



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PA 19406-2713

January 21, 2022

EA-18-131

Mr. Scott Elliott, President
Prime NDT Services, Inc.
11019 State Route 21
Strasburg, OH 44680

SUBJECT: CONFIRMATION OF COMPLETION OF ACTIONS TAKEN BY PRIME NDT SERVICES, INC. AS SET FORTH IN NRC CONFIRMATORY ORDER DATED APRIL 1, 2019

Dear Mr. Elliott:

The purpose of this letter is to acknowledge the actions Prime NDT Services, Inc. (Prime NDT) has taken in response to the Confirmatory Order (Order) issued to you by the U.S. Nuclear Regulatory Commission (NRC) on April 1, 2019 (ML19091A106¹). The actions were taken to fulfill commitments that were made as part of a settlement agreement reached during a January 10, 2019, Alternative Dispute Resolution (ADR) mediation session between Prime NDT and the NRC. Prime NDT requested the ADR mediation session in response to a letter the NRC issued on November 15, 2018 (ML18320A007), which informed Prime NDT of the results of a reactive inspection conducted in response to an event reported by Prime NDT on September 1, 2018 involving the theft of a company vehicle that was transporting a device containing a radioactive source. As described in the November 15, 2018, letter, based on the investigation, the NRC identified one or more apparent violations associated with the event. Because the apparent violation(s) pertain to security-related information, the number and details are not publicly available. In the November 15, 2018, letter, the NRC informed Prime NDT that the NRC was considering escalated enforcement action for the violations and offered Prime NDT the opportunity to provide its perspectives on the matter or request ADR, and Prime NDT selected the latter.

As a result of the mediation, and as documented in the subject Order, Prime NDT agreed to take a number of actions to address the violations, including: installing tracking systems in each truck used by Prime NDT to transport radiography sources, implementing an enhanced audit program to review the job performance of radiographers working for Prime NDT, obtaining an external evaluation of Prime NDT's radiation safety and radioactive materials security programs, and communicating about the issue to employees, contractors, and industry peers. In recognition of these actions, the NRC agreed to issue a reduced civil penalty of \$3500.

The commitments contained in the Order, a description of Prime NDT's actions to fulfill each commitment, and a summary of the NRC evaluation of Prime NDT's actions are provided in the enclosed table (Enclosure). The NRC has determined that Prime NDT has satisfied all terms of

¹ Designation in parentheses refers to an Agency-wide Documents Access and Management System (ADAMS) accession number. Unless otherwise noted, documents referenced in this letter are publicly-available using the accession number in ADAMS.

S. Elliott

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the Order. We have no further questions at this time, and you are not required to submit any further correspondence to the NRC on these matters. However, if you have any questions or comments, please contact Jonathan Pfingsten of my staff at Jonathan.pfingsten@nrc.gov.

In accordance with 10 CFR 2.390, of the NRC's "Rules of Practice," a copy of this letter and its enclosure and your response, should you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room and from the NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,



Signed by Lew, David
on 01/21/22

David C. Lew
Regional Administrator

Enclosure: As stated

Docket No. 03020982
License No. 37-23370-01

SUBJECT: CONFIRMATION OF COMPLETION OF ACTIONS TAKEN BY PRIME NDT SERVICES, INC. AS SET FORTH IN NRC CONFIRMATORY ORDER DATED APRIL 1, 2019

