

October 2, 2017

EA-17-167

Mr. Michael Fuller
Regulatory Compliance Associates
QSA Global, Inc.
40 North Avenue
Burlington, MA 01803

SUBJECT: FAILURE TO PROPERLY NOTIFY THE U.S. NUCLEAR REGULATORY
COMMISSION IN ADVANCE OF EXPORT SHIPMENT AND NOTICE OF
VIOLATION

Dear Mr. Fuller:

This letter refers to a review of a QSA Global, Inc. (QSA) export of a Category 2 quantity of iridium-192 (Ir-192) to New Zealand. Title 10 of the *Code of Federal Regulations* (10 CFR) Section 110.50© states, in part, that a licensee authorized to export or import radioactive material listed in Appendix P to 10 CFR Part 110 is responsible for notifying the U.S. Nuclear Regulatory Commission (NRC) in advance of each shipment. In accordance with 10 CFR 110.50©(4), export notifications must be received by the NRC at least seven days in advance of each shipment, to the extent practicable, but in no case less than 24 hours in advance of each shipment. The results of this review were discussed with you on August 21, 2017, by a member of my staff, Jane Chimood.

Based on the information provided, the NRC has determined that a Severity Level IV violation of NRC requirements occurred when QSA failed to submit an Advanced Notification (notification) of a shipment in accordance with NRC regulations. Specifically, on June 21, 2017, QSA submitted a Shipping Notification, NRC Agencywide Documents Access and Management System (ADAMS) Accession No. ML17263A087, to notify the NRC of its export of a Category 2 quantity of Iridium-192 (Ir-192) to New Zealand. In the e-mail transmitting the notification, QSA self-disclosed that the export has inadvertently shipped six days early, on June 15, 2017, without a notification submitted to the NRC. Based on the information exchanged with QSA during our review of this activity, the NRC determined that QSA failed to submit an advanced notification at least 24 hours in advance of the shipment, as required by 10 CFR 110.50©. QSA's failure to provide timely information did not allow the NRC sufficient time to perform its review, which could have had significant implications for public health and safety or common defense and security.

In its e-mails dated June 29, 2017 and August 4, 2017, ADAMS Accession No. ML17263A123, QSA stated that the root cause of its failure to notify the NRC in due time was a combination of complacency and insufficient communication within QSA, and that because one of the two QSA employees responsible for this procedure was on vacation, the traditional method of releasing the order for export to New Zealand was not followed. To prevent a reoccurrence, QSA implemented a corrective action associated with this event by conducting a formal review of the process with the

M. Fuller

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employees involved, along with their managers, to ensure that the procedures for processing an export are strictly followed. Given that QSA identified the violation and immediately entered the issue within its corrective action program, the NRC does not expect a response to this Notice of Violation. If you have additional information that you believe the NRC should consider, you may provide a response.

In accordance with 10 CFR 2.390, a copy of this letter, its enclosures, and your response, if you desire, will be made available electronically for public inspection in the Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, if you respond it 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, 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).

Please contact Ms. Chimood at (301) 287-9225 if you have any questions regarding this matter.

Sincerely,

/RA/

Peter J. Habighorst, Chief
Export Controls and Nonproliferation Branch
Office of International Programs

Enclosure:
Notice of Violation

cc: J. Priest

M. Jackson

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SUBJECT: FAILURE TO PROPERLY NOTIFY THE U.S. NUCLEAR REGULATORY COMMISSION IN ADVANCE OF EXPORT SHIPMENT AND NOTICE OF VIOLATION DATED OCTOBER 2, 2017

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ADAMS Accession Number: ML17270A177

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DATE	09/27/17	09/27/17	10/02/17	10/02/17

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

QSA Global, Inc.
Burlington, MA 01803

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During a U.S. Nuclear Regulatory Commission (NRC) review completed on August 21, 2017, violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

10 CFR 110.50(c)(4) requires, in part, that a licensee authorized to export the radioactive material listed in Appendix P to 10 CFR Part 110 is responsible for notifying the NRC in advance of each shipment. In accordance with 10 CFR 110.50(c)(4), export notifications must be received by the NRC at least seven days in advance of each shipment, to the extent practicable, but in no case less than 24 hours in advance of each shipment.

Contrary to the above, on or before June 21, 2017, QSA Global, Inc. (QSA) failed to notify the NRC at least seven days in advance, to the extent practicable, but in no case less than 24 hours in advance of an export shipment of radioactive material listed in Appendix P to 10 CFR Part 110. Specifically, QSA exported 3.11 terabequerel (TBq) of iridium-192 (Ir-192) on June 15, 2017, and failed to submit an export notification at least 24 hours in advance of the shipment. Ir-192 is listed in Appendix P to 10 CFR Part 110.

This is a Severity Level IV violation (NRC Enforcement Policy, Section 6.15).

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001, with copies to the Deputy Director, Office of International Programs, and Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 2.390, if you desire a response it will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS) accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction.

Dated this 2nd day of October 2017.

Jack Priest, Director
Department of Public Health
Radiation Control Program
Bureau of Environmental Health
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Jack.priest@state.ma.us