



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

May 23, 2008

EA-08-008; EA-08-009
EA-08-010; EA-08-011

Christopher J. Moreau
President & COO
Global X-Ray & Testing Corporation
212 Clendenning Road
Houma, LA 70363

SUBJECT: CONFIRMATORY ORDER (EFFECTIVE IMMEDIATELY) (NRC INSPECTION
REPORT 150-00017/07-007 AND INVESTIGATION REPORT NO. 4-2007-031)

Dear Mr. Moreau:

The enclosed Confirmatory Order is being issued to Global X-Ray & Testing Corporation (Global) as a result of a successful alternative dispute resolution (ADR) mediation session. The commitments in the Confirmatory Order were made by Global as part of a settlement agreement between Global and the Nuclear Regulatory Commission (NRC) concerning four apparent violations identified during an inspection and investigation which were conducted in response to an event that occurred on April 20, 2006. The event involved the inability to retract a radiation source to its fully shielded position while conducting radiographic operations onboard a lay-barge in offshore Federal waters.

By letter dated February 20, 2008, the NRC informed you that four apparent violations were being considered for escalated enforcement action in accordance with the NRC Enforcement Policy, included on the NRC's website at www.nrc.gov/about-nrc/regulatory/enforcement.html. The apparent violations involved: (1) failure to provide the NRC with complete and accurate information; (2) failure to prevent workers from resuming work after their pocket dosimeters were found to be off-scale; (3) failure to ensure that a radiographer directly supervised the radiographer's assistant during radiographic operations; and (4) failure to ensure that a radiographer wore personnel dosimeters at all times while performing radiographic operations. We informed you that the NRC was concerned that willfulness was associated with the apparent failure to provide NRC with complete and accurate information. Our February 20, 2008, letter offered you a choice to attend a Predecisional Enforcement Conference or to request ADR with the NRC in an attempt to resolve any disagreement on whether a violation occurred, the appropriate enforcement action, and the appropriate corrective actions. In response, you requested ADR to resolve differences you had with the NRC concerning the apparent violations.

ADR is a general term encompassing various techniques for resolving conflicts outside of court using a neutral third party. The technique that the NRC currently employs is mediation. An ADR mediation session was held on April 29, 2008, at which a settlement agreement was reached. The elements of the settlement agreement formulated and agreed to at the mediation session are contained in the enclosed Confirmatory Order.

As part of the settlement agreement, Global agreed to take extensive corrective actions, in addition to corrective actions already taken, to prevent these violations from recurring. In

recognition of these actions, the NRC agreed to not pursue further enforcement. We will evaluate the implementation of your commitments in future inspections.

We have enclosed a Confirmatory Order (Effective Immediately) to confirm the commitments made as part of the settlement agreement. As evidenced by your signed "Consent and Hearing Waiver Form" (copy enclosed) dated May 19, 2008, you agreed to the issuance of this letter and Confirmatory Order.

Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Order shall be subject to criminal prosecution as set forth in that section. Violation of this Order may also subject the person to civil monetary penalties.

You are not required to respond to this letter. However, if you choose to provide a response, please provide it to me within 30 days at: U.S. Nuclear Regulatory Commission, Region IV, 612 East Lamar Blvd. Suite 400, Arlington, Texas, 76011-4125.

A copy of this letter and its enclosures will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. The NRC will also include these documents on its Significant Enforcement Actions web page. This page is accessible at <http://www.nrc.gov/about-nrc/regulatory/enforcement.html>; then select **Significant Enforcement Actions**. Your response, if you choose to provide one, also will be made available electronically for public inspection in the NRC Public Document Room or from ADAMS. Therefore, to the extent possible, any response you provide should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

If you have any questions or comments concerning this letter, please contact Ms. Christi Maier, Enforcement Specialist, at 817-860-8217 or Ms. Karla Fuller, Regional Counsel and Team Leader for the Allegation Coordination and Enforcement Staff, at 817-860-8271.

