



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

August 18, 2017

EA-17-025

Mr. Ukrit Siriprusanan, P.E.
President
Geo-Engineering & Testing, Inc.
P.O. Box 8170
Tamuning, Guam 96931

SUBJECT: NOTICE OF VIOLATION AND NRC INSPECTION REPORT 030-36590/2017-001

Dear Mr. Siriprusanan:

This letter refers to the routine, announced inspection conducted on January 11-12, 2017, at your facility located in Barrigada, Guam and Chalan Laulau, Saipan. The purpose of the inspection was to examine activities conducted under your license as they relate to public health and safety, the common defense and security, and to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC's) rules and regulations and with the conditions of your license. The inspection consisted of an examination of procedures and representative records, observations of facilities and activities, independent radiation measurements, and interviews with personnel.

In the letter transmitting the inspection report, dated May 4, 2017 (Agencywide Documents Access and Management System (ADAMS) Accession ML17107A298), we provided you the opportunity to address the apparent violations identified in the inspection report by either attending a predecisional enforcement conference or by providing a written response before we made our final enforcement decision. In an electronic mail dated June 9, 2017 (ADAMS Accession ML17205A281), and letter dated June 12, 2017 (ADAMS Accession ML17205A280), you provided responses to the apparent violations.

Based on the information developed during the inspection, and the information that you provided in your response to the inspection report dated May 4, 2017, the NRC has determined that four violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in detail in the subject inspection report. The violations involved failures to: (1) transfer byproduct material in accordance with NRC regulations; (2) periodically review the radiation protection program content and implementation; (3) provide recurrent hazmat training to individuals transporting portable nuclear gauges; and (4) properly label the transportation cases of portable nuclear gauges containing radioactive material.

The NRC evaluated the significance of the violation related to the improper transfer of byproduct material to a member of the public who was not authorized to receive byproduct material and determined that this improper transfer created the potential for radiation consequences, including unintended radiation exposures to members of the public. At this time, the NRC is unaware of any actual consequences that may have occurred as a result of the improper

transfer, and it is unlikely that the portable gauge will be recovered. However, the NRC considers this violation to be significant and it is being categorized in accordance with the NRC Enforcement Policy at Severity Level III.

The NRC categorized the significance of the remaining three violations as Severity Level IV violations in accordance with the NRC Enforcement Policy. The violation involving the failure to review the radiation protection program was a repeat violation from the February 2011 inspection. The inspector determined that you had not corrected this violation since the 2011 inspection or during any of the subsequent annual periods. Had your radiation protection program been reviewed, as required, some of these violations could have been identified and corrected, and could have been characterized as non-cited violations in accordance with the NRC Enforcement Policy.

The failure to provide recurrent hazmat training was also a repeat violation from the February 2011 inspection. The inspector determined that all active gauge users had current hazmat training, except the only active gauge user at your Saipan facility. The corrective actions implemented after the February 2011 inspection were not sufficiently comprehensive to prevent recurrence of these violations. Thus, you are encouraged to closely monitor the effectiveness of the corrective actions described in your correspondence.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$7,000 is considered for a Severity Level III violation. However, the statute of limitations requires the NRC to initiate an action imposing a civil penalty within 5 years of the occurrence of the violation. Because the improper transfer occurred in 1998, the 5-year statute of limitations applies. Accordingly, a civil penalty is not being considered in this case. However, the lack of an imposition of a civil penalty does not imply that the NRC is not concerned about the seriousness of this matter. 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: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in the subject inspection report, in your electronic mail dated June 9, 2017, and in your letter dated June 12, 2017. 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 Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, 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 Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning this matter, please contact Ms. Vivian Campbell of my staff at 817-200-1455.

Sincerely,

/RA/

Kriss M. Kennedy
Regional Administrator

Docket No. 030-36590
License No. 56-18173-02

Enclosure: Notice of Violation

cc w/enclosure:
M. Thomas Nadeau
Guam Department of Health and Social
Services

NOTICE OF VIOLATION AND NRC INSPECTION REPORT 030-36590/2017-001 - DATED AUGUST 18, 2017.

DISTRIBUTION:

RidsOeMailCenter Resource;	RidsNmssOd Resource;	RidsOgcMailCenter Resource;
RidsSecyMailCenter Resource;	RidsOcaMailCenter Resource;	RidsOigMailCenter Resource;
RidsEdoMailCenter Resource;	EDO_Managers;	RidsOcoMailCenter Resource;
RidsOiMailCenter Resource;	RidsRgn1MailCenter Resource;	RidsRgn3MailCenter Resource;
R4DNMS_MLIB;		
KKennedy, RA	BMaier, ORA	PHolahan, OE
SMorris, DRA	MHay, ORA	FPeduzzi, OE
MShaffer, DNMS	JKramer, ORA	SWoods, OE
LHowell, DNMS	CAIldredge, ORA	LSreenivas, OE
VCampbell, DNMS	KFuller, ORA	KNorman, OE
RKellar, DNMS	JWeaver, ORA	RArrighi, OE
RErickson, DNMS	VDricks, ORA	NHilton, OE
BTharakan, DNMS	MBurgess, NMSS	JWeil, CA
MVasquez, DNMS	SHoliday, NMSS	AMoreno, CA
MHerrera, DRMA	JBowen, OEDO	JPeralta, OE

