

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

TEAM INDUSTRIAL SERVICES, INC.

(Civil Penalty)

Docket No. 30-35252-EA

**JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT AND TERMINATE
PROCEEDINGS**

On December 12, 2019, Team Industrial Services, Inc. (TEAM) filed a request for hearing.¹ The NRC Staff (Staff) filed its answer on January 6, 2020 agreeing that the hearing request was timely filed, and that TEAM is entitled to a hearing. In the same motion, the Staff moved to suspend the issuance of a discovery schedule so that the parties could engage in preliminary settlement discussions for an initial period of 30 days.² The Atomic Safety and Licensing Board (Board) granted the Motion on January 7, 2020, suspending the issuance of a discovery schedule until February 6, 2020.³ On February 5, 2020, the Staff filed an unopposed Motion for Extension of Time,⁴ which the Board granted on February 7, 2020, revising the deadline for preliminary settlement discussions to February 13, 2020.⁵

¹ Team Industrial Services, Inc.'s Answer and Request for Hearing (Dec. 12, 2019) (ML19346H509).

² NRC Staff Answer to Request for a Hearing at 1 (Jan. 6, 2020) (ML20006G100).

³ Order (Granting Unopposed Motion to Suspend Discovery) at 1 (Jan. 7, 2020) (ML20007E675).

⁴ Unopposed Motion for Extension of Time at 1 (Feb. 5, 2020) (ML20036F130).

⁵ Order (Granting Unopposed Motion for Extension of Time) at 1 (Feb. 7, 2020) (ML20007E675).

The Staff and TEAM have reached a preliminary settlement agreement. Counsel for the Staff has conferred with counsel for TEAM, and the parties jointly request that the Board approve the attached settlement agreement and terminate this proceeding.

Respectfully submitted,

/RA/

Lorraine J. Baer
Sara B. Kirkwood
Counsel for NRC Staff

/RA/

/RA/

Timothy J. V. Walsh
Pillsbury Winthrop Shaw Pittman LLP
Counsel for TEAM Industrial Services, Inc.

/RA/

Dated at Rockville, MD and Washington, DC
this 12th day of February, 2020

Attachment 1

SETTLEMENT AGREEMENT BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION STAFF AND TEAM INDUSTRIAL SERVICES, INC.

On September 20, 2019, the Staff of the U.S. Nuclear Regulatory Commission (NRC) issued an Order imposing a civil monetary penalty of \$14,500 to TEAM Industrial Services, Inc. (TEAM) for a Severity Level III violation involving moving a radiographic exposure device prior to ensuring that the device was in the fully locked position.¹ On December 12, 2019, Team Industrial Services, Inc. (TEAM) filed a request for hearing.² The NRC Staff moved to suspend the issuance of a discovery schedule so that the parties could engage in preliminary settlement discussions,³ and the Atomic Safety and Licensing Board granted the motion.⁴

The parties subsequently engaged in settlement negotiations. As a result of those discussions, the parties agree to the following terms and conditions:

TEAM will implement the following corrective actions:

- (1) TEAM will develop and implement a computer-based training module on NRC regulations, including the NRC's prohibition of deliberate misconduct, consequences for violating NRC regulations, the incident underlying NRC Enforcement Action (EA-18-124), and lessons learned from the incident.
 - a. For purposes of assessing the effectiveness of the training, the training module will include a quiz immediately following an individual's completion of the training. A passing grade will be required for the training to be deemed effective.
 - b. All TEAM US radiographic personnel, including radiographic supervisors and managers (over 1,000 individuals) are required to complete the computer-based training module.
 - c. The computer-based training module will require approximately one hour of time to complete.
 - d. Within 6 months of the NRC's review of the training module in accordance with Paragraph (2) below, TEAM will complete such training (with appropriate exceptions for personnel unable to take the training, e.g., medical leave).
 - e. Team will retain a record of all personnel taking the initial training, including the quiz scores, for five years.
- (2) Within three months of issuance of an order from the Board approving the settlement, TEAM will submit the computer training module for NRC review to the Director, Division of Nuclear Materials Safety, Region IV, 1600 E. Lamar Blvd., Arlington, Texas 76011. The NRC will provide any comments to TEAM on the training within 30 days from the date of the submittal of the computer training module. TEAM will consider the NRC's suggestions on the training content and incorporate those suggestions that TEAM agrees are appropriate and that do not extend the length of the module beyond one hour of time to complete.

¹ Order Imposing Civil Monetary Penalty - \$14,500, EA-18-124 (Sep. 20, 2019) (ML19263E598).

² Team Industrial Services, Inc.'s Answer and Request for Hearing (Dec. 12, 2019) (ML19346H509).

³ NRC Staff Answer to Request for a Hearing at 1 (Jan. 6, 2020) (ML20006G100).

⁴ Order (Granting Unopposed Motion to Suspend Discovery) at 1 (Jan. 7, 2020) (ML20007E675).

- (3) For three years following issuance of an order from the Board approving the settlement, TEAM will require all US radiographic personnel, including supervisors and managers, to take an annual refresher training program, which will include a quiz immediately following an individual's completion of the training. TEAM may use the same program described in Paragraph (1) above to fulfill the refresher training requirement described in this paragraph. TEAM will retain a record of all personnel taking the annual refresher training, including the quiz scores, for five years.
- (4) In addition to training already required under NRC regulations, TEAM will require that new US radiographic personnel, including supervisors and managers, who join TEAM within three years of issuance of an order from the Board approving of the settlement, take the computer-based training module described in Paragraph (1) above. Such new radiographic personnel (including supervisors and managers) will be required to take the training within three months of joining TEAM. Team will retain a record of all personnel taking this training, including the quiz scores, for five years. After three years, new US radiographic personnel, including supervisors and managers, will continue to receive all training required under NRC regulations.
- (5) Within two months of issuance of an order from the Board approving the settlement, TEAM will issue a one-time, company-wide safety bulletin to all of TEAM's US personnel then currently employed by TEAM, from a TEAM senior executive, emphasizing the importance of following procedures, maintaining compliance with regulatory programs, care when working with/around hazardous materials (including radioactive sources), and attention to detail. All of TEAM's US radiographic personnel, including supervisors and managers, will be required to acknowledge that they have reviewed the safety bulletin. Such acknowledgement can be electronic. TEAM will retain a record of the radiographic personnel acknowledgements for a period of five years.
- (6) TEAM agrees that the commitments made herein will transfer to any subsequent owner of TEAM, or relevant portion of TEAM's businesses.

In return for these commitments, the NRC will withdraw the prior Severity Level III Notice of Violation and Civil Penalty and reissue the violation as not greater than Severity Level IV with no deliberate misconduct or willful finding.

The Regional Administrator, Region IV, may, in writing, relax or rescind any of the above conditions upon demonstration by TEAM of good cause.


George Wilson, Director
Office of Enforcement
U.S. Nuclear Regulatory Commission

2/12/2020
Date


Andre C. Bouchard
Executive Vice President & Chief Legal Officer
TEAM Industrial Services, Inc.

2-11-2020
Date

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CERTIFICATE OF SERVICE

I hereby certify that the parties' Joint Motion to Approve Settlement Agreement and Terminate Proceedings has been filed through the E-Filing system this 12th day of February, 2020.

/Signed (electronically) by/

Lorraine Baer

Counsel for the NRC Staff

U.S. Nuclear Regulatory Commission

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Dated at Rockville, MD
this 12th day of February, 2020