

September 26, 2006

Robert Slack, Director of Regulatory Affairs  
MISTRAS Holding Group, d/b/a Conam Inspection and  
Engineering Services, Inc./Quality Services Laboratories, Inc.  
899 Carol Court  
Carol Stream, IL 60188

SUBJECT: INTERPRETATION OF SETTLEMENT AGREEMENT

Dear Mr. Slack:

This letter responds to your request, dated August 18, 2006, for the Nuclear Regulatory Commission (NRC) interpretation of certain aspects of a Settlement Agreement between the NRC and United Evaluation Services, Inc., dated August 14, 2002. Specifically, you have requested clarification of the duties that Mr. Joseph J. Ferenc, the former Vice-President and Radiation Safety Officer for United Evaluation Services, Inc., may perform for you, a holder of a specific NRC license to perform radiography.

Your questions and the NRC responses are as follows:

1. "The Memorandum and Order pertains only to NRC-licensed activities OR Agreement State licensed activities in NRC jurisdictions. All operational and management activities for inspection methods NOT involving Byproduct Materials are NOT restricted by this order. Is this correct?"

Yes, that is correct.

2. "Involvement with all aspects of work involving x-ray tubes, excluding RSO duties, is also allowable. Is that correct?"

Yes, that is correct. In addition, according to the Agreement, Mr. Ferenc has been permitted to act in the capacity of a radiographer, using both NRC licensed material and X-ray tubes, since May 15, 2003, and may supervise an assistant radiographer when acting as a radiographer. However, other than this particular supervision, he may not manage or oversee NRC licensed activities or individuals while they are engaged in licensed activities, including but not limited to the duties of a Radiation Safety Officer, for 5-years from the date the Settlement Agreement was approved (August 14, 2002).

3. "Can Mr. Ferenc be involved in the scheduling of personnel to cover NRC-licensed activities?"

No, Mr. Ferenc may not schedule personnel to perform activities that are regulated by NRC. Scheduling of such activities would require the scheduler to make decisions regarding the qualifications of the individuals who would perform work, e.g., the scheduler ensures that two qualified individuals, at least one of whom is a radiographer, are assigned to each job.

4. "Can Mr. Ferenc be involved in the quoting of jobs involving NRC-licensed activities?"

Yes, he can perform financial calculations associated with the sale of radiography services.

5. "Can Mr. Ferenc be involved in the invoicing and account management of clients for whom we perform NRC-licensed activities?"

Yes, Mr. Ferenc may be involved in invoicing and account management of clients for services performed by the company using NRC licensed materials.

6. "Can Mr. Ferenc oversee personnel who perform the functions listed in # 3, 4, & 5 above?"

Mr. Ferenc may oversee personnel who are involved in invoicing and account management, and in preparing job quotes. However, he may not be responsible for supervising personnel who perform work involving NRC licensed material with the exception of the supervision of an assistant radiographer when he is acting as a radiographer. Therefore, he may not oversee persons responsible for scheduling radiography personnel.

7. Can Mr. Ferenc be involved in the disciplinary action to be taken against personnel involved in NRC-licensed activities?

No, Mr. Ferenc may not be involved in supervisory responsibilities for employees who work with or use NRC licensed material. Therefore, he may not take disciplinary action for infractions related to performance of NRC licensed activities.

If you have any additional questions, you may contact Sally L. Merchant of my staff at (301) 415-2747.

Sincerely,

*/RA/*

Cynthia Carpenter, Director  
Office of Enforcement

- 4. "Can Mr. Ferenc be involved in the quoting of jobs involving NRC-licensed activities?"

Yes, he can perform financial calculations associated with the sale of radiography services.

- 5. "Can Mr. Ferenc be involved in the invoicing and account management of clients for whom we perform NRC-licensed activities?"

Yes, Mr. Ferenc may be involved in invoicing and account management of clients for services performed by the company using NRC licensed materials.

- 6. "Can Mr. Ferenc oversee personnel who perform the functions listed in # 3, 4, & 5 above?"

Mr. Ferenc may oversee personnel who are involved in invoicing and account management, and in preparing job quotes. However, he may not be responsible for supervising personnel who perform work involving NRC licensed material with the exception of the supervision of an assistant radiographer when he is acting as a radiographer. Therefore, he may not oversee persons responsible for scheduling radiography personnel.

- 7. Can Mr. Ferenc be involved in the disciplinary action to be taken against personnel involved in NRC-licensed activities?

No, Mr. Ferenc may not be involved in supervisory responsibilities for employees who work with or use NRC licensed material. Therefore, he may not take disciplinary action for infractions related to performance of NRC licensed activities.

If you have any additional questions, you may contact Sally L. Merchant of my staff at (301) 415-2747.

Sincerely,  
/RA/  
Cynthia Carpenter, Director  
Office of Enforcement

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