



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

18 February 1997

EA 96-449

Mr. John McClellan, President
Arctic Slope Inspection Services, Inc.
301 Arctic Slope Avenue
Anchorage, Alaska 99518

SUBJECT: NOTICE OF VIOLATION
(NRC Inspection Report 030-31760/96-01)

Dear Mr. McClellan:

This refers to the January 23, 1997 letter submitted by your radiation safety officer (RSO) in response to the apparent violations identified in NRC Inspection Report 030-31760/96-01, issued on December 9, 1996. This also acknowledges receipt of a February 3, 1997 letter from your RSO which enclosed a chart showing the position of the RSO within your organization.

The NRC inspection was completed on October 22, 1996. As indicated in the NRC letter transmitting the inspection report, seven apparent violations were identified. Arctic Slope Inspection Services, Inc. (Arctic Slope) was given a choice of requesting a predecisional enforcement conference or submitting a written response to the apparent violations. Arctic Slope chose to submit a written response.

In its written response, Arctic Slope did not dispute the apparent violations and described specific actions taken to correct each of them, many of which were taken or begun at the time of the NRC's site visit in September 1996. These actions included elevating the position of the RSO to report directly to the president, developing a computerized audit program to assure compliance with all NRC requirements, and taking a number of actions to address the specific violations found by the NRC during the inspection.

Based on the information developed during the inspection, and the information that you provided in your response to the inspection report, the NRC has determined that violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation (Notice) and involve failures to: 1) conduct quarterly audits of radiography personnel; 2) conduct quarterly checks of radiography equipment; 3) maintain records of quarterly inventories of sealed sources; 4) maintain decommissioning-related information; 5) conduct radiation surveys in unrestricted areas; 6) maintain radiation levels in unrestricted areas within limits; and 7) properly label packages.

Although these violations do not appear to have impacted the safety of Arctic Slope's radiography activities, they are important from the NRC's perspective because they clearly indicate inadequate attention to meeting licensed responsibilities. This is evidenced by the fact that several of these violations (1 through 4 above) had either been the subject of a previous Notice of Violation or were described in an inspection report as a violation that was not being cited. Arctic Slope's corrective actions for these previous violations obviously were not effective. While we do not take issue with the corrective actions you have taken since our most recent inspection, we note that your letters blamed some of the violations on a former RSO's negligence. The NRC emphasizes the importance of Arctic Slope management taking full responsibility for assuring that all requirements are being met and for assuring that your RSO and radiography personnel are adequately trained in the requirements of their positions.

In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, the violations described above and in the Notice are being classified in the aggregate as a Severity Level III problem. In accordance with the Enforcement Policy, a civil penalty with a base value of \$2,500 is considered for a Severity Level III problem. Because your facility has not been the subject of escalated enforcement action within the last 2 years or 2 inspections, the NRC considered whether credit was warranted for Corrective Action in accordance with the civil penalty assessment process in Section VI.B.2 of the Enforcement Policy. Based on our review of the corrective actions you took during and after the inspection, we have determined that credit is warranted.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, I have been authorized not to propose a civil penalty in this case. However, Arctic Slope is on notice that significant violations in the future, particularly further recurrence of the violations described in the Notice, could result in a civil penalty. In addition, issuance of this Severity Level III problem constitutes escalated enforcement action which may subject you to increased inspection effort.

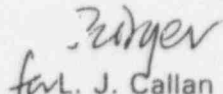
The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket in Inspection Report No. 030-31760/96-01, and Arctic Slope's letters dated January 23 and February 3, 1997. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

Arctic Slope Inspection
Services, Inc.

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In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and any response you choose to submit will be placed in the NRC Public Document Room (PDR).

Sincerely,


for L. J. Callan
Regional Administrator

Docket No. 030-31760
License No. 50-29015-01

Enclosure: Notice of Violation

cc w/enclosure:
State of Alaska

Arctic Slope Inspection
Services, Inc.

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bcc w/enclosure:

PDR

SECY

CA

EDO (O-17G21)

EJordan DED (O-17G21)

JSieberman, OE (O-7H5)

LChandler, OGC (O-15B18)

JGoldberg, OGC (O-15B18)

CPaperiello, NMSS (T-8A23)

OE:EA (2) (O-7H5)

LTremper, OC/LFDCB (T-9E10)

NUDOCS

LE 14

Enforcement Coordinators RI, RII, RIII

JGilliland, OPA (O-2G4)

PLohaus, OSP (O-3D23)

HBell, OIG (T-5D28)

GCaputo, OI (O-3E4)

DCool, NMSS (T-8F5)

OE:ES (O-7H5)

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