



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

December 14, 2011

Ms. Susan Fraser, President/CEO
High Mountain Inspection Service, Inc.
P.O. Box 1508
Mills, WY 82644-1508

SUBJECT: NRC INSPECTION REPORT 030-33887/2011-001 AND NOTICE OF VIOLATION

Dear Ms. Fraser:

This refers to the routine, unannounced inspection conducted on November 16 through 18, 2011, at the High Mountain Inspection Services, Inc. facility and a temporary job site located in Mills, Wyoming. This inspection examined activities conducted under your license as they relate to radiation safety and security, to compliance with the Commission's rules and regulations, as well as the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel. Preliminary findings were discussed with you on November 16, 2011. A final exit meeting was conducted with Mr. Kevin MacManus, radiation safety officer, at the conclusion of the inspection on November 18, 2011.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. These violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at: <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. These violations involved the failure to: (1) have appropriate shipping papers as required by 49 CFR 172.203, (2) provide recurrent refresher hazardous materials training as required by 49 CFR 172.704, and (3) read and record the exposures of the pocket ionization chamber exposure devices at the end of each shift as required by 10 CFR 34.47(b). These violations are cited in the enclosed Notice of Violation (Notice) because they were identified by the NRC during the inspection.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. For your consideration and convenience, an excerpt from NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," is enclosed. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your

response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

Should you have any questions concerning this inspection, please contact Rick Muñoz at 817-860-8220 or the undersigned at 817-860-8130.

Sincerely,

/RA James L. Thompson for/

G. Michael Vasquez, Chief
Nuclear Materials Safety Branch A

Docket No: 030-33887
License No: 49-26808-02

Enclosure:
Notice of Violation (Notice)

cc: (w/Enclosure):
Scott Ramsey
Radiological Services Supervisor
Wyoming Office of Homeland Security
2421 East 7th Street
Cheyenne, WY 82001

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NOTICE OF VIOLATION

High Mountain Inspection Services, Inc.
Mills, Wyoming

Docket No: 030-33887
License No: 49-26808-02

During an NRC inspection conducted November 16-18, 2011, three violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 71.5(a) requires that a licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, comply with the applicable requirements of the regulations appropriate to the mode of transport of the Department of Transportation (DOT) in 49 CFR Parts 107, 171-180, and 390-397.

49 CFR 177.817(a) requires that a carrier not transport a hazardous material unless it is accompanied by a shipping paper prepared in accordance with 49 CFR 172.200-203.

49 CFR 172.203(d) requires, in part, that the description for a shipment of radioactive material include: (3) the activity contained in each package of the shipment in terms of the appropriate SI units (e.g., Becquerel, Terabecquerel etc...), or in terms of appropriate SI units followed by customary units (e.g., curies, millicuries, or microcuries); and (5) the transport index assigned to each package in the shipment bearing RADIOACTIVE YELLOW-II OR YELLOW-III labels.

Contrary to the above, on November 16, 2011, the licensee transported outside the confines of their facility, radiographic exposure devices containing licensed material and the description on the shipping paper that accompanied the shipment did not include the correct activity contained in each package of the shipment in the appropriate SI units and the transport index assigned to each package in the shipment bearing RADIOACTIVE YELLOW-II labels. Specifically, on November 16, 2011, two SPEC-150 exposure devices, (serial number 0715) containing 40 Curies and (serial number 585) containing 43 Curies of Iridium -192 and the description on the shipping paper failed to include the correct activity and Transport Index for each package shipped.

This is a Severity Level IV violation (Section 6.3.d).

- B. 49 CFR 172.704(a) specifies the elements of hazmat employee training as: (1) general awareness/familiarization training, (2) function-specific training, and (3) safety training. 49 CFR 172.704(c) requires, in part, that a hazmat employee receive initial training, and recurrent training at least once every three years.

Contrary to the above, the licensee did not provide training for its hazmat employees which satisfied the requirements in Subpart H to 49 CFR Part 172, in that the licensee's employees did not receive recurrent training at least once every three years, and the licensee otherwise meets the definition of a hazmat employer in 49 CFR 171.8. Specifically, every employee trained prior to November 2008, had last completed hazmat training during their initial training, which was greater than three years from the date of the inspection.

This is a Severity Level IV violation (Section 6.3.d.4).

Enclosure

- C. 10 CFR 34.47(b) requires that direct reading dosimeters such as pocket dosimeters or electronic personal dosimeters, must be read and the exposures recorded at the beginning and end of each shift, and records must be maintained in accordance with 10 CFR 34.83.

Contrary to the above, during November 12 through 16 and October 21, 2011, the licensee failed to read and record the exposures of the pocket ionization chamber exposure devices at the end of each shift. Specifically, there were numerous examples of daily utilization logs which failed to record the exposures at the end of each shift.

This is a Severity Level IV violation (Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, High Mountain Inspection Service, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region IV, 1600 E. Lamar Blvd., Arlington, Texas 76011-4125, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation:

- (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level,
- (2) the corrective steps that have been taken and the results achieved,
- (3) the corrective steps that will be taken, and
- (4) the date when full compliance will be achieved.

Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at www.nrc.gov/reading-rm/adams.html. To the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 14th day of December 2011