



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

June 8, 2012

EA-12-064

Mr. Craig Viator
President
MIT International of LA, Inc.
1017 QCP Park Drive
Broussard, Louisiana 70518

SUBJECT: INSPECTION REPORT 150-00017/12-001 AND NOTICE OF VIOLATION

Dear Mr. Viator:

This letter refers to the in-office inspection conducted between January 18 and May 4, 2012, regarding MIT International of LA, Inc. The in-office inspection was a review of industrial radiographic operations conducted in NRC jurisdiction during calendar year 2012 and included an examination of activities conducted under State of Louisiana Radioactive Materials License LA-12238-L01 and compliance with the Commission's rules and regulations. Within these areas, the inspection consisted of telephonic interviews with MIT International of LA, Inc. personnel and reviews of electronic documents submitted to the NRC. The NRC conducted an exit briefing telephonically with Mr. Greg Self, Radiation Safety Officer, and Mr. Isaac Thibodeaux, former Radiation Safety Officer, of your staff on May 4, 2012. The enclosed report presents the results of this in-office inspection.

During the telephonic exit briefing, Mr. Jack Whitten and Ms. Michelle Simmons of my staff informed your staff that the NRC was considering escalated enforcement for an apparent violation of NRC requirements. The apparent violation involved the failure to file a submittal to engage in licensed activities in NRC jurisdiction as required by 10 CFR 150.20(b). A general license is granted in accordance with 10 CFR 150.20(a), to any person who holds a specific license from an Agreement State, provided, in part, the provisions in 10 CFR 150.20(b) are met. Specifically, it appears that you did not file a submittal containing an initial NRC Form 241, a copy of your State of Louisiana Radioactive Materials License, and the appropriate reciprocity fee prior to conducting industrial radiographic operations in offshore waters, in NRC jurisdiction, during calendar year 2012. The circumstances surrounding the apparent violation, the significance of the issues, and the need for lasting and effective corrective actions were discussed with you during the inspection exit briefing. Additionally, you have initiated immediate and long-term corrective actions to address the apparent violation. These corrective actions are documented in the subject inspection report and in your letter received March 29, 2012, (ML12090A465). Further, we provided you an opportunity to: (1) respond to the apparent violation addressed in this inspection report within 30 days of the date of this letter or (2) request a predecisional enforcement conference.

During the exit briefing on May 4, 2012, Mr. Whitten informed you that the NRC had sufficient information regarding the apparent violation and your corrective actions to make an enforcement decision without the need for a predecisional enforcement conference or a written response from you. You agreed that a predecisional enforcement conference was not needed and stated that you had no further information to convey through a written response.

Therefore, based on the information developed during the in-office inspection and the information you provided in your letter received March 29, 2012, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding the violation are described in detail in the subject inspection report. As noted above, the violation involved the failure to file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of your Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31, prior to engaging in licensed activities within NRC jurisdiction in calendar year 2012.

The NRC considers this violation significant because when an Agreement State licensee fails to file for reciprocity prior to conducting licensed activities in NRC jurisdiction, the NRC's ability to meet its regulatory responsibility to ensure that those activities are conducted in a safe and secure manner is impacted. Therefore, this violation has been categorized in accordance with the NRC Enforcement Policy at Severity Level III. The NRC Enforcement Policy may be found on the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$3,500 is considered for a Severity Level III violation.

Because your facility has not been the subject of escalated enforcement actions within the last 2 years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy. Based on your prompt and comprehensive corrective actions, the NRC has determined that *Corrective Action* credit is warranted. Your immediate corrective actions included promptly filing a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of your Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31 for calendar year 2012. Your long-term corrective actions included: (1) generation of an annual alert from the company's calendar to be sent electronically to the owner and all managers one month prior to the expiration of the current reciprocity agreement with the NRC; (2) designating the Radiation Safety Officer (RSO) as the individual responsible for setting the calendar reminders and filing for reciprocity in accordance with 10 CFR 150.20, with the Health and Environmental Safety (HES) manager taking on the responsibility in the event the RSO is not able to fulfill this task; (3) adding a reciprocity action item to the licensee's pre-job checklist which must be filled out completely before any crew mobilizes; and (4) adding the procedures pertaining to the filing for reciprocity to your operating and emergency procedures to ensure that the procedures will be transferred to any new management.

