



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE RD. SUITE 210  
LISLE, IL 60532-4352

March 10, 2016

EA-15-267

Mr. Daryl W. Istre  
Radiation Safety Officer  
Mistras Group, Inc.  
161 Tower Drive, Suite E  
Burr Ridge, IL 60527

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03035114/2015001(DNMS)  
AND NOTICE OF VIOLATION – MISTRAS GROUP, INC.

Dear Mr. Istre:

On February 24, 2015, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection of your field office at the Bayer Material Science, LLC, Route 2, New Martinsville, West Virginia, with continued in-office review through February 8, 2016. The purpose of the inspection was to review activities performed under your NRC license to ensure that activities were being performed in accordance with NRC requirements. Our in-office review included a review and deliberation of a security-related matter. Mr. Dennis Lawyer of the NRC's Region I Office conducted a final exit briefing with Mr. Joe Wolf, Mr. Matt Kim, and you via telephone on February 9, 2016.

During this inspection, the NRC staff examined activities conducted under your license related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations as well as the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that Severity Level IV violations of NRC requirements occurred. These violations were evaluated in accordance with the NRC Enforcement Policy included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. One violation was safety-related and concerned the failure to receive NRC approval prior to transfer of control of a license, as required by Title 10 of the *Code of Federal Regulations* (CFR) 30.34(b)(1). This violation is cited in the enclosed, public Notice of Violation (Notice) (Enclosure 1). The NRC is citing this violation

Enclosures 2 and 3 contain Sensitive Unclassified Non-Safeguards Information. When separated from Enclosures 2 and 3, the transmittal letter and Enclosure 1 are decontrolled.

D. Istre

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because the inspector identified the violation. The other violations concern security-related requirements. The violations are cited in the enclosed, non-public Notice (Enclosure 2). The NRC is also citing these violations because the inspector identified them.

The inspector determined that the root cause of the safety-related violation was a lack of understanding of NRC requirements. As corrective action, the licensee stated that they would obtain NRC authorization before transferring any future NRC license. The other violations are of a security-related nature; details of which are available in the non-public Enclosure 3. For the security-related violations, the licensee took immediate corrective actions to restore compliance with NRC requirements.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence, and the date when full compliance will be achieved is already adequately addressed on the docket in this letter. Therefore, you are not required to respond to this letter unless the description herein 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 Notices.

In accordance with Title 10 of the *Code of Federal Regulations* (CFR) 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. Because some of the violations involve security-related information, Enclosures 2 and 3 to this letter. If you choose to respond regarding the security-related violations, please mark the top of each page with "Security-Related Information – Withhold Under 10 CFR 2.390".

D. Istre

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Please feel free to contact Mr. Lawyer if you have any questions regarding this inspection. Mr. Lawyer can be reached at (610) 337-5366.

Sincerely,

*/RA/*

Aaron T. McCraw, Chief  
Materials Inspection Branch  
Division of Nuclear Materials Safety

Enclosures:

1. Notice of Violation (public)
2. Notice of Violation (non-public)
3. IR 03035114/2015001 (non-public)

cc w/ encls: Matt Kim, Assistant Radiation  
Safety Officer

cc w/o encls 2 & 3: State of Illinois  
State of West Virginia

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D. Istre

-3-

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cc w/ encls: Matt Kim, Assistant Radiation  
Safety Officer

cc w/o encls 2 & 3: State of Illinois  
State of West Virginia

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NOTICE OF VIOLATION

Mistras Group, Inc.  
New Martinsville, West Virginia

License No. 12-16559-02  
Docket No. 030-35114  
EA-15-267

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on February 24, 2015, with continued in-office review through February 8, 2016, one violation of an NRC safety requirement was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the *Code of Federal Regulations* (CFR) 30.34(b)(1) states, in part, that no license shall be transferred, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing.

Contrary to 10 CFR 30.34(b)(1), as of May 5, 2014, Mistras Group Inc. directly received through transfer of control NRC License No. 34-32570-01 without the Commission finding that the transfer is in accordance with the provisions of the Act and give its consent in writing.

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

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 No. 03035114/2015001(DNMS). 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-15-267," 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 III, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

Your response will be made available electronically for public inspection in the NRC's Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available 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 10<sup>th</sup> day of March, 2016.

Enclosures 2 and 3 contain Sensitive Unclassified Non-Safeguards Information. When separated from Enclosures 2 and 3, the transmittal letter and Enclosure 1 are decontrolled.

Enclosure 1

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