policy is included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **About NRC, Organizations & Functions; Office of Enforcement; Enforcement documents**; then **Enforcement Policy (Under 'Related Information')**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 8:00 a.m. to 5:30 p.m. EST, Monday through Friday (except Federal holidays).

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

Please contact Dennis Lawyer at 610-337-5366 if you have any questions regarding this matter.

Sincerely,

**/RA Bullrich f/**

Blake Welling, Chief  
Commercial, Industrial, R&D and Academic  
Branch  
Division of Nuclear Materials Safety

Enclosure:  
Notice of Violation

cc:  
State of Vermont

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Blake Welling, Chief  
Commercial, Industrial, R&D and Academic  
Branch  
Division of Nuclear Materials Safety

Enclosure:  
Notice of Violation

cc:  
State of Vermont

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B. Bickett, RI

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## **NOTICE OF VIOLATION**

Applied Research Associates, Inc.  
Randolph, VT

Docket No. 03038428  
License No. 44-31434-01

During an NRC inspection conducted on June 10, 2015, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.36(d) requires, in part, that licensees provide notification to the NRC in writing within 60 days of any of the following occurrences:

- (1) The license has expired,
- (2) The licensee has decided to permanently cease principal activities at the entire site or in any separate building or outdoor area that contains residual radioactivity such that the building or outdoor area is unsuitable for release in accordance with NRC requirements,
- (3) No principal activities under the license have been conducted for a period of 24 months, or
- (4) No principal activities have been conducted for a period of 24 months in any separate building or outdoor area that contains residual radioactivity such that the building or outdoor area is unsuitable for release in accordance with NRC requirements.

Contrary to the above, as of June 10, 2015, no principal activities under the license have been conducted for a period of 24 months, and the licensee failed to notify the NRC in writing within 60 days of this occurrence. Specifically, the last principal activity was conducted on December 8, 2011.

This is a Severity Level IV violation (Section 6.3).

- B. 10 CFR 20.1101(c) requires, in part, that licensees will periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, as of June 10, 2015, the licensee did not periodically (at least annually) review the radiation protection program content and implementation. Specifically, the last radiation protection program content and implementation review was performed April 3, 2012, a period greater than annually.

This is a Severity Level IV violation (Section 6.7).

Pursuant to the provisions of 10 CFR 2.201, Applied Research Associates, 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 Regional Administrator, Region I, 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. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available 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.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated This 25th day of June 2015