



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 18, 1997

IA 97-013

Mr. William D. Anderson
[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 Mr. Anderson:

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 with our letter dated August 9, 1996. This letter also provided you with an opportunity to attend a predecisional enforcement conference. On October 1 and 2, 1996, a predecisional enforcement conference was conducted, by telephone, with you to discuss the apparent violations, their causes, and your involvement in licensed activities at PI.

The OI investigation report indicated that, as a vendor providing services to nuclear power plants, while employed as Quality Assurance (QA) Manager for PI, you and PI management directed the falsification of eddy current testing (ET) certificates and examinations supplied to licensees of certain nuclear power plants, which is an apparent violation of 10 CFR 50.5. The OI investigation determined that you provided answers to examinations taken by two PI employees for the purpose of certifying the Level II ET qualification of the individuals, and indicated on their Qualification and Certification forms submitted to the licensees for the Cooper and Perry Nuclear Power Plants that the individuals had successfully completed the examinations that certified their ability to conduct ET.

During the telephone conference, you indicated that on one occasion, you accompanied a radiographer to a radiography job site, when the survey meters and pocket dosimeters taken on that job had not been calibrated. You indicated that you were aware of these conditions, and although you informed the President of PI that you didn't want the job performed, you and the radiographer nonetheless went to the job site and the radiographer performed radiography work.

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 as well as licensees of the NRC was complete and accurate in all material respects. Your providing assistance on examinations and then deliberately submitting false information with the intent to mislead NRC power reactor licensees did not adhere to NRC standards. The submittal of any

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inaccurate information to the NRC or its licensees, whether done orally or in writing, is a significant regulatory concern that can result in civil and/or criminal action against both the licensee and the responsible individual(s).

Your actions caused PI to violate 10 CFR Parts 30, 34, and 50. 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.

Given the significance of deliberately submitting inaccurate information to the NRC-licensed utility, I considered taking enforcement action against you, including whether an Order should be issued that would preclude you from any involvement in NRC-licensed activities for a certain period. However, I have decided, after consultation with the Commission, not to take such action after considering your cooperation during the OI investigation, your statements during the conference, and the fact that you are no longer employed by PI.

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.

Mr. William D. Anderson

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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 L. 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/encls:

P. Chambers, Power Inspection, Inc.

Mr. William D. Anderson

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