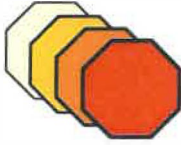


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December 5, 2019

Linda L. Howell
Division of Nuclear Materials Safety
Nuclear Regulatory Commission Region IV
1600 East Lamar Blvd
Arlington, TX 76011-4511

**RE: NRC Inspection 030-38919/2019-001
Performed in February, 2019
Notice of Violation & Exercise
Of Enforcement Discretion**

Ms Howell:

This letter comprises the required response to the subject inspection wherein four violations were indicated. Specifically,

1. Failure to provide two independent physical controls to secure portable gauges.
2. Failure to provide Hazmat training on the required 3-year schedule.
3. Use of an incorrect UN number on our Bill of Lading
4. Inadequate annual review or audit of our Radiation Protection Program

As indicated in the Corrective Actions section of the Executive Summary attached to your letter Dated November 15, 2019 immediate corrective action was performed to address items 1 through 3 above. However, the root cause of the violations was in fact item 4, an inadequate review of the Radiation Safety program on an annual basis. Properly performed review of the program requires assessment of, among many other items, the three areas of violation. While immediate corrective action was provided for items 1-3 the prevention of recurrence requires a more thorough and programmed review of the entire safety program. Part of the problem was a lack of understanding and direction regarding what the Annual Review should address and what form that review or audit should take. To address the deficiencies I have received training for and certification of completion from APNGA regarding completion of our Annual Audit. That training has allowed me to provide a step-by-step review of our safety program. Specifically, our Audit includes a Line-by-Line review and check-off of the following:

- Gauge operating procedures training manual including
 - Review of Emergency Procedures
 - Hazmat Training – identified by employee, by date of required renewal
 - ALARA procedures
 - Personal protection
- Storage and Security on and off work sites
 - Required logging in and out of all gauges
 - Placement of notices to Employees

- Constant surveillance requirements while gauges are out of secure storage in the office
- Requirements to return all gauges to secure storage at the end of each work day
- Locking requirements in vehicles and of the storage cabinet.
- Transportation of Gauges
 - Required Case types for transportation
 - Required shipping papers and their location. This included a detailed review of each gauge and the bill of lading to verify that containers, contents and activity were all in accordance with the correct bill of lading, correct UN number and identifying Serial Numbers and features.
 - Location of gauges in vehicles
 - Required locks and security/ observation policy
- Operational Procedures
- Gauge Maintenance including leak testing, calibration, cleaning and pre & post operational checks.

These items were reviewed with all employees and each provided signature that the material was understood as well as the date when their HAZMAT training would require renewal.

In addition, a running log of Radiation Safety Program Deficiencies is recorded and retained along with the date and the corrective action taken.

The Annual Audit also includes a review of our Radiation Safety program on a line-by-line check with my responsibilities as the RSO reviewed and checked. Additional information regarding RSO requirements, provided by APNGA, was also reviewed as part of the Audit.

Finally, checklists for "Security and Safety" and "Paperwork" (provided by APNGA) were reviewed and included as part of the Audit. While some items on the checklist do not apply to our small operation it provided a means of avoiding missed items in my review. Based on the nature of violations and the nature of our program, the Annual Audit performed in December of each year will serve to prevent recurrence of the violations by addressing the root cause of the violations. Specifically, checking security measures, currency of training, paperwork requirements, condition of equipment, deficiencies, and directives from NRC. This will provide and organized means to improve our program. If you have questions or comments, please call.

Sincerely,
Xcell Engineering, LLC



J. Paul Bastian, P.E.