Therefore, to encourage prompt and comprehensive correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III violation constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved is already adequately addressed on the docket in Inspection Report 150-00017/12-001 and your letter received on March 29, 2012 (ML12090A465).

Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice. In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's Web site at <http://www.nrc.gov/readingrm/adams.html>.

Should you have any questions regarding this letter, the enclosed report, or the enclosed Notice, please contact Mr. Jack Whitten, Chief, Nuclear Materials Safety Branch B at 817-200-1197.

Sincerely,

/RA/

Elmo E. Collins
Regional Administrator

Docket: 150-00017
License: General License Pursuant to
10 CFR 150.20 (LA License LA-12238-L01)

Enclosures:

1. Notice of Violation
2. NRC Inspection Report 150-00017/12-001

cc:

Tim Knight, Administrator
Emergency & Radiological Services Div.
Environmental Compliance
P.O. Box 4312
Baton Rouge, LA 70821-4312

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Hard copy:

RIV Materials Docket File (5th Floor)

S:\DNMS\~ESCALATED ENFORCEMENT\ACTIVE CASES\MIT International of LA\MIT EA-12-064 IR and NOV.doc

ADAMS	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> SUNSI Review Complete		Reviewer Initials: MRS
<input checked="" type="checkbox"/> Publicly Available		<input type="checkbox"/> Non-publicly Available		<input type="checkbox"/> Sensitive	<input checked="" type="checkbox"/> Non-sensitive
Category:		KEYWORD:			
[RIV:Inspector]	DNMS:NMSBB:BC	[ACES:ES/SES]	RC	D:ACES	
MRSimmons	JEWhitten	MCMaier	KSFuller	HJGepford	
/RA/		/RA	/RA/		
06/01/12	06/01/12	06/01/12	06/04/12	06/05/12	
D:DNMS	DRA	RA			
AVegel	ATHowell	EECollins			
/RA VHC for/	/RA/	/RA/			
06/06/12	06/06/12	06/08/12			

NOTICE OF VIOLATION

MIT International of LA, Inc.
Broussard, Louisiana

Docket: 150-00017
License: LA-12238-L01
EA-12-064

During an NRC in-office inspection conducted between January 18, 2012, and May 4, 2012, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 150.20(a)(1) provides, in part, that any person who holds a specific license from an Agreement State is granted a general license to conduct the same activity in non-Agreement States; areas of exclusive Federal jurisdiction within Agreement States; and Offshore waters provided that the provisions of 10 CFR 150.20(b) have been met.

10 CFR 150.20(b)(1) requires, in part, that a person engaging in activities in a non-Agreement State, in an area of exclusive Federal jurisdiction within an Agreement State, or in offshore waters, shall, at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31, with the Regional Administrator of the U.S. Nuclear Regulatory Commission Regional Office in which the Agreement State that issued the license is located.

Contrary to the above, from January 10-18, 2012, the licensee failed to, at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee, as prescribed in 10 CFR 170.31, with the Regional Administrator of the U.S. Nuclear Regulatory Commission Regional Office in which the Agreement State that issued the license is located. Specifically, MIT International of LA, Inc., a holder of a specific license issued by the State of Louisiana, conducted industrial radiographic operations at a temporary job site in offshore waters in the Gulf of Mexico, in an area of exclusive Federal jurisdiction, without filing a reciprocity submittal with NRC Region IV, for calendar year 2012.

