



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

August 9, 2017

EA-16-280

Mr. Dinesh P. Sheth
Radiation Safety Officer
Indo American Engineering, Inc.
P.O. Box 1813
Rock Springs, WY 82902-1813

SUBJECT: RESPONSE TO DISPUTED NOTICE OF VIOLATION; NRC INSPECTION
REPORT 030-35704/2016-001

Dear Mr. Sheth:

On February 14, 2017, the U.S. Nuclear Regulatory Commission (NRC) issued Inspection Report 030-35704/2016-001 (Agencywide Documents Access Management System (ADAMS) Accession ML16342C457). In the inspection report, the NRC documented two violations associated with the security of portable gauges. These violations were: (1) failure to provide a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal when the portable gauges are not under control and constant surveillance by the licensee as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 30.34(i); and (2) failure to lock the gauges or the container to prevent unauthorized or accidental removal of the sealed source from its shielded position when not under the direct surveillance of an authorized user, as required by your license. In a letter dated February 27, 2017 (ADAMS Accession ML17095A983), you provided a response that disputed both violations.

The NRC conducted a detailed review of your response and the applicable regulatory requirements, in accordance with Part I, Section 2.3.6 of the NRC Enforcement Manual. After an independent review by a senior health physicist in Region IV, discussions with staff in the NRC Office of Enforcement, and careful consideration of the bases for your contention, the NRC has concluded that both violations will be upheld as documented in the subject inspection report.

For the first violation involving the failure to provide two independent physical controls, the condition observed by the inspector would have normally been cited as a Severity Level III violation as no physical controls were in place to form a tangible barrier to prevent unauthorized removal, as required by 10 CFR 30.34(i). However, the NRC determined that your physical presence and ability to observe anyone entering the office, along with the fact that access points on the lower level of the building were locked, were consistent with the provision of a single barrier to prevent unauthorized removal and, therefore, cited the violation as a Severity Level IV violation.

In your written response and subsequent conversations with NRC staff, you contended that you are able to provide surveillance over your portable gauges by monitoring input from surveillance cameras mounted in the room where the gauges are stored. However, on the day of the

inspection, the gauges were not secured for a period of time and input from the video surveillance system was not being monitored.

For the second violation, the inspector acknowledges that locks were present for the gauge cases for two of the three gauges. However, the locks were not locked or in the correct configuration to prevent unauthorized or accidental removal of the sealed source from its shielded position (i.e., threaded through the hasps). In addition, the gauges were not under the direct surveillance of an authorized user.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's ADAMS, accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have questions concerning this matter, please contact Ms. Vivian Campbell, Chief, Materials Inspection and Licensing Branch, of my staff at 817-200-1455.

Sincerely,

/RA/

Scott A. Morris
Deputy Regional Administrator

Docket No. 030-35704
License No. 49-27701-01

cc: S. Ramsey, State of WY DHS

RESPONSE TO DISPUTED NOTICE OF VIOLATION; NRC INSPECTION
 REPORT 030-35704/2016-001 – DATED AUGUST 9, 2017

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ADAMS ACCESSION NUMBER: [ML17206A857](#)

SUNSI Review: ADAMS: Non-Publicly Available Non-Sensitive Keyword:
 By: MRP Yes No Publicly Available Sensitive RGN4-001

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