



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

DCS  
PDR

February 18, 1997

IA 97-016

Ms. Cheryl A. Rinaman  
[HOME ADDRESS DELETED  
UNDER 10 CFR 2.790]

SUBJECT: NRC INSPECTION REPORT NO. 030-20644/93-002 AND  
INVESTIGATION REPORT NO. 1-93-069R

Dear Ms. Rinaman:

This refers to the inspection conducted on December 2-3, 1993, at the Power Inspection, Inc., (PI) facility located in Wexford, Pennsylvania, as well as the findings of a subsequent investigation by the NRC Office of investigations (OI). The inspection report and OI Synopsis were sent to you in a letter, dated August 9, 1996. That letter also provided you with an opportunity to attend a predecisional enforcement conference to discuss your involvement regarding some of the findings. You informed the NRC by your letter dated August 23, 1996, that you decided not to attend a predecisional enforcement conference.

The OI investigation report indicated that PI management directed the falsification of eddy current testing certificates and examinations supplied to licensees of certain nuclear power plants, and also failed to provide complete and accurate information to the NRC, which is an apparent violation of 10 CFR 50.5. In addition, utilization logs for radiography that had been performed were falsely created by PI employees, in violation of 10 CFR 30.9 and 10 CFR 34.27. You were a secretary for PI at the time the violations occurred and you acknowledged to the OI investigator that you were involved in creating approximately fifteen false source utilization logs.

As an individual engaged in NRC-licensed activities, you were in a position that conferred upon you trust and confidence in your ability to ensure that activities were conducted in accordance with NRC requirements, and information submitted to the NRC was complete and accurate in all material respects. Your creation of false utilization logs did not adhere to these standards and is of significant regulatory concern.

The actions taken by you were deliberate and caused the licensee to violate 10 CFR Part 30 and Part 34. As a result, a Notice of Violation and Proposed Imposition of Civil Penalties in the amount of \$40,000 is being issued to PI on this date for numerous violations of NRC requirements for which you, in part, were responsible. Although the former President of PI directed you and other employees to create the false logs (and an Order Prohibiting the former President from involvement in NRC-licensed activities for ten years is being issued on this date), you had a responsibility to create accurate records.

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Given the significance of deliberately creating false records, I considered taking enforcement action against you, including whether an Order should be issued that would preclude you from any further involvement in NRC-licensed activities for a certain period. However, I have decided, after consultation with the Commission, not to take any action based on your cooperation during the OI investigation and admission to the investigator during the OI investigation of your involvement and based on the fact that management directed the falsification of source utilization records.

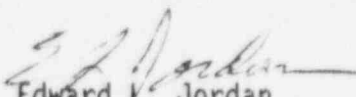
You should be aware that the NRC's regulations allow the issuance of orders and other civil sanctions directly to unlicensed persons who, through their deliberate misconduct, cause a licensee to be in violation of NRC requirements. Deliberate misconduct includes an intentional act or omission that the person knows constitutes a violation of a requirement, procedure or training instruction. An Order may also be issued to an individual to prevent his or her engaging in licensed activities at all NRC-licensed facilities. A violation of this regulation as set forth in 10 CFR 30.10, and 50.5, "Deliberate Misconduct" (Enclosure 2), may also lead to criminal prosecution. You are on notice that any similar conduct on your part in the future could result in significant enforcement action against you.

You are not required to respond to this letter. However, if you choose to provide a response, please provide it to Ms. Jenny Johansen within 30 days at U.S. Nuclear Regulatory Commission, Region I, 475 Allendale Road, King of Prussia, Pennsylvania 19406.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, records or documents compiled for enforcement purposes are placed in the NRC Public Document Room.

If you have any questions or comments, please contact Ms. Jenny Johansen, Branch Chief, Nuclear Materials Safety Branch 3, at (610) 337-5304.

Sincerely,



Edward J. Jordan  
Deputy/Executive Director for  
Regulatory Effectiveness, Program Oversight,  
Investigations and Enforcement

Enclosures:

1. Notice of Violation and Proposed Imposition of Civil Penalties to Power Inspection, Inc.
2. Deliberate Misconduct Rule

cc w/o encls:  
P. Chambers, Power Inspection, Inc.

Ms. Cheryl A. Rinaman

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