



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

June 22, 2017

Mr. Russell Alan Phillips
Corporate Assistant Radiation Safety Officer
Intertek Asset Integrity Management, Inc.
P.O. Box 1536
Morgan City, LA 70381-1536

SUBJECT: NRC INSPECTION REPORT 030-37816/2017-001 AND NOTICE OF VIOLATION

Dear Mr. Phillips:

This letter refers to the routine, announced inspection conducted on May 23, 2017, at your facility in Longview, Texas. The inspection was an examination of activities conducted under your license as they relate to public health and safety, to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, and interviews with personnel. The preliminary inspection findings were discussed with you at the conclusion of the onsite portion of the inspection on May 23, 2017. A final telephonic exit briefing was conducted with you on June 1, 2017.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. The violations were evaluated in accordance with the NRC Enforcement Policy, which can be found at the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations are cited and described in the enclosed Notices of Violation (Notice). One violation involved the failure of the licensee to conduct its program in accordance with the Operating and Emergency procedures submitted as an enclosure to a letter dated April 8, 2016, which is tied to the license in License Condition 19.N. The second and third violation involved NRC security requirements, and are cited and described in the non-public Notice. These violations are being cited because they were identified by the NRC during the inspection.

You are required to respond to this letter and must follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful. You can find the Information Notice on the NRC website at: <https://www.nrc.gov/readingrm/doc-collections/gen-comm/info-notices/1996/in96028.html>.

Enclosure 2 contains Security-Related Information. When separated from Enclosure 2, this letter and Enclosure 1 are DECONTROLLED

R. Phillips

2

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 will be achieved should be addressed. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter and Enclosure 1 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>.

However, Enclosure 2 contains Security-Related Information under 10 CFR 2.390(d)(1), and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, Enclosure 2 of this letter will not be made available electronically for public inspection in the NRC Public Document Room or from ADAMS.

If Security-Related Information is necessary to provide an acceptable response, please mark your entire response Security-Related Information in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Should you have any questions regarding this letter or the enclosed Notice, please contact Jason vonEhr at 817-200-1186, or the undersigned at 817-200-1455.

Sincerely,

/RA/

Vivian H. Campbell, Chief
Materials Licensing and Inspection Branch
Division of Nuclear Materials Safety

Docket: 030-37816
License: 17-29308-01

Public Enclosure:
Notice of Violation (Notice)

Non-public Enclosure:
Notice of Violation (Notice) - Security Related

cc: w/enclosures
Charlotte Sullivan, M.S.A., B.S.N., Manager
Regulatory Licensing Unit Manager
Division for Regulatory Services
Texas Dept. of State Health Services
P.O. Box 149347-Mail Code 2835
Austin, TX 78714-9347

Bryan Riché, Division Administrator
Assessment Division - Radiation Section
Office of Environmental Compliance
P.O. Box 4312
Baton Rouge, LA 70821-4312

NOTICE OF VIOLATION

Intertek Asset Integrity Management, Inc.
Longview, Texas

Docket No. 030-37816
License No. 17-29308-01

During an NRC inspection conducted on May 23, 2017, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

License Condition 19.N of NRC License 17-29308-01, Amendment No. 5, dated October 20, 2016, requires, in part, that the licensee conduct its program in accordance with the letter dated April 8, 2016 and its associated enclosures. The letter and associated enclosures includes the Intertek Asset Integrity Management, Inc. Operating and Emergency Procedures (OEP-001), Rev. 1.

Section 10.B of the Operating and Emergency Procedures, Rev. 1, states, in part, that a record must be made which demonstrates that a controlled area has been properly established and posted.

Contrary to the above, on several occasions between May 2016 and May 2017, the licensee's job records for industrial radiography conducted in Federal waters in the Gulf of Mexico failed to demonstrate that a controlled area boundary had been properly established and posted. Specifically, several of these records had no information about the controlled area boundary or had errors regarding the calculated boundary.

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

Pursuant to the provisions of 10 CFR 2.201, Intertek Asset Integrity Management, Inc., is hereby required to submit a written statement or explanation 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 E. Lamar Blvd., Arlington, Texas 76011, 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: (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 requiring information 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.

If Security-Related Information is necessary to provide a response, please mark your entire response "Security-Related Information - Withhold from Public Disclosure Under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). Because your response involves Security-Related Information, it will not

Enclosure 1

be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access Management System, 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. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information).

Dated June 22, 2017

~~OFFICIAL USE ONLY - SECURITY RELATED INFORMATION~~

NRC INSPECTION REPORT 030-37816/2017-001 DATED JUNE 22, 2017

DISTRIBUTION:

S. Morris, DRA
M. Shaffer, D/DNMS
L. Howell, DD/DNMS
R4DNMS_MLIB
R. Erickson, SAO/DNMS
B. Tharakan, SAO/DNMS
B. Maier, SLO/ORA

ADAMS ACCESSION NUMBER: ML17174A441

Cvr Ltr & Encl 1 Only: ADAMS: Non-Publicly Available Non-Sensitive Keyword:
 SUNSI Review By: JEV Yes No Publicly Available Sensitive NRC-002

OFFICE	MLIB	C:MLIB			
NAME	JEvonEhr	VHCampbell			
SIGNATURE	/RA/	/RA/			
DATE	6/7/17	6/22/17			

OFFICIAL RECORD COPY