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ENCLOSURE

Completion of Actions Set Forth in the Confirmatory Order

Confirmatory Order Commitments	Actions by Prime NDT	NRC's Evaluation
<p>A.1. Within 180 days of the date of the Confirmatory Order, Prime NDT will install a tracking system in each of its trucks (both owned and rented) used to transport radioactive material. The tracking system will enable live-time identification of the truck or source location by designated Prime NDT management.</p>	<p>Prime NDT installed the tracking systems within the required timeframe, as noted in a letter by the licensee to the NRC dated October 28, 2019 (ML19304A037; nonpublic due to security-related information).</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that installation of tracking systems was in progress, though not completed (NRC Inspection Report No. 03020982/2019001; ML19221B593; public and ML19220A566; nonpublic due to security-related information). During a subsequent inspection from July 27-20, 2021, the NRC confirmed that the action was completed (NRC Inspection Report No. 03020982/2021001; ML21270A160; public and ML21270A164; nonpublic due to security-related information).</p> <p>This item is closed.</p>
<p>A.1.a. Within 180 days of the date of the Confirmatory Order, Prime NDT will develop and implement a procedure regarding the tracking program described in A.1. The procedure will require daily verification that the tracking system is installed and functioning properly for any day on which the truck is being used or is otherwise in service and will require that the functionality check is documented in a log. The functionality logs will be retained by Prime NDT for two years for review by the NRC during an inspection.</p>	<p>Prime NDT reported that this action was complete in the letter to the NRC dated October 28, 2019.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that Prime NDT developed and implemented a procedure that met the requirements of the Order (NRC Inspection Report No. 03020982/2019001; ML19220A566; nonpublic due to security-related information).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>A.1.b. Within 30 days of completing installation of the tracking system, Prime NDT will notify the NRC by sending a letter to the NRC Region I Administrator.</p>	<p>Prime NDT reported that this action was complete in a letter to the NRC dated October 28, 2019.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that installation of tracking systems was in progress, though not completed (NRC Inspection Report No. 03020982/2019001). During a subsequent inspection from July 27-20, 2021, the NRC confirmed that the action was completed (NRC Inspection Report No. 03020982/2021001).</p> <p>This item is closed.</p>
<p>A.2. Within 90 days of the date of the Confirmatory Order, Prime NDT will ensure that a review of its radiation safety program is performed by an industry peer. Within 30 days of completing the review, Prime NDT will submit to the NRC Region I Administrator a written summary of the results of the review and identify any improvements/enhancements that will be implemented as a result, including a schedule for implementation. For any improvements/enhancements that will not be implemented, Prime NDT will describe the reason why.</p>	<p>Prime NDT hired a consultant (Plante Consulting Services) to perform a review of the licensee's radiation safety program, as described by the licensee in letters to the NRC dated July 23, 2019 (ML19284C844; non-public due to security-related information) and October 28, 2019. In the letters, Prime NDT described the improvements and enhancements suggested by the consultant (which primarily involved editorial changes to program documents) and stated that they were under consideration.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002; ML21347A932). The NRC noted that the review determined the licensee's program was adequate and that recommended changes were offered to provide clarity or to enhance readability of program documents.</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>A.3. Within 90 days of the date of the Confirmatory Order, Prime NDT will ensure that a review of its radioactive materials security program is performed by an outside entity knowledgeable in transportation security. Within 30 days of the review, Prime NDT will submit to the NRC Region I Administrator a written summary of the results of the review and identify any improvements/enhancements that will be implemented as a result, including a schedule for implementation. For any improvements/enhancements that will not be implemented, Prime NDT will describe the reason why.</p>	<p>Prime NDT obtained a review of its radioactive materials security program by a transportation company (Fleet Nav System, LLC). The company devised a new alarm system for Prime NDT which was applied to all its vehicles used for radioactive material transportation. Prime NDT described the review and implementation of the new system in letters to the NRC dated July 23, 2019, and October 28, 2019.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>
