



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD
ARLINGTON TX 76011-4511

October 31, 2016

Mr. G. Michael Taylor
Sr. Vice President
Bering Sea Environmental (BSEn), LLC
615 East 82nd Street, Suite 200
Anchorage, AK 99518

SUBJECT: NRC INSPECTION REPORT 030-37559/2016-001 AND NOTICE OF VIOLATION

Dear Mr. Taylor:

This letter refers to the routine, announced inspection conducted on September 20, 2016, at your facility in Anchorage, Alaska. The inspection was an examination of activities conducted under your license as they relate to public health and safety, to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records and interviews with personnel. The preliminary inspection findings were discussed with Mr. Earl Houser and you at the conclusion of the onsite portion of the inspection. A final telephonic exit briefing was conducted with Mr. Earl Houser, Mr. Bradley Squibb, and you on October 26, 2016.

Based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy, which can be found at the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violation is cited and described in the enclosed Notice of Violation (Notice). The violation is being cited in the enclosed Notice because it was identified by the NRC during the inspection. The violation involved a failure to limit the use of byproduct material to that authorized under NRC specific license No. 50-29273-01.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful in preparing your response. You can find the Information Notice on the NRC website at: <http://pbadupws.nrc.gov/docs/ML0612/ML061240509.pdf>. Information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance will be (was) achieved should be addressed. 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 "Agency Rules of Practice and Procedure," 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's Agencywide

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Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

Should you have any questions regarding this letter or the enclosed Notice, please contact Janine F. Katanic, PhD, CHP, at 817-200-1151 or the undersigned at 817-200-1191.

Sincerely,

/RA by JLTompson Acting For/

Ray L. Kellar, P.E., Chief
Nuclear Materials Safety Branch A
Division of Nuclear Materials Safety

Docket: 030-37559
License: 50-29273-01

Enclosure:
Notice of Violation

cc w/Enclosure:
Clyde E. Pearce, Chief
Radiological Health Program
Section of Laboratories
State of Alaska/DH&SS
5455 Dr. Martin Luther King, Jr., Ave.
Anchorage, AK 99507-1270

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Clyde E. Pearce, Chief
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Anchorage, AK 99507-1270

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ADAMS ACCESSION NUMBER: ML16300A363

Cover Letter (w/ Enclosure) X SUNSI Review by: JFK		ADAMS X Yes <input type="checkbox"/> No	X Publicly Available <input type="checkbox"/> Non-Publicly Available		X Non-Sensitive <input type="checkbox"/> Sensitive	Keyword: N/A
OFFICE	RIV:NMSB-A	RIV:C:NMSB-A				
NAME	JFKatanic	RLKellar				
SIGNATURE	/RA/	/RA by JLThompson Acting For/				
DATE	10/26/16	10/31/16				

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Bering Sea Environmental (BSEn), LLC
Anchorage, Alaska

Docket No. 030-37559
License No. 50-29273-01

During an NRC inspection conducted on September 20, 2016, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.3(a) requires, with exceptions not applicable here, that no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with 10 CFR Part 30.

Items 6.B, 7.B., and 8.B. of NRC License 50-29273-01, Amendment No. 2, dated September 5, 2012, specifies that the use of material authorized in Item 9. be limited to any byproduct material with atomic numbers 84 through 103, in any chemical and/or physical form, and that the maximum amount of this material that the licensee may use at any one time under the license is 1 curie (total).

Item 9. of NRC License 50-29273-01, Amendment No. 2, dated September 5, 2012, specifies that the licensee is authorized to use the licensed material in Item 6.B, 7.B., and 8.B. for the receipt, storage and use incident to the following activities: (1) any activity related to site characterization, decontamination and decommissioning of facilities, equipment and containers; (2) solidification and treatment of waste; (3) packaging and repackaging of customer waste for transport; and (4) transport of packages or containers approved for use under certain provisions.

Contrary to the above, from February 5, 2016 through February 8, 2016, the licensee failed to limit its use of byproduct material to that authorized under its NRC specific license issued in accordance with 10 CFR Part 30. Specifically, from February 5, 2016 through February 8, 2016, the licensee used, incidental to packaging and repackaging of customer waste for transport, approximately 3.7 curies of byproduct material with atomic numbers 84 through 103 (approximately 3.6 curies of americium-241 and approximately 0.1 curies of curium-244), an amount in excess of the 1 curie (total) authorized by the license.

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

Pursuant to the provisions of 10 CFR 2.201, Bering Sea Environmental (BSEn), LLC, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, 1600 E. Lamar Blvd., Arlington, Texas 76011, 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: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; 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

Enclosure

Demand for Information may be issued requiring information 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, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary 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, then 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 material, 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).

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

Dated this 31 October 2016