This is a Severity Level III violation (Section 6.9).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in NRC Inspection Report 150-00017/12-001 and the letter from the licensee received on March 29, 2012 (ML12090A465). However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation; EA-12-064" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4155, within 30 days of the date of the letter transmitting this Notice of Violation.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's Web site at www.nrc.gov/reading-rm/adams.html. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

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

Dated this 8th day of June 2012

U.S. Nuclear Regulatory Commission
Region IV

Docket:	150-00017
Report:	150-00017/12-001
EA:	EA-12-064
Licensee:	MIT International of LA, Inc.
Location:	Broussard, Louisiana
Dates:	January 18 through May 4, 2012
Inspectors:	Michelle R. Simmons, Health Physicist Nuclear Materials Inspection Branch B
Approved By:	Jack E. Whitten, Chief Nuclear Materials Inspection Branch B
Attachment:	Supplemental Inspection Information

EXECUTIVE SUMMARY

MIT International of LA, Inc. NRC Inspection Report 150-00017/12-001

MIT International of LA, Inc. is an industrial radiography licensee who performed licensed activities in the Gulf of Mexico in an area of exclusive Federal jurisdiction under its State of Louisiana Radioactive Materials License LA-12238-L01. MIT International of LA, Inc. applied for reciprocity during calendar years 2010 and 2011 and has a multi-year history of working in areas of NRC jurisdiction under the provisions of a general license issued pursuant to 10 CFR 150.20, "Recognition of Agreement State licenses."

The NRC inspector on January 18, 2012, while updating the contact list of reciprocity licensees performing licensed activities in the Gulf of Mexico for calendar year 2012, contacted the MIT International of LA, Inc.'s Radiation Safety Officer. The NRC inspector through an in-office review determined that MIT International of LA, Inc. had been on the calendar year 2011 list for general licensees operating in the Gulf of Mexico, but the inspector noted that MIT International of LA, Inc. had not filed for reciprocity in calendar year 2012. This anomaly prompted the NRC inspector to call MIT International of LA, Inc.'s Radiation Safety Officer and inquire if this State of Louisiana licensee was presently working in the Gulf of Mexico. The Radiation Safety Officer in conversation with the NRC inspector confirmed that an industrial radiography crew had been dispatched on January 10, 2012, to perform licensed activities in NRC jurisdiction on an offshore platform in the Gulf of Mexico. MIT International of LA, Inc.'s Radiation Safety Officer also confirmed that they had not filed for reciprocity before operating in the Gulf of Mexico in an area of exclusive Federal jurisdiction.

10 CFR 150.20(b)(1) requires, in part, that any person engaging in activities in offshore waters shall, under the general licenses provided by 10 CFR 150.20, at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, a copy of its Agreement State license, and the appropriate fee. An exit meeting was held with MIT International of LA, Inc. on May 4, 2012, to discuss the circumstances surrounding the violation, the significance of the issue, and the need for lasting and effective corrective actions.

Report Details

1 Program Overview (87110)

1.1 Inspection Scope

The NRC evaluated the State of Louisiana licensee's activities under a general license provided by 10 CFR 150.20, "Recognition of Agreement State licenses."

1.2 Observations and Findings

MIT International of LA, Inc. (MIT) is an industrial radiography licensee in the State of Louisiana. MIT performed licensed activities in the Gulf of Mexico, in an area of exclusive Federal jurisdiction under its State of Louisiana Radioactive Materials License LA-12238-L01. MIT applied for reciprocity during calendar years (CYs) 2010 and 2011. Therefore, MIT has a history of working in areas of NRC jurisdiction under the provisions of a general license issued pursuant to 10 CFR 150.20, "Recognition of Agreement State licenses."

On January 18, 2012, in preparation for the CY 2012 hurricane season, the NRC inspector was in the process of updating the Region IV contact list of reciprocity licensees performing licensed activities in the Gulf of Mexico. MIT was identified on the list of general licensees operating in the Gulf of Mexico in CY 2011, but the NRC inspector noted that MIT had not filed for reciprocity for CY 2012. This anomaly prompted the NRC inspector to contact MIT's Radiation Safety Officer (RSO) by telephone and inquire if the licensee was presently working in the Gulf of Mexico. MIT when questioned about the status of its operations in the Gulf of Mexico confirmed that a crew had been dispatched on January 10, 2012, to perform industrial radiography in NRC jurisdiction on an offshore platform in the Gulf of Mexico. MIT's RSO also confirmed that through an oversight on his part they had not filed for reciprocity before operating in the Gulf of Mexico in an area of exclusive Federal jurisdiction. Specifically, from January 10-18, 2012, MIT International of LA, Inc., had used an industrial radiography device containing a 462.5 GBq (12.5 curies) source of iridium-192 at a temporary job site in offshore waters in the Gulf of Mexico, in an area of exclusive Federal jurisdiction, without filing a reciprocity submittal with NRC Region IV.

