

NOTICE OF VIOLATION  
AND  
PROPOSED IMPOSITION OF CIVIL PENALTIES

Power Inspection, Inc.  
Wexford, Pennsylvania

Docket No. 030-20644  
License No. 37-2142P-01  
EA 95-025

During an NRC inspection conducted on December 2-3, 1993, and subsequent investigation by the NRC Office of Investigations (OI), violations of NRC requirements were identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the Nuclear Regulatory Commission proposes to impose these civil penalties pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalties are set forth below:

I. Violation Associated with Vendor-Related Activities

10 CFR 50.5(a)(2) requires, in part, that any contractor of any licensee may not deliberately submit to a licensee information that the person submitting the information knows to be incomplete or inaccurate in some respect material to the NRC.

Contrary to the above, Power Inspection, Inc. (PI), acting as a contractor to the Cleveland Electric Illuminating Company (CEIC) and Nebraska Public Power District (NPPD), both licensees of the NRC, deliberately submitted to the licensees information which was inaccurate in some respect material to the NRC. Specifically:

1. on March 5, 1993, PI deliberately submitted to the NPPD three inaccurate letters stating that the trustworthiness and reliability of two individuals had been established by an investigation, when PI knew that the individuals had used illegal substances. This information was material because, given the individuals' use of illegal substances, the reliability of the individuals was in question and the lack of information deprived the NPPD of an opportunity to investigate the matter, pursuant to 10 CFR Part 73.
2. on October 6, 1993, PI deliberately submitted to the CEIC three inaccurate letters stating that the trustworthiness and reliability of three individuals had been established by an investigation, when PI knew that the individuals had used illegal substances. This information was material because, given the individuals' use of illegal substances, the reliability of the individuals was in question and the lack of information deprived the CEIC of an opportunity to investigate the matter, pursuant to 10 CFR Part 73.
3. in approximately March 1993, PI deliberately submitted to the NPPD, Cooper facility, three inaccurate eddy current qualification certifications for three individuals stating that the individuals had passed a Level-2 examination. The information was

deliberately inaccurate in that PI knew that the individuals never obtained the required training in order to be qualified and, in addition, the individuals were given the correct answers while taking the certification examination. This information was material because it provided false verification to NRC licensees that the individuals were knowledgeable and capable of performing eddy current testing which provides information regarding the quality of equipment.

4. in approximately October 1993, PI deliberately submitted to the CEIC's Perry Nuclear Station two eddy current qualification certifications for two individuals stating that the individuals had passed a Level-2 examination. The information was deliberately inaccurate in that PI knew that the individuals never obtained the required training in order to be qualified and, in addition, the individuals were given the answers while taking the certification examination. This information was material because it provided false verification to NRC licensees that the individuals were knowledgeable and capable of performing eddy current testing which provides information regarding the quality of equipment. (01011)

This is a Severity Level I Violation (Supplement VII)  
Civil Penalty \$20,000

## II. Violations Associated with Material License Activities

- A. 10 CFR 30.9(a) requires, in part, that information provided to the Commission by a licensee be complete and accurate in all material respects.

Contrary to the above, in a July 14, 1993 letter to the NRC, the licensee provided the Commission information which was not accurate in all material respects. Specifically, in response to violations listed in the NRC Notice of Violation dated June 16, 1993, the licensee stated that:

1. observations of the licensee's radiographers had been made when, in fact, the observations had not been made;
2. a ratemeter had been sent for calibration when, in fact, the ratemeter had not been sent;
3. pocket dosimeters had been calibrated when, in fact, the dosimeters had not been calibrated;
4. source utilization logs had been maintained when, in fact, the logs had not been maintained; and
5. personnel monitoring reports were available when, in fact, the reports had not been available.

This information was material because it had the capability to influence the NRC evaluation of the licensee's corrective actions in response to the June 16, 1993, Notice of Violation. (02011)

- B. 10 CFR 30.9(a) states, in part, that information required by the Commission's regulations to be maintained by the licensee shall be complete and accurate in all material respects.

10 CFR 34.27 requires, in part, that each licensee shall maintain current utilization logs, which shall be kept available for three years from the date of the recorded events, for inspection by the Commission, at the address specified in the license, showing for each sealed source: the make and model number of the radiographic exposure device or storage container in which the sealed source is located; the identity of the radiographer to whom assigned; and the plant or site where used and dates of use.

Contrary to the above, as of December 2, 1993, information required by the Commission's regulations to be maintained by the licensee was not accurate in all material respects. Specifically, the licensee's utilization logs maintained at the licensee's Wexford, Pennsylvania, facility for the period of November 1992 through April 1993, were inaccurate because they were fabricated by the licensee. Specifically, the logs were not created on the date of source use, but were created afterwards by PI staff in order to address questions asked by the NRC during a previous NRC inspection. This information was material because it had the capability to influence an NRC enforcement decision. (02021)

- C. 10 CFR 34.11(d)(1) requires, in part, that an applicant have an inspection program that requires the observation of the performance of each radiographer and radiographer's assistant during an actual radiographic operation at intervals not to exceed three months.

License Condition 17 incorporates the inspection program containing the requirements stated in 10 CFR 34.11(d)(1) as submitted in the licensee's application dated March 7, 1988, into NRC License No. 37-21428-01.