<p>A.4. Within 30 days of completing implementation of any enhancements per Items A.2 and A.3, Prime NDT will submit a written statement to the NRC Region I Administrator, informing the NRC that the enhancement is in place.</p>	<p>Prime NDT described changes made to its radioactive materials security program as stated in Section A.3 above. The licensee concluded that the recommended changes to the radiation safety program were editorial in nature (i.e., changes to documents for readability) and were not needed.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>
<p>B.1. Within 60 days of the date of the Confirmatory Order, Prime NDT will implement a revised auditing program that will ensure:</p> <ul style="list-style-type: none"> a. Each radiographer is audited once per every 60 days for the following year (365 days), and every 90 days thereafter. b. Each newly hired radiographer who has not worked for Prime NDT within the prior six months is audited within two weeks of being hired, and then once per every 60 days for 	<p>Prime NDT implemented the revised program, as verified by an NRC inspection.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that the licensee implemented the revised program (NRC Inspection Report No. 03020982/2019001). This item was verified complete in the inspection that was completed on December 2, 2021 (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>the following year (365 days), and every 90 days thereafter.</p> <p>c. Each radiography team with a known personal relationship (i.e., siblings, spouses, or parent/child) is audited every 45 days.</p>		
<p>B. 2. The auditing program described in Item B.1 will include an unannounced observation by a Prime NDT supervisor in accordance with Prime NDT auditing procedures</p>	<p>Prime NDT implemented the revised program, to include unannounced observation by a Prime NDT supervisor in accordance with Prime NDT auditing procedures, as verified by an NRC inspection.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that the licensee implemented the revised program (NRC Inspection Report No. 03020982/2019001). This item was verified complete in the inspection that was completed on December 2, 2021 (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>
<p>B. 3. Prime NDT will document the results of each audit and retain the records for two years for review by the NRC during an inspection.</p>	<p>Prime NDT implemented a process to document the results of each audit and retain the records for two years, as verified by an NRC inspection.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that the licensee implemented the revised program (NRC Inspection Report No. 03020982/2019001). This item was also verified complete in the inspection that was completed on December 2, 2021 (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>C.1. Within 90 days of the date of the Confirmatory Order, Prime NDT will develop a training module related to radioactive material transportation and security to be provided by Prime NDT to all new hires. The training will include discussion of the performance issues that resulted in this event, the actions taken by Prime NDT to both address the performance issues and to enhance oversight and security of licensed material in transit, and the content of the Confirmatory Order. The training will also include a performance test on proper security controls for radioactive material.</p> <p>C.1.a. Prime NDT will retain copies of the training materials and trainee signatures for two years, and make those materials available to the NRC for review during an inspection.</p>	<p>Prime NDT developed the training module and implemented a process to retain the training records for two years, as verified by an NRC inspection.</p>	<p>The NRC conducted an inspection at Prime NDT on June 27-28, 2019 and verified that the licensee had developed (although not implemented) a training module for new radiography hires (NRC Inspection Report No. 03020982/ 2019001 (ML19221B593; public and ML19220A566; nonpublic)). This item was also verified complete in the inspection that was completed on December 2, 2021, when an NRC inspector confirmed the training module was part of the 4-month required audits for Prime NDT's radiographers (NRC Inspection Report No. 03020982/2019002 (ML21347A932; public and ML21347A933; nonpublic)).</p> <p>This item is closed.</p>
<p>C.2. Within 180 days of the date of the Confirmatory Order, Prime NDT will develop for the Operating Engineers Local 112 Union a proposed training module to include topics related to radioactive material transportation and security.</p> <p>a. Within 30 days of developing the summary, Prime NDT will submit a copy to the NRC Region I Administrator for NRC review.</p> <p>b. Within 30 days of receiving communication that the NRC review is complete, Prime NDT will submit the proposed training to the union for consideration to be provided by the union to all members.