On January 18, 2012, the NRC inspector informed MIT's RSO that they should immediately file for reciprocity for industrial radiography activities conducted in the Gulf of Mexico and should also explain why they had not filed for reciprocity and paid the requisite fee prior to performing licensed activities within NRC jurisdiction in CY 2012. On January 18, 2012, MIT, immediately following the telephone call with the NRC inspector, submitted an application for reciprocity and paid the requisite reciprocity fees for CY 2012. MIT's RSO explained to the NRC inspector that this failure to file for reciprocity was an oversight by him. MIT's RSO provided the dates they had worked in NRC jurisdiction prior to filing for reciprocity in CY 2012.

On March 29, 2012, MIT's RSO provided the NRC inspector the documented long-term corrective actions from MIT. These actions included: (1) establishing an annual electronic calendar notification of owner and all managers one month prior to the expiration of the current reciprocity agreement with the NRC, (2) assigning the RSO and a backup manager the responsibility to arrange for the establishment of electronic calendar reminders, (3) establishing a responsible party for filing reciprocity each CY, (4) modifying MIT's pre-job checklist to ensure that reciprocity has been filed prior to any job mobilizing, and (5) developing written procedures pertaining to filing reciprocity in the MIT's operating and emergency procedures, thereby ensuring that the procedures will be transferred to any new management. MIT's RSO, in a telephone call on April 27, 2012, confirmed to the NRC inspector that the long-term corrective actions provided by MIT had been fully implemented.

2.3 Conclusions

Based on the information developed from the in-office inspection, the NRC identified a violation of 10 CFR 150.20(b)(1) for failing to file a submittal containing an NRC Form 241, a copy of its Agreement State license, and the appropriate reciprocity fee prior to performing licensed activities in the Gulf of Mexico, in an area of exclusive Federal jurisdiction, from January 10-18, 2012.

3 **Corrective Actions (87110)**

The licensee's immediate corrective actions included promptly filing a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee as prescribed in 10 CFR 170.31 for CY 2012.

Long-term corrective actions included the following commitments: (1) the owner and all managers will be alerted electronically by the company's calendar one month prior to the expiration of the current reciprocity agreement with the NRC; this notification will repeat annually; (2) the RSO will be responsible for setting the calendar reminders; the Health and Environmental Safety (HES) manager will take on this responsibility in the event the RSO is not able to fulfill this task; (3) the RSO will ultimately be responsible for filing the reciprocity; the HES Manager will be the secondary person responsible; (4) an action item has been added to the MIT's pre-job checklist to insure that reciprocity has been filed; the pre-job checklist must be filled out completely before any job mobilizes; and (5) the procedures pertaining to the filing for reciprocity will be included in the licensees operating and emergency procedures; this will ensure that the procedures will be transferred to any new management.

On April 27, 2012, MIT's RSO confirmed to the NRC inspector that all long-term corrective actions provided by MIT had been fully implemented.

4 **Exit Meeting Summary**

A telephonic exit meeting was conducted on May 4, 2012. The overall scope and findings of the in-office inspection were discussed. The licensee representatives acknowledged the inspector's findings. No proprietary information was identified.

ATTACHMENT

PARTIAL LIST OF PERSONS CONTACTED

Isaac Thibodeaux, former Radiation Safety Officer
Greg Self, Radiation Safety Officer
Craig Viator, President/Owner

ITEMS OPENED, CLOSED, OR DISCUSSED

Opened

15000176/12-064	VIO	Failure to file a submittal containing an NRC Form 241, a copy of its Agreement State license, and the appropriate reciprocity fee for CY 2012 prior to performing licensed activities within NRC jurisdiction
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Closed

None

Discussed

None

LIST OF ACRONYMS USED

CFR	<i>Code of Federal Regulations</i>
CY	calendar year
MIT	MIT International of LA, Inc.
NRC	Nuclear Regulatory Commission
RSO	radiation safety officer
VIO	violation