UNITED STATES NUCLEAR REGULATORY COMMISSION

In the Matter of

Professional Service Industries, Incorporated 1000 Jorie Boulevard, Suite 34 Oak Brook, IL 60521 License No. 12-16941-01 EA 83-102

ORDER IMPOSING CIVIL MONETARY PENALTIES

I

Professional Service Industries, Incorporated (the "licensee") is the holder of Byproduct Material License No. 12-16941-01 (the "license") issued by the Nuclear Regulatory Commission (the "Commission") which authorizes the use of gauges to measure properties of materials. The license was issued on May 20, 1982 and expires on May 31, 1987.

II

As a result of an inspection conducted on July 20, 26, 29, and August 3 and 4, 1983 by the Nuclear Regulatory Commission's Region III Office, the NRC staff determined that the licensee had not conducted its activities in full compliance with NRC requirements. The NRC served on the licensee a written Notice of Violation and Proposed Imposition of Civil Penalties by letter dated October 20, 1983. The Notice stated the nature of the violations, the provisions of the Nuclear Regulatory Commission's requirements that the licensee had violated and the cumulative amount of the proposed civil penalties. The licensee responded to the Notice of Violation and Proposed Imposition of Civil Penalties with a letter dated November 18, 1983.

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Upon consideration of the Professional Service Industries, Incorporated response (November 18, 1983) and the statements of fact, explanation, and arguments for remission or mitigation of the proposed civil penalties contained therein as set forth in the Appendix to this Order, the Director of the Office of Inspection and Enforcement has determined that the penalties proposed for the violations designated in the Notice of Violation and Proposed Imposition of Civil Penalties should be imposed.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2282, PL 96-295), and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

The licensee pay civil penalties in the cumulative amount of Two Thousand Dollars within 30 days of the date of this Order, by check, draft, or money order payable to the Treasurer of the United States and mailed to the Director of the Office of Inspection and Enforcement, USNRC, Washington, D.C. 20555.

V

The licensee may, within 30 days of the date of this Order, request a hearing. A request for a hearing shall be addressed to the Director, Office of

APPENDIX

EVALUATIONS AND CONCLUSIONS

The violations and associated civil penalties are identified in the Notice of Violation and Proposed Imposition of Civil Penalties dated October 20, 1983. The violations generally concerned the improper control, use, possession and shipment of radioactive byproduct material and the failure to prevent and report overexposures to radiation. The Office of Inspection and Enforcement's evaluation and conclusion regarding the licensee's response dated November 18, 1983 are presented below:

A. Evaluation of Licensee's Response

In the response, the licensee admits that each violation occurred as described in the Notice of Violation. The licensee requests mitigation of the proposed civil penalty because corrective actions were taken upon notification of one violation involving unauthorized possession of sealed sources and because two violations involving overexposures occurred more than two years ago under the administration of another Corporate Radiation Safety Officer.

The General Policy and Procedure for NRC Enforcement Actions, 10 CFR Part 2. Appendix C, Section IV.B.2, allows mitigation of a civil penalty for unusually prompt and extensive corrective action. The NRC realizes that the licensee disposed of the unauthorized sources within approximately two weeks after notification by NRC inspectors that possession of two sealed sources was unauthorized. This corrective action is, however, of the type considered by the NRC to be normal and expected, not unusually prompt or extensive.

In addition, the NRC would have expected the licensee to have taken more effective measures to recover the lost source once it was discovered to be missing. Instead, the NRC determined through an inspection that the source was at the home of a Professional Services, Inc. employee.

The NRC also recognizes that the two overexposures discovered by the NRC inspectors occurred before the current Radiation Safety Officer's administration. Although it appears the licensee is now evaluating and reporting overexposures as required, the failures to report the two previous overexposures were violations for which the licensee is responsible. A civil penalty is appropriate for these as well as the other violations specified in the Notice of Violation to deter similar noncompliance in the future.

B. Conclusion

While the NRC encourages corrective actions of the type described in the licensee's response, the licensee has not provided a sufficient basis for mitigation of the proposed civil penalties.