Contrary to the above, as of December 2, 1993, the licensee had not observed the performance of a radiographer involved in radiographic operations since April of 1993, an interval in excess of three months. (02031)

- D. 10 CFR 34.27 requires, in part, that each licensee maintain current utilization logs, which shall be kept available for three years from the date of the recorded events, for inspection by the Commission, at the address specified in the license, showing for each sealed source; the make and model number of the radiographic exposure device or storage container in which the sealed source is

located; the identity of the radiographer to whom assigned; and the plant or site where used and dates of use.

Contrary to the above, as of December 2, 1993, the licensee failed to maintain utilization logs at its facility located in Wexford, Pennsylvania, for radiographic operations conducted in May and June of 1993 utilizing a cobalt-60 source, as well as operations conducted from July through November 1993 with an iridium-192 source at various locations in Pennsylvania and Ohio. (02041)

- E. Condition No. 17 of NRC License No. 37-21428-01 requires that the licensee conduct its program in accordance with statements, representations, and procedures contained in the Power Inspection, Inc. Radiation Safety Manual Administrative Procedures and Operating Procedures submitted as part of the licensee's application dated March 7, 1988.

1. Section 4.B.(1) of the Manual, entitled "Film Badge Procedures," states that new film badges are issued monthly to radiographic personnel and that badges worn during the previous period are returned promptly for processing by the vendor.

Contrary to the above, film badges issued to radiographers were not promptly returned by the licensee to the vendor for processing. Specifically, a film badge issued to a radiographer in April 1993 was not received for processing by the Landauer Company until September 17, 1993. Also, a film badge issued to another radiographer in February 1993 was not received for processing by Landauer until September 10, 1993. (02051)

2. Section 8.D of the Manual, entitled "Periodic Updating Training," requires that periodic training be given to radiographic personnel every 12 months.

Contrary to the above, the required periodic training had not been given to radiography personnel every 12 months. Specifically, training had not been given in either 1992 or 1993, a period greater than 12 months. (02061)

- F. 10 CFR 34.28(b) requires that the licensee conduct a program for inspection and maintenance of radiographic exposure devices at intervals not to exceed three months or prior to the first use thereafter, to ensure the proper functioning of components important to safety.

Contrary to the above, as of December 3, 1993, the scheduled routine maintenance and inspection had not been performed on an Amersham Model 660B iridium-192 exposure device (Serial #8624). Specifically, the last inspection had been performed in June 1993,



and although scheduled to be performed in September 1993, the routine maintenance had not been performed as of December 3, 1993, an interval in excess of three months. (02071)

- G. Condition No. 12 of NRC License No. 37-21428-01 names a specific individual as radiation safety officer.

Contrary to the above, in August 1993, the licensee appointed an individual to assume the duties of radiation safety officer, and that individual was not named in License Condition No. 12. (02081)

- H. 10 CFR 34.25(b) requires that each sealed source be tested for leakage at intervals not to exceed six months.

Contrary to the above, as of December 2, 1993, a leak test had not been performed on a 79-curie cobalt-60 source since December 2, 1992, and a leak test had not been performed on a 54-curie iridium-92 source since October 20, 1992, time intervals greater than six months. (02091)

These violations represent a Severity Level I problem (Supplements VI and VII).

Civil Penalty - \$20,000.

Pursuant to the provisions of 10 CFR 2.201, Power Inspection, Inc. (Licensee) is hereby required to submit a written statement or explanation to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice of Violation and Proposed Imposition of Civil Penalties (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each alleged violation: (1) admission or denial of the alleged violation, (2) the reasons for the violation if admitted, and if denied, the reasons why, (3) the corrective steps that have been taken and the results achieved, (4) the corrective steps that will be taken to avoid further violations, and (5) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued 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. Consideration may be given to extending the response time for good cause shown. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, this response shall be submitted under oath or affirmation.

Within the same time as provided for the response required above under 10 CFR 2.201, the Licensee may pay the civil penalties by letter addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, with a check, draft, money order, or electronic transfer payable to the Treasurer of the United States in the amount of the civil penalties proposed above, or the cumulative amount of the civil penalties if more than one civil penalty is proposed, or may protest imposition of the civil penalties in whole or in part, by a written answer addressed to the Director, Office of Enforcement,

U.S. Nuclear Regulatory Commission. Should the Licensee fail to answer within the time specified, an Order imposing the civil penalties will be issued. Should the Licensee elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation" and may: (1) deny the violations listed in this Notice, in whole or in part, (2) demonstrate extenuating circumstances, (3) show error in this Notice, or (4) show other reasons why the penalties should not be imposed. In addition to protesting the civil penalties in whole or in part, such answer may request remission or mitigation of the penalties.

In requesting mitigation of the proposed penalties, the factors addressed in Section VI.B.2 of the Enforcement Policy should be addressed. Any written answer in accordance with 10 CFR 2.205 should be set forth separately from the statement or explanation in reply pursuant to 10 CFR 2.201, but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the Licensee is directed to the other provisions of 10 CFR 2.205, regarding the procedure for imposing civil penalties.

Upon failure to pay any civil penalties due which subsequently has been determined in accordance with the applicable provisions of 10 CFR 2.205, this matter may be referred to the Attorney General, and the penalties, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The response noted above (Reply to Notice of Violation, letter with payment of civil penalties, and Answer to a Notice of Violation) should be addressed to: Mr. James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region I, 475 Allendale Road, King of Prussia, PA 19406-1415.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR 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 2.790(b) to support a request for withholding confidential commercial or financial information).

Dated at Rockville, Maryland  
this 15<sup>th</sup> day of February 1997

Notice of Violation

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