

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

<p>1. LICENSEE/LOCATION INSPECTED:</p> <p>MS Sedco, Inc. 8701 Castle Park Drive Indianapolis, Indiana 46256</p> <p>REPORT NUMBER(S) 2017001</p>	<p>2. NRC/REGIONAL OFFICE</p> <p>Region III U. S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, IL 60532-4352</p>	
<p>3. DOCKET NUMBER(S)</p> <p>030-32045, 030-32046</p>	<p>4. LICENSE NUMBER(S)</p> <p>13-26301-01, 13-26301-02E</p>	<p>5. DATE(S) OF INSPECTION</p> <p>April 21, 2017</p>

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

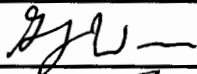
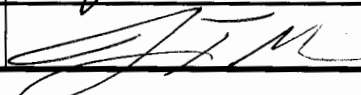
- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, to exercise discretion, were satisfied.

_____ Non-cited violation(s) were discussed involving the following requirement(s):

- 4. During this inspection, certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited in accordance with NRC Enforcement Policy. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.
(Violations and Corrective Actions)

Statement of Corrective Actions

I hereby state that, within 30 days, the actions described by me to the Inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	Geoffrey M. Warren		5/3/17
BRANCH CHIEF	Aaron T. McCraw		5/3/17

Docket File Information

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3. DOCKET NUMBER(S) 030-32045, 030-32046	4. LICENSE NUMBER(S) 13-26301-01, 13-26301-02E	5. DATE(S) OF INSPECTION April 21, 2017
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6. INSPECTION PROCEDURES USED 87125	7. INSPECTION FOCUS AREAS 03.01 - 03.07
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SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S) 03214, 03251	2. PRIORITY 5	3. LICENSEE CONTACT Brian Christopher, RSO	4. TELEPHONE NUMBER (317) 712-3023
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Main Office Inspection Next Inspection Date: 4/21/2022

Field Office Inspection _____

Temporary Job Site Inspection _____

PROGRAM SCOPE

This was a routine, unannounced, inspection. The licensee assembled and distributed door switches containing americium-241 (Am-241) smoke detector sources as exempt materials under a contract with another company. These door switches held fire doors open until smoke was detected in the air. The sources were received from their client and placed into door switches on site, up to around 50 such switches monthly. Around 20 personnel were employed on site, but only one individual assembled the circuit boards with the Am-241 sources to be placed into the door switches. No unsealed materials were possessed on site. The Am-241 sources and switches were possessed and assembled under the -01 license, and distributed as exempt devices under the -02E license. Sources and devices were marked as containing radioactive materials. After assembly, their client collected the switches from the site and distributed them commercially.

Performance Observations: During the inspection, licensee personnel demonstrated and described the assembly and tracking of devices, testing of boards, area contamination surveys, cleaning of any contamination, tracking of annual reports, and other activities. The inspector noted no concerns with these activities. Interviews with licensee personnel indicated adequate knowledge of radiation safety concepts and procedures. The inspector performed independent and confirmatory radiation measurements which indicated results consistent with licensee survey records and postings.

No violations of NRC requirements were identified.

Two violations were cited in the previous inspection report dated May 29, 2012, concerning (1) the failure to provide annual reports as required by 10 CFR 32.16 and (2) the failure to perform program reviews as required by 10 CFR 20.1102(c). Reports were provided as required, and the RSO performed audit activities. Based on this, the violations are closed. The RSO was working to improve the documentation and tracking of audits for the future.

The RSO described that the licensee was considering moving to another site in northwestern Indianapolis later this year. The inspector discussed the requirements for adding the site as a licensed site before performing licensed operations there and for release of the current site.

Warren, Geoffrey

From: Warren, Geoffrey
Sent: Wednesday, May 03, 2017 12:11 PM
To: 'bchristopher@mssedco.com'
Subject: NRC Inspection Report
Attachments: 0789_001.pdf

(Resending with corrected subject)

Enclosed is the inspection report we discussed. As you can see, the report states that no violations were identified and that previous violations are closed. No response is required to this email or to this report.

In accordance with Title 10 of the Code of Federal Regulations 2.390 of the NRC's "Rules of Practice," a copy of this report will be 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Please contact me if you have any questions.

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Geoffrey Warren
Senior Health Physicist
NRC Region III
630-829-9742