



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION I
2100 RENAISSANCE BLVD., SUITE 100
KING OF PRUSSIA, PA 19406-2713

April 2, 2014

EA-14-026

Christopher Vargo
President
Dominion NDT Services, Inc.
2204 Commerce Road
Richmond, VA 23836

SUBJECT: DOMINION NDT SERVICES, INC., NOTICE OF VIOLATION - NRC
INSPECTION REPORT NO. 15000045/2014001

Dear Mr. Vargo:

This letter provides you the U.S. Nuclear Regulatory Commission's (NRC) enforcement decision for the apparent violation identified during the onsite NRC safety inspection conducted on January 17, 2014, at the Dominion NDT Services, Inc. (Dominion) facility in Richmond, Virginia, with continued in-office review through March 7, 2014. The inspection consisted of interviews with Dominion personnel and the examination of selective records to evaluate Dominion's licensed activities as they relate to radiation safety and to compliance with NRC regulations. Shawn Seeley, of this office, discussed the apparent violation during a telephonic exit meeting on March 7, 2014, with Mr. Norman Boggs, Jr., Radiation Safety Officer, of your organization. The apparent violation was also described in the NRC inspection report sent to you with a letter dated March 11, 2014 (ML14071A123).

In the March 11, 2014, letter transmitting the inspection report, we provided you with the opportunity to address the apparent violation identified in the report by either attending a predecisional enforcement conference (PEC) or by providing a written response before we made our final enforcement decision. In the letter, we also informed you that we had sufficient information regarding the apparent violation and Dominion's corrective actions to make an enforcement decision without the need for a PEC. In a telephone call on March 17, 2014, with Mr. Blake Welling, Chief, NRC Region I Commercial, Industrial, R&D, and Academic Branch, you indicated that Dominion did not require a PEC nor intended to send a written response.

Based on the information developed during the inspection, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding it are described in detail in the subject inspection report. The violation involved the failure to file for reciprocity prior to conducting work in NRC jurisdiction, as required by 10 CFR 150.20. Specifically, on January 11, 2013, September 28, 2013, and November 2, 2013, Dominion performed industrial radiography activities at the Craney Island Naval Fuel Depot (Craney Island) in Norfolk, Virginia, an area of exclusive Federal jurisdiction, without filing NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee, with the Regional Administrator of the appropriate NRC regional office. The violation has been categorized at Severity Level (SL) III in accordance with the Enforcement Policy because the

NRC was not informed of the activities occurring at Craney Island and therefore, was not provided an opportunity to conduct inspections of licensed activities. In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$3,500 is considered for a SL III violation. Because Dominion has not been the subject of escalated enforcement action within the last two years or two inspections, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy. The NRC has concluded that credit is warranted for Dominion's corrective actions taken to address the violation. Specifically, Dominion: (1) immediately ceased licensed activities after being notified that Craney Island was a naval installation under exclusive Federal jurisdiction; (2) hired an NRC licensed contractor to perform the work at Craney Island; and (3) submitted an application for an NRC license.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, after consultation with the Director, Office of Enforcement, I have been authorized not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III violation constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding: (1) the reasons for the violation; (2) the actions planned or already taken to correct the violation and prevent recurrence; and, (3) the date when full compliance was achieved, is already adequately addressed on the docket in Inspection Report No. 15000045/2014001 and in this letter. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response, if you choose to provide one, should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of

such information, you must specifically identify the portions of your response that you seek to have withheld, and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at (<http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>).

Sincerely,

/RA/

William M. Dean
Regional Administrator

Docket No. 15000045

Enclosure: Notice of Violation

cc w/enclosure:
Norman Boggs, Jr., Radiation Safety Officer

Steve A. Harrison, Director
Office of Radiological Health
Commonwealth of Virginia

C. Vargo

3

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Sincerely,

/RA/

William M. Dean
Regional Administrator

Docket No. 15000045

Enclosure: Notice of Violation

cc w/enclosure:
Norman Boggs, Jr., Radiation Safety Officer

Steve A. Harrison, Director
Office of Radiological Health
Commonwealth of Virginia

Distribution: see next page

ML14093A282

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* See previous concurrence page ** OE to perform a quick review

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NOTICE OF VIOLATION

Dominion NDT Services, Inc.
Richmond, Virginia

Docket No. 15000045
EA-14-026

During an NRC inspection conducted between January 17, 2014, and March 7, 2014, which included an on-site inspection as well as an in-office review, for which an exit meeting was conducted on March 7, 2014, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.3 requires, in part, that except for persons exempt as provided in this part and part 150 of this chapter, no person shall own, possess, or use byproduct material except as authorized in a specific or general license issued pursuant to the regulations in 10 CFR Part 30.

10 CFR 150.20(a) states, in part, that any person who holds a specific license from an Agreement State is granted an NRC general license to conduct the same activity in Non-Agreement States and areas of exclusive Federal jurisdiction within Agreement States, subject to the provisions of 10 CFR 150.20(b).

10 CFR 150.20(b)(1) requires, in part, that any person engaging in activities in Non-Agreement States shall, at least 3 days before engaging in each such activity, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee, with the Regional Administrator of the appropriate NRC regional office.

Contrary to the above, on January 11, 2013, September 28, 2013, and November 2, 2013, Dominion NDT Services, Inc., a licensee of the Commonwealth of Virginia, engaged in activities in an area of exclusive Federal jurisdiction, without filing a submittal containing an NRC Form 241, at least 3 days before engaging in such activity. Specifically, Dominion performed industrial radiography activities at the Craney Island Naval Fuel Depot in Norfolk, Virginia, an area of exclusive Federal jurisdiction, without filing NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee, with the Regional Administrator of the appropriate NRC regional office.

This is a Severity Level III violation (Enforcement Policy Example Section 6.9).

The NRC has concluded that information regarding: (1) the reason for the violation; (2) the actions planned or already taken to correct the violation and prevent recurrence; and (3) the date when full compliance was achieved, is already adequately addressed on the docket in Inspection Report No. 15000045/2014001 and in the letter transmitting this Notice. Therefore, you are not required to respond to this Notice. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation EA-14-026," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region I, 2100 Renaissance

Boulevard, Suite 100, King of Prussia, PA 19406, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

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

Dated this 2nd day of April, 2014