Sincerely,

/RA ATHowell for/

Elmo E. Collins
Regional Administrator

Docket No. 150-00017
License No. General License Pursuant
to 10 CFR 150.20

Enclosures:

1. Confirmatory Order
2. Consent and Hearing Waiver Form

cc:

State of Louisiana Radiation Control Program Director

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Marissa.Herrera@nrc.gov	James.Thompson@nrc.gov	Ashley.Tull@nrc.gov
R4ALLEGATION.resource@nrc.gov (if alleg related)		
RIV OI FOD (for OI cases)		

SUNSI Review Completed: MCM ADAMS: Yes Initials: MCM
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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	Docket No. 150-00017
Global X-Ray & Testing Corporation)	General License Pursuant to
Houma, Louisiana)	10 CFR 150.20
)	EA-08-008; EA-08-009;
)	EA-08-010; EA-08-011

CONFIRMATORY ORDER
(EFFECTIVE IMMEDIATELY)

I

Global X-Ray & Testing Corporation (Global or Licensee) is the holder of a general license pursuant to 10 CFR 150.20 issued by the U.S. Nuclear Regulatory Commission (NRC or Commission). This general license was granted to Global at various times during calendar years 2001 through 2008.

This Confirmatory Order is the result of an agreement reached during an alternative dispute resolution (ADR) mediation session conducted on April 29, 2008.

II

An NRC inspection was conducted in response to an event that occurred on April 20, 2006, involving the inability to retract a radiation source to its fully shielded position while conducting radiographic operations onboard a lay-barge in offshore Federal waters. The inspection began on March 13, 2007, and continued with in-office review through November 26, 2007. An investigation by the NRC's Office of Investigations (OI) was initiated on April 17, 2007.

Based on the results of the NRC inspection and the OI investigation, the NRC identified four apparent violations which were discussed in a letter and inspection report dated February 20, 2008. The violations involved: 1) the failure to provide the NRC with complete and accurate information, as required by 10 CFR 30.9(a); 2) the failure to prevent workers from resuming work after their pocket dosimeters were found to be off-scale and the possibility of radiation exposure could not be ruled out as the cause, as required by 10 CFR 34.47(d); 3) the failure to ensure that a radiographer was providing personal supervision of the radiographer's assistant through direct observation of the assistant's performance of radiographic operations, as required by 10 CFR 34.46(c); and 4) permitting an individual who was not wearing a personnel dosimeter during radiographic operations to act as a radiographer, in contradiction of 10 CFR 34.47(a). In addition, the NRC was concerned that the first apparent violation, the failure to provide the NRC with complete and accurate information, involved willfulness.

In response to the apparent violations, Global requested ADR. On April 29, 2008, the NRC and Global met in an ADR session mediated by a professional mediator, arranged through Cornell University's Institute on Conflict Resolution. ADR is a process in which a neutral mediator with no decision-making authority assists the parties in reaching an agreement on resolving any differences regarding the dispute. During the mediation, Global provided additional corrective actions including developing an emergency procedure for retrieval of radioactive sources, an incident investigation procedure, an incident interview policy, and informed the NRC that it plans to conduct announced and unannounced inspections of its radiography crews working on lay-barges. This confirmatory order is issued pursuant to the agreement reached during the ADR process.

III

During that ADR session, an Agreement in Principle was reached. The elements of the agreement consisted of the following:

1. Global will develop a procedure for additional oversight of radiography crews working offshore. They will incorporate into this procedure a method for each crew to review the special requirements for offshore work with the Radiation Safety Officer (RSO) or a supervisor (who is a certified radiographer). The review is to be accomplished prior to leaving for an offshore job, then again when the crew arrives at their final destination where radiography will be performed to ensure that they have all the equipment necessary to conduct radiographic operations in a safe manner. Documentation of the second review is to be sent by fax or other available method to a supervisor or the RSO within 2 hours of completion, but no later than 8 hours in the event of documented communication interruptions.
2. Global will obtain an agreement with lay-barge operators. In general, this agreement would include provisions to conduct radiographic operations, respond to incidents, and facilitate direct Global management/RSO oversight of radiographers on the lay-barge.
3. Global will agree to specific changes or “confirmation and acknowledgment” of specific changes in Global’s supervision policy (including supervision of assistant radiographers) which would include field audits of lay-barge radiographic operations by Global management. Global will make reasonable attempts to conduct a minimum of four field audits per year.

