

FEB 14 1997

Mr. Mark Feitelson, President
Precision Analytical Services, Inc.
726 Berice Ct.
Toms River, New Jersey 08753

SUBJECT: POSSESSION OF BYPRODUCT MATERIAL WITHOUT AN NRC LICENSE

Dear Mr. Feitelson:

Between January 3, 1997, and January 8, 1997, Mr. Subash Rashat, Director of Hera-Tech, Inc., transferred to Precision Analytical Services, Inc., (PASI) a Tracor Electron Capture Detector (ECD), and a Perkin-Elmer ECD device, that contain NRC-licensed byproduct material.

On January 15, 1997, Mr. Steven Courtemanche, Health Physicist, NRC Region I, discussed with you the conditions under which you may continue to possess the ECDs. Specifically, you may either apply for, and obtain, an NRC specific license or convert the ECD to a generally licensed device. Our records, however, indicate that you have not fulfilled either condition and yet remain in possession of the NRC-licensed ECD.

Therefore, PASI is in violation of 10 CFR 30.3, which states that, except for persons exempt as provided in 10 CFR Parts 30 and 150, no person shall possess or use byproduct material except as authorized in a specific or general NRC license. This is also prohibited by Section 81 of the Atomic Energy Act of 1954, as amended, which limits possession of byproduct material to those who possess a valid NRC license.

You are on notice that your continued possession of the byproduct material without a specific NRC license for the Tracor ECD, and obtaining a general license for the Perkins Elmer ECD by notifying the manufacturer of your possession of the device, represents a deliberate violation of NRC requirements. Accordingly, within 5 business days, you should provide the NRC with a written commitment as to whether PASI plans to:

1. Transfer the specifically licensed material (i.e., Tracor ECD) to a person authorized to receive and possess the material;
2. Convert the specifically licensed Tracor ECD to a generally licensed ECD and maintain possession of the Tracor ECD (such conversion may be accomplished by contacting the ECD manufacturer);

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M. Feitelson
Precision Analytical Services, Inc.

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3. Dispose of the specifically licensed material by authorized means and in accordance with the Commission's requirements; or
4. Apply for a specific NRC license in accordance with 10 CFR 30.32, and
5. Contact the manufacturer of the Perkin Elmer ECD regarding your possession of the device.

In the absence of a written commitment to one of the items noted above, the NRC will be considering issuance of a significant enforcement action against PASI. The base civil penalty for this type of violation is \$5,000.

Questions concerning this letter may be addressed to Mr. John D. Kinneman, Chief, Nuclear Materials Safety Branch 2, NRC, Region I, at (610) 337-5252.

Sincerely,

ORIGINAL SIGNED BY:

Charles W. Hehl, Director
Division of Nuclear Material Safety

cc:
State of New Jersey

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