</p>	<p>In a letter dated October 28, 2019 (ML19304A037), Prime NDT requested that this action be rescinded due to changes in the licensee's workforce. The licensee subsequently withdrew this request in a letter dated January 17, 2020 (ML20028F286, non-public due to security-related information), and instead, requested modification of the action to extend the timeframe. The NRC approved this request in a letter dated February 25, 2020 (ML20056D794; public). The licensee submitted the training materials to the Union on July 20, 2020.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>D.1. Within 120 days of the date of the Confirmatory Order, Prime NDT will develop a summary of this issue. The summary will include discussion of the performance issues that resulted in the event, the actions taken by Prime NDT to address the performance issues and to enhance oversight and security of licensed material in transit, and the content of the Confirmatory Order.</p> <p>D.1.a. Within 30 days of developing the summary, Prime NDT will submit a copy to the NRC Region I Administrator for NRC review and comment.</p> <p>D.1.b. Within 30 days of receiving communication that the NRC review is complete, Prime NDT will submit the summary as an operating experience article to:</p> <ul style="list-style-type: none"> i. the American Society for Nondestructive Testing (ASNT) for consideration for publication in the ASNT's quarterly newsletter, "<i>The NDT Technician</i>;" and ii. the Conference of Radiation Control Program Directors (CRCPD), the Organization of Agreement States (OAS) and the Health Physics Society (HPS) for consideration for sharing to their member points of contact or publications in their newsletters (i.e., the CRCPD's "<i>NEWSBRIEF</i>," and the HPS's "<i>Health Physics News Digest</i>"). <p>D.1.c. Within 30 days of submitting the summary, Prime NDT will inform the NRC that the action is complete by sending a letter to the NRC Region I Administrator.</p>	<p>In a letter dated October 28, 2019 (ML19304A037, non-public due to security-related information), Prime NDT provided to the NRC the summary of the issue that was the subject of the Order. In a letter dated January 29, 2020 (ML20036D995; public), the NRC provided Prime NDT comments on the summary. In a letter dated March 27, 2020 (ML20087M225; nonpublic), Prime NDT submitted to the NRC a revised summary.</p> <p>As described in letters dated May 7, 2020 (ML20129J948; public), and September 31, 2020 (ML20248H512; nonpublic) Prime NDT submitted the summary to CRCPD, OAS, HPS, and ASNT for consideration.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002 (ML21347A932; public and ML21347A933; nonpublic)).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>D.2. Prime NDT will request to provide a presentation based on the summary described in Section D.3 at an ASNT meeting in the fall of 2019. Within 30 days of the meeting, Prime NDT will inform the NRC that the presentation has occurred by sending a letter to the Region I Administrator and will include a copy of the presentation materials (i.e., slides).</p>	<p>In a letter dated October 28, 2019 (ML19220A566, non-public due to security-related information), Prime NDT requested that this action be rescinded due to changes in the licensee's workforce. The licensee subsequently withdrew this request in a letter dated January 17, 2020 (ML20028F286, non-public due to security-related information), and instead, requested modification of the action to extend the timeframe and change the audience to the Greater Philadelphia Chapter of the ASNT. The NRC approved this request in a letter dated February 25, 2020 (ML20056D794; public). In a letter to the ASNT dated September 3, 2020 (ML20248H512; nonpublic), Prime NDT requested to make a presentation at a chapter meeting. The licensee subsequently made the presentation at a meeting in May 2021.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002 (ML21347A932; public and ML21347A933; nonpublic)).</p> <p>This item is closed.</p>
<p>D.3. Within 360 days of the date of the Confirmatory Order, Prime NDT will offer to provide a presentation based on the summary described in Section D.1 to the Operating Engineers Local 112 Union. The presentation is intended to occur during an annual meeting or similar, widely attended event. Prime NDT will inform the NRC that the action is complete by sending a letter to the Region I Administrator within 30 days of completing the presentation and will include a copy of the presentation materials (i.e., slides) in the letter.</p>	<p>In an electronic mail message on March 25, 2020 (ML20086H039; nonpublic), Prime NDT forwarded to the NRC a copy of the letter sent to the Operating Engineers Local 112 Union offering to make a presentation. In a letter dated May 4, 2021 (ML21137A124; public), the Union denied the request, in light of the COVID public health emergency.</p>	<p>The NRC conducted an inspection that was completed on December 2, 2021 and verified completion of this item (NRC Inspection Report No. 03020982/2019002 (ML21347A932; public and ML21347A933; nonpublic)).</p> <p>This item is closed.</p>

Confirmatory Order Commitment	Actions by Prime NDT	NRC's Evaluation
<p>E. Within 30 days of the date of the Confirmatory Order, Prime NDT will pay a civil penalty of \$3500 utilizing one of the payment methods described in NUREG/BR-0254, "Payment Methods."</p>	<p>Prime NDT paid the civil penalty.</p>	<