4. As part of Global's contract negotiations for lay-barge operations, Global will make arrangements for NRC inspection of Global's lay-barge operations on U.S. owned lay-barges. Global will make every effort possible to secure, for the NRC, such access to foreign owned lay-barges.
5. Global will write and deliver a personal letter from licensee management to each employee regarding company expectations concerning 10 CFR 30.9 issues or issue a company policy statement encouraging employees to self-report.
6. Global will develop and provide training regarding the potential consequences for violations of NRC regulations.
7. Global will obtain an NRC license with special license conditions for radiographic operations in offshore waters. The application process is to be started no later than September 1, 2008.
8. The NRC agrees not to pursue any further enforcement action in connection with NRC's Inspection Report 150-00017/07-007 to Global as a company, and will not count this matter as previous enforcement for the purposes of assessing potential future enforcement action civil penalty assessments in accordance with Section VI.C of the Enforcement Policy. The resulting confirmatory order will, however, be considered by the NRC for any assessment of Global's performance, as appropriate.
9. In consideration of the comprehensiveness of the corrective actions in Items 1 through 7 above, and most notably in consideration of the costs associated with Item 7, the NRC will eliminate the civil monetary penalty.

10. All of the above conditions without a time limit will be accomplished within 120 days of the order.

On May 19, 2008, the Licensee consented to issuing this Order with the commitments, as described in Section V below. The Licensee further agreed that this Order is to be effective upon issuance and that it has waived its right to a hearing.

IV

Since the licensee has agreed to take additional actions to address NRC concerns, as set forth in Item III above, the NRC has concluded that its concerns can be resolved through issuance of this Order.

I find that the Licensee's commitments as set forth in Section V are acceptable and necessary and conclude that with these commitments the public health and safety are reasonably assured. In view of the foregoing, I have determined that public health and safety require that the Licensee's commitments be confirmed by this Order. Based on the above and the Licensee's consent, this Order is immediately effective upon issuance.

V

Accordingly, pursuant to Sections 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Parts 20, 30, 34, and 150, IT IS HEREBY ORDERED, EFFECTIVE IMMEDIATELY, THAT:

- A. Global will develop a procedure for additional oversight of radiography crews working offshore. Global will incorporate into this procedure a method for each crew to review the special requirements for offshore work with the RSO or a supervisor (who is a certified radiographer). The review is to be accomplished prior to leaving for an offshore job, then again when the crew arrives at their final destination where radiography will be performed to ensure that they have all the equipment necessary to conduct radiographic operations in a safe manner. Documentation of the second review is to be sent by fax or other available method to a supervisor or the RSO within 2 hours of completion, but no later than 8 hours in the event of documented communication interruptions.

- B. Prior to each operation, Global will obtain an agreement with lay-barge operators. In general, this agreement will include provisions to conduct radiographic operations, respond to incidents, and facilitate direct Global management/RSO oversight of radiographers on the lay-barge.

- C. Global will agree to specific changes or the “confirmation and acknowledgment” of specific changes that Global has already made in its supervision policy (including supervision of assistant radiographers) which will include field audits of lay-barge radiographic operations by Global management. Global will make reasonable attempts to conduct a minimum of four field audits per year.

- D. As part of Global’s contract negotiations for lay-barge operations, Global will make arrangements for NRC inspection of Global’s radiographic activities on U.S. owned lay-barges. Global will make every effort possible to secure, for the NRC, such access to foreign owned lay-barges.

- E. Global will write and deliver a personal letter from licensee management to each employee regarding company expectations concerning 10 CFR 30.9 issues or issue a company policy statement encouraging employees to self-report.

- F. Global will develop and provide training regarding the potential consequences for violations of NRC regulations.

- G. Global will obtain an NRC license with special license conditions for radiographic operations in offshore waters (as defined in 10 CFR 150.3). The application process is to be started no later than September 1, 2008.

- H. All of the above conditions without a specified time limit will be accomplished within 120 days of the order.

The Regional Administrator, US NRC Region IV, may, in writing, relax or rescind any of the above conditions upon demonstration by the Licensee of good cause.

VI

Any person adversely affected by this Confirmatory Order, other than the Licensee, may request a hearing within 20 days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be directed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and include a statement of good cause for the extension.

A request for a hearing must be filed in accordance with the NRC E-Filing rule, which the NRC promulgated in August, 2007, 72 Fed. Reg. 49,139 (Aug. 28, 2007). The E-Filing process

requires participants to submit and serve documents over the internet or, in some cases, to mail copies on electronic optical storage media. Participants may not submit paper copies of their filings unless they seek a waiver in accordance with the procedures described below.

