

18<sup>th</sup> March 2021

Ms Heather J Gepford  
Materials Licensing & Decommissioning Branch  
Division of Nuclear Materials Safety  
US Nuclear Regulatory Commission  
Arlington, Texas 76011-4611  
USA

**SUBJECT:       McCONNELL DOWELL (AMERICAN SAMOA) LTD – NRC INSPECTION REPORT 030-38318/2020-001 AND NOTICE OF VIOLATION**

Dear Ms Gepford

We acknowledged the receipt of your NRC Inspection Report 030-38318/2020-001 and Notice of Violation issued to our company on the 16<sup>th</sup> March 2021,

This is our formal response letter to address the matters raised in the NRC Inspection Report and the Notice of Violation and in compliance with the recommended instructions specified in the Information Notice 96-28 as stated in the letter. So, under the Notice 96-28 requirements, the corrective action process follows the following recommended three steps and that is the basis of our responses and discussions below.

**1. Conduct complete and thorough review of the circumstances that led to the violation. Typically, such reviews include:**

- ❖ Interviews with individuals who are either directly or indirectly involved in the violation, including management personnel and those responsible for training or procedure development/guidance. Particular attention should be paid to lines of communication between supervisors and workers

**Response:**

- Yes, clear communication with those involved directly and indirectly during the renewal application process period and now when we received this letter
- ❖ Tours and observations of the area where the violation occurred, particularly when those reviewing the incident do not have day-to-day contact with the operation under review. During the tour, individuals should look for items that may have contributed to the violation as well as those items that may result in future violations. Re-enactments (without use of radiation sources, if they were involved in the original incident) may be warranted to better understand what actually happened.

**Response:**

- In our case, it is a matter of all through documentations against the nuclear dense meters that we processed
- ❖ Review of programs, procedures, audits, and records that relate directly or indirectly to the violation. The program should be reviewed to ensure that its overall objectives and requirements are clearly stated and implemented. Procedures should be reviewed to determine whether they are complete, logical, understandable, and meet their objectives (i.e., they should ensure compliance with the current requirements). Records should be reviewed

to determine whether there is sufficient documentation of necessary tasks to provide an auditable record and to determine whether similar violations have occurred previously. Particular attention should be paid to training and qualification records of individuals involved with the violation.

**Response:**

- This is our priority to ensure that we follow the requirements issued in the permit and that would be achieved through:
  - Review & update our lab program, procedures, audits and records to ensure consistency is maintained no matter whatever circumstances in change in lab supervisor, staff, management and also when events like the current lockdown
  - Provide necessary training to ensure staff is well versed with the usage of these nukes

**2. Identify the root cause of the violation.**

- ❖ Corrective action is not comprehensive unless it addresses the root cause(s) of the violation. It is essential, therefore, that the root cause(s) of a violation be identified so that appropriate action can be taken to prevent further non-compliance in this area, as well as other potentially affected areas. Violations typically have direct and indirect cause(s). As each cause is identified, ask what other factors could have contributed to the cause. When it is no longer possible to identify other contributing factors, the root causes probably have been identified. For example, the direct cause of a violation may be a failure to follow procedures; the indirect causes may be inadequate training, lack of attention to detail, and inadequate time to carry out an activity. These factors may have been caused by a lack of staff resources that, in turn, are indicative of lack of management support. Each of these factors must be addressed before corrective action is considered to be comprehensive.

❖ **Response:**

- Our company operations in American Samoa needs to maintain a backup nuclear dense meter to ensure no delays in the execution of our projects. This suits our operations here in American Samoa
- Our nuclear dense meters go to New Zealand for re-calibration and so once one goes for re-calibration for about 6 months then we should have another one in American Samoa to serve our projects as well as other companies when required
- The Seaman nuclear dense meter was sent back to New Zealand for disposal and that was why the other Humboldt nuclear dense meter was brought into for backup
- RSO is a project engineer and he is not directly involved with the daily lab operations
- New organization structure with new management and also very green lab supervisor as well as the current technicians. Change in management has to start from scratch with regards to renewal application process in order to meet timeline provided

**3. Take prompt and comprehensive corrective action that will address the immediate concerns and prevent recurrence of the violation.**

- ❖ It is important to take immediate corrective action to address the specific findings of the violation. For example, if the violation was issued because radioactive material was found in an unrestricted area, immediate corrective action must be taken to place the material under license control in authorized locations. After the immediate safety concerns have addressed, timely action must be taken to prevent future recurrence of the violation. Corrective action is

sufficiently comprehensive when corrective action is broad enough to reasonably prevent recurrence of the specific violation as well as prevent similar violations.

**Response:**

- Review lab program, procedures, audits and records, so we keep updating of our documentations and to make sure that any changes with nuclear dense meters we inform NRC and even change in management & staff there will be no impact on the implementation of this program
- RSO to direct involve in lab operations and to inform NRC of any changes
- Review current renewal application requirements for both Humboldt nukes to be included and comply with what we have
- Future changes to notify NRC

In conclusion, MCD have accepted full responsibility of the violation. Within 3 week period, we shall submit the findings and report back with lessons learnt and operation procedure that have been amended to avoid such repeat going forward.

Kind regards



**Timani Samau**

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