

INSPECTION RECORD

Region: III Inspection Report No. 2017001

License No. 13-17732-01
Docket No. 030-13245

Licensee: ATC Group Services LLC
 7988 Centerpoint Drive, Suite 100
 Indianapolis, Indiana 46256

Locations Inspected: Same as above

Licensee Contact: Aaron Daniels, Radiation Safety Officer Telephone No. 317-849-4990

Program Code: 03121 Priority: 5

Type of Inspection: Initial Routine Announced
 Special Unannounced

Last Inspection Date: 08/24/2016 Date of This Inspection: 01/25/2017

Next Inspection Date: No change Normal Reduced

Justification for reducing the routine inspection interval: N/A

Summary of Findings and Actions:

- No violations cited, clear U.S. Nuclear Regulatory Commission (NRC) Form 591 or regional letter issued
- Non-cited violations (NCVs)
- Violation(s), Form 591 issued
- Violation(s), regional letter issued
- Follow-up on previous violations

Inspector: Geoffrey Warren, Senior Health Physicist

/RA/ _____
Signature

Date 2/22/2017

Approved: Aaron T. McCraw, Chief, MIB

/RA/ _____
Signature

Date 2/22/2017

PART I – LICENSE, INSPECTION, INCIDENT/EVENT AND ENFORCEMENT HISTORY

1. AMENDMENTS AND PROGRAM CHANGES SINCE LAST INSPECTION:

No amendments have been issued since the previous inspection.

The licensee has submitted an amendment request to authorize possession of the unknown device until they can dispose of it.

2. INSPECTION AND ENFORCEMENT HISTORY:

The last routine inspection of this licensee was on August 24, 2016. The previous inspection was on March 31, 2015, following up on a previous Severity Level III violation concerning the theft of an improperly-secured portable gauge. No violations of NRC requirements were identified during either inspection. The inspector for the March 2015 inspection closed the previous violation.

3. INCIDENT/EVENT HISTORY:

No open items or events since the last routine inspection.

PART II – INSPECTION DOCUMENTATION

1. ORGANIZATION AND SCOPE OF PROGRAM:

ATC Group Services LLC is authorized under NRC Materials License No. 13-17732-01 to use licensed material for measuring physical properties of materials with nuclear gauging devices. Licensed material is authorized to be used anywhere in the United States in areas of NRC jurisdiction.

2. SCOPE OF INSPECTION:

Inspection Procedure Used: 87124

Focus Areas Evaluated: 03.01-03.02 and 03.07, as relevant to the possession and discovery of a device containing uranium or depleted uranium shielding.

The inspector interviewed staff concerning the possession and discovery of a device labeled as containing uranium or depleted uranium shielding, as well as the licensee's plans for further evaluation and disposal of the device. The inspector observed the device and its storage location. The storage location provided adequate security for the device.

3. INDEPENDENT AND CONFIRMATORY MEASUREMENTS:

The inspector surveyed the device using a calibrated Ludlum 2403 survey meter. The inspector noted that the maximum radiation level at the surface of the device was around 2 milliRoentgen per hour.

4. VIOLATIONS, NCVs, AND OTHER SAFETY ISSUES:

The inspector determined that, between January 9 and 13, 2017, the licensee had identified a device in their portable gauge storage area that they had not been aware was there. The licensee was going through the building's storage areas as part of "spring cleaning". The device weighed around 50 pounds and was labeled with two labels; the first label indicated radioactive material and the second label identified uranium (or depleted uranium) shielding. The device appeared to be possibly an industrial radiographic device with no radiography source; the device had two ports and a lock. There was evidence of a third label, but it was gone. The device had been in an unmarked cardboard box inside a bucket in a locked cabinet in the gauge storage area, and licensee personnel remembered moving the bucket to their current site. Based on additional information, licensee staff believed that the device predated 1977. Licensee staff recognized that possession of the device was not authorized on their NRC license, which authorized only portable gauges.

The possession of this device is a violation of Title 10 of the *Code of Federal Regulations* (CFR) Section 40.3, which states, in part, that a person may not possess any source material unless authorized in a specific or general license issued by the NRC under 10 CFR Part 40. The root cause of the violation was that the licensee was unaware that the device was in their possession. As corrective action, the licensee contacted NRC and submitted a request on January 18 for a license amendment authorizing possession of the material until such time that they can dispose of it. This non-repetitive, licensee-identified, and corrected violation is being treated as a Noncited Violation, consistent with Section 2.3.2.b of the Enforcement Policy.

5. PERSONNEL CONTACTED:

- Jeremy S. Clem, CMT Department Manager
 - # Aaron Daniels, Radiation Safety Officer
 - Randy Morton, Branch Manager
 - And others
- # Attended telephonic exit meeting on February 15, 2017.