OFFICE OF ENFORCEMENT NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

<u>Licensee</u>: H&G Inspection Company, Inc. (EA-06-021)

Houston, Texas 77074 Docket No. 030-29319

Subject: PROPOSED IMPOSITION OF CIVIL PENALTY - \$6,500

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$6,500 will be issued on or about May 1, 2006, to H&G Inspection Company, Inc. This action is based on a violation of 10 CFR 71.5(a) and 49 CFR 177.842(d) involving a willful failure to block and brace a radiographic exposure device during transport to and from a temporary jobsite. This violation was found to be willful because, during the inspection, an NRC inspector reminded the radiographer and assistant that blocking and bracing the radiographic exposure device was required prior to transport. The radiographer assured the inspector that they would block and brace the device before leaving the jobsite that night, but did not do so. This violation is normally classified at Severity Level IV, however it is more significant because willfulness was involved. Therefore, in accordance with the NRC's Enforcement Policy, it is categoized as a Severity Level III violation. Since this violation was identified by an NRC inspector, H&G Inspection is not deserving of identification credit. However, based on the licensee's comprehensive corrective actions, the NRC has determined that corrective action credit is warranted. Accordingly, the NRC civil penalty assessment process results in a base civil penalty for this Severity Level III violation.

In addition, the following two violations not assessed a civil penalty were identified: failure to control and maintain constant surveillance of licensed material in an unrestricted area (10 CFR 20.1802); and failure to have a second qualified individual observe radiographic operations (10 CFR 34.41(a)). Specifically, the licensee stored its radiography camera in the mobile darkroom of its truck parked at the licensee's facility in Evanston, Wyoming, and the door to the darkroom was left unsecured. Additionally, during radiographic operations at a temporary jobsite in Rock Springs, Wyoming, a second qualified individual was in the licensee's mobile darkroom and was therefore not able to observe the operations or provide immediate assistance to prevent unauthorized entry. The NRC has determined that the licensee did take comprehensive corrective actions. Therefore, no civil penalty is warranted for either of these violations.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice May 1, 2006 Telephone Notification of Licensee May 1, 2006

The States of Texas and Wyoming will be notified.

The licensee has thirty days from the date of the Notice in which to respond. Following NRC evaluation of the response, the civil penalty may be remitted, mitigated, or imposed by Order.

Contacts: Sally Merchant, OE, 415-2747; Chris Nolan, OE, 415-2741

PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL VERIFICATION THAT LICENSEE HAS RECEIVED ACTION

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