

November 1, 1996

Docket No. 030-33244
CAL No. 1-96-010

License No. 07-30056-01

David F. Johns, P.E.
President and Radiation
Safety Officer
Capital Engineering Services, Inc.
101 Weston Drive Unit 3
Dover, Delaware 19901

SUBJECT: CONFIRMATORY ACTION LETTER

Dear Mr. Johns:

On February 12, 1996, the Commission issued an "ORDER SUSPENDING LICENSE (EFFECTIVE IMMEDIATELY)" which stated that License No. 07-30056-01 is suspended with respect to the receipt and use of licensed nuclear materials due to non-payment of fees. On May 17, 1996, the Commission issued a "CONDITIONAL ORDER EXTENDING TIME" which extended the effective date of the original order due to your request to pay the delinquent debts in installments. As stated in this conditional order and reiterated in our October 2, 1996, letter, since you failed to abide by the installment payment plan, your license was suspended as specified in the February 12, 1996 Order. However, in an October 30, 1996, inspection at your facility, the inspector found that you continued using your portable nuclear gauges from February 12, 1996, through October 29, 1996. Thus it appears that you have failed to meet the requirements of the February 12, 1996, Order.

Pursuant to a telephone discussion between you and Francis M. Costello, Chief, Nuclear Materials Safety Branch, on October 31, 1996, it is our understanding that you now have ceased the use and/or receipt of licensed nuclear materials. The license remains in effect with respect to the possession, transfer, and storage of licensed nuclear material remaining in your possession.

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REGION I

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PDR ADOCK 03033244
C PDR

D. F. Johns
Capital Engineering Services, Inc.

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Pursuant to Section 182 of the Atomic Energy Act, 42 U.S.C. 2232, you are required to:

- 1) Notify me immediately if your understanding differs from that set forth above;
- 2) Notify me if for any reason you cannot complete the actions within the specified schedule and advise me in writing of your modified schedule in advance of the change; and
- 3) Notify me in writing when you have completed the actions addressed in this Confirmatory Action Letter.

Issuance of this Confirmatory Action Letter does not preclude issuance of an Order formalizing the above commitments or requiring other actions on the part of the licensee; nor does it preclude the NRC from taking enforcement action for violations of NRC requirements that may have prompted the issuance of this letter. In addition, failure to take the actions addressed in this Confirmatory Action Letter may result in enforcement action.

The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response 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.

Sincerely,

Original Signed By:
Charles W. Hehl

Charles W. Hehl, Director
Division of Nuclear Materials Safety

Docket No. 030-33244
License No. 07-30056-01

cc:
State of Delaware

D. F. Johns
Capital Engineering Services, Inc.

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