S:\RAS\ACES\ENFORCEMENT\EA CASES - OPEN\Geo Eng & Testing EA-17-025\NOV_EA-17-025_Geo_Eng.docx
 ADAMS ACCESSION NUMBER: ML17201Q435

SUNSI Review: ADAMS: Non-Publicly Available Non-Sensitive Keyword:
 By: JFK Yes No Publicly Available Sensitive

OFFICE	MLIB	C:MLIB	TL:ACES	OGC	NMSS	D:DNMS
NAME	JFKatanic	VHCampbell	MCHay	CHair	MBurgess	MRShaffer
SIGNATURE	/RA/	/RA/	/RA/	NLO	/RA/	LH for /RA/
DATE	7/24/17	7/24/17	7/31/17	8/7/17	8/2/17	8/8/17
OFFICE	RA					
NAME	KMKennedy					
SIGNATURE	/RA/					
DATE	8/18/17					

OFFICAL RECORD COPY

NOTICE OF VIOLATION

Geo-Engineering & Testing, Inc.
Barrigada, Guam

Docket No.: 030-36590
License No.: 56-18173-02
EA-17-025

During an NRC inspection conducted on January 11-12, 2017, four violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.41(a) requires that no licensee shall transfer byproduct material except as authorized pursuant to 10 CFR 30.41, "Transfer of byproduct material."

10 CFR 30.41(b) states that except as otherwise provided in the license, and subject to the provisions of 10 CFR 30.41(c) and 10 CFR 30.41(d), any licensee may transfer byproduct material: (1) to the U.S. Department of Energy; (2) to the agency in any Agreement State, which regulates radioactive material pursuant to an agreement under Section 274 of the Atomic Energy Act of 1954 (the Act), as amended; (3) to any person exempt from the licensing requirements of the Act and the regulations in 10 CFR Part 30, to the extent permitted under such exemption; (4) to any person in an Agreement State, subject to the jurisdiction of that State, who has been exempted from the licensing requirements and regulations of that State to the extent permitted under such exemption; (5) to any person authorized to receive such byproduct material under terms of a specific license or general license or their equivalents issued by the Atomic Energy Commission, the NRC, or an Agreement State; (6) to a person abroad pursuant to an export license issued under 10 CFR Part 110; or (7) as otherwise authorized by the NRC in writing.

Contrary to the above, on or about July 22, 1998, the licensee failed to transfer byproduct material as authorized pursuant to 10 CFR 30.41, "Transfer of byproduct material." Specifically, on or about July 22, 1998, the licensee transferred a portable nuclear gauge (Troxler Model 3411-B, serial number 8117) containing approximately 7 milliCuries of cesium-137 and 40 milliCuries of americium-241/beryllium to a member of the public that did not meet any of the categories of authorized transferees as provided in 10 CFR 30.41(b).

This is a Severity Level III violation (NRC Enforcement Policy Section 6.3.c).

- B. 10 CFR 20.1101(c) requires that the licensee shall periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, from February 16, 2011, to January 11, 2017, the licensee failed to periodically (at least annually) review the radiation protection program content and implementation.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3.d).

Enclosure

- C. 10 CFR 71.5(a), requires, in part, that each licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, shall comply with the applicable requirements of the U.S. Department of Transportation regulations in 49 CFR Parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

49 CFR 172.704(c)(2) requires, in part, that a hazmat employee must receive the training required by 49 CFR Part 172, Subpart H, at least once every 3 years.

Contrary to the above, from July 13, 2014 to January 11, 2017, a licensee hazmat employee did not receive the training required by 49 CFR Part 172, Subpart H at least once every 3 years. Specifically, from July 13, 2014 to January 11, 2017, the licensee employee transported Class 7 (radioactive) material on multiple occasions outside the site of usage, as specified in the NRC license, and the employee last received the required training on July 12, 2011, a period greater than 3 years.

This is a Severity Level IV Violation (NRC Enforcement Policy Section 6.8.d).

- D. 10 CFR 71.5(a), requires, in part, that each licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, shall comply with the applicable requirements of the U.S. Department of Transportation regulations in 49 CFR Parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

49 CFR 172.403(f) requires that each package that is required by 49 CFR 172.403 to be labeled with a RADIOACTIVE label must have two of these labels, affixed to opposite sides of the package.

Contrary to the above, on January 10, 2017, the licensee transported a package that was required by 49 CFR 172.403 to be labeled with a RADIOACTIVE label and failed to have two of these labels affixed to opposite sides of the package. Specifically, on January 10, 2017, the licensee transported a portable nuclear gauge containing Class 7 (radioactive) material on public roads in Saipan, Commonwealth of the Northern Mariana Islands, and only had one of the required RADIOACTIVE labels on the package.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.8.d).

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 was achieved, is already adequately addressed on the docket in electronic mail dated June 9, 2017 (ADAMS Accession ML17205A281), and letter dated June 12, 2017 (ADAMS Accession ML17205A280). 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-17-025," 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 E. Lamar Blvd, Arlington, Texas 76011, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or in 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>. 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.

If personal privacy or proprietary information is necessary to provide an acceptable response, 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 information, 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).

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

Dated this 18th day of August 2017.