To comply with the procedural requirements associated with E-Filing, at least five (5) days prior to the filing deadline the requestor must contact the Office of the Secretary by e-mail at HEARINGDOCKET@NRC.GOV, or by calling (301) 415-1677, to request (1) a digital ID certificate, which allows the participant (or its counsel or representative) to digitally sign documents and access the E-Submittal server for any NRC proceeding in which it is participating; and/or (2) creation of an electronic docket for the proceeding (even in instances when the requestor (or its counsel or representative) already holds an NRC-issued digital ID certificate). Each requestor will need to download the Workplace Forms Viewer™ to access the Electronic Information Exchange (EIE), a component of the E-Filing system. The Workplace Forms Viewer™ is free and is available at <http://www.nrc.gov/site-help/e-submittals/install-viewer.html>. Information about applying for a digital ID certificate also is available on NRC's public website at <http://www.nrc.gov/site-help/e-submittals/apply-certificates.html>.

Once a requestor has obtained a digital ID certificate, had a docket created, and downloaded the EIE viewer, it can then submit a request for a hearing through EIE. Submissions should be in Portable Document Format (PDF) in accordance with NRC guidance available on the NRC public website at <http://www.nrc.gov/site-help/e-submittals.html>. A filing is considered complete at the time the filer submits its document through EIE. To be timely, electronic filings must be submitted to the EIE system no later than 11:59 p.m. Eastern Time on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an e-mail notice confirming receipt of the document. The EIE system also distributes an e-mail notice that provides access to the document to the NRC Office of the General

Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the document on those participants separately. Therefore, any others who wish to participate in the proceeding (or their counsel or representative) must apply for and receive a digital ID certificate before a hearing request is filed so that they may obtain access to the document via the E-Filing system.

A person filing electronically may seek assistance through the "Contact Us" link located on the NRC website <http://www.nrc.gov/site-help/e-submittals.html> or by calling the NRC technical help line, which is available between 8:30 a.m. and 4:15 p.m., Eastern Time, Monday through Friday. The help line number is (800) 397-4209 or locally, (301) 415-4737.

Participants who believe that they have good cause for not submitting documents electronically must file a motion, in accordance with 10 C.F.R. 2.302(g), with their initial paper filing requesting authorization to continue to submit documents in paper format. Such filings must be submitted by (1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; or (2) courier, express mail, or expedited delivery service to the Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville, Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff. Participants filing a document in this manner are responsible for serving the document on all other participants. Filing is considered complete by first-class mail as of the time of deposit in the mail, or by courier, express mail, or expedited delivery service upon depositing the document with the provider of the service.

Documents submitted in adjudicatory proceedings will appear in NRC's electronic hearing docket which is available to the public at http://ehd.nrc.gov/EHD_Proceeding/home.asp, unless excluded pursuant to an order of the Commission, an Atomic Safety and Licensing Board, or a

Presiding Officer. Participants are requested not to include personal privacy information, such as social security numbers, home addresses, or home phone numbers in their filings. With respect to copyrighted works, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, participants are requested not to include copyrighted materials in their works.

If a person other than Global requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 C.F.R. 2.309(d).

If the hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained. In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section V above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section V shall be final when the extension expires if a hearing request has not been received. A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

FOR THE NUCLEAR REGULATORY COMMISSION

_____/RA ATHowell_____
Arthur T. Howell, Acting Regional Administrator
US Nuclear Regulatory Commission, Region IV

Dated this 23rd day of May 2008

CONSENT AND HEARING WAIVER FORM

Global X-Ray & Testing Corporation hereby agrees to comply with the terms and conditions of the Confirmatory Order to be issued relating to enforcement action Nos. EA-08-008, EA-08-009, EA-08-010, and EA-08-011, which will be immediately effective upon its issuance. By signing below, Global X-Ray & Testing Corporation consents to the issuance of the referenced Confirmatory Order, effective immediately upon its issuance and, by doing so, agrees to waive the right to request a hearing on all or any part of the Confirmatory Order pursuant to 10 CFR 2.202(a)(3) and (d).

_____/RA/_____
Christopher J. Moreau, President & COO
Global X-Ray & Testing Corporation

May 19, 2008
Date