



EASTERN TESTING & INSPECTION, INC.

139 CROWN POINT ROAD

P.O. BOX 447

THOROFARE, NJ 08086

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212-842-2202

FAX 609-845-8770

722-9816

30-05373

30-32163

January 3, 1996

Mr. James Lieberman  
Director  
Office of Enforcement  
United States Nuclear Regulatory Commission  
11555 Rockville Pike  
Rockville, MD 20852-2738

RE: Payments on Promissory Note in Payment of Civil Penalty

Dear Mr. Lieberman:

As per my conversation with the Deputy Director, Mr. Mark Satorius, on December 23, 1996, ETI was granted until January 7, 1997 to respond to your letter of December 2, 1996. In response to your letter, ETI made the payment of the outstanding amount (\$815.68) by certified mail on December 9, 1996 and now includes payment for the remainder, \$1612.34, which constitutes payment in full on the Promissory Note.

In addition, please find attached a statement under oath as to why ETI does have sufficient resources to conduct licensed activities safely and pay necessary license and inspection fees.

If you have any questions, please call me at the above number. Thank you for your time.

Sincerely,

Himat Soni

President

Eastern Testing & Insp., Inc.

enclosure

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#### AFFIDAVIT OF HIMAT SONI

I, Himat Soni, President of Eastern Testing & Inspections, Inc. of Thorofare, New Jersey, affirm that Eastern Testing has sufficient resources now and in the future to conduct licensed activities safely and pay any necessary license and inspection fees. Eastern Testing & Inspection is a thirty-five year old company ETI lost the bulk of its anticipated revenue for the year. and is currently a minority-owned family business which conducts non-destructive testing activities with licensed materials.

As of December, 1996, ETI is current on its Promissory Note for the Civil Penalty assessed against the company on July 13, 1993. Past difficulties in making payments on the Promissory Note for the civil penalty assessed against ETI were the result of temporary cash flow problems in early 1995 which were later exacerbated when the Nuclear Regulatory Commission suspended ETI's license last March, 1996. During this time, and until reinstatement of ETI's license at the end of June 1996, no funds were flowing into the company as all operations had naturally ceased. After reinstatement of ETI's license, the company had not received work and was not in a position to begin operations until mid August. Because ETI's business is seasonal, for the most part, ETI lost the bulk of its anticipated revenue for the year during the suspension which lasted through the summer months. It was not until a few months after August 1996 that funds began to flow into the company for work ETI completed from August to November 1996. The suspension forced ETI into a position where it had to wait for the first funds to arrive before it could satisfy its obligations. However, now that ETI has resumed licensed activities, our cash flow is sufficient to pay off the civil penalty in its entirety and to continue to carry on safe operations.

The NRC should be confident that the company conducts its licensed activities safely as indicated in the most recent audits of ETI by NRC officials. The five most recent audits by the NRC were conducted on June 24, 1996, July 16, 1996, July 29, 1996, December 17, 1996 by Mr. Steven Courtemanche, Health Physicist, Region One and on December 20, 1996 by Mr. Duncan White, Senior Health Physicist. ETI was found to be in compliance with safety regulations on all of those dates. In addition, the New York state Department of Labor, Division of



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--Page Two, Affidavit of Himat Soni--

Safety and Health found ETI conducted its activities with good radiation safety procedures during their audit. A copy of the New York Department of Labor letter as well as a copy of the NRC letter demonstrating that ETI was in compliance with safety procedures are attached.

I do hereby affirm the above,

Himat J. Soni  
President  
Eastern Testing & Insp., Inc.

Notarized by:

January 3, 1997

BERNADETTE C. PORRECA  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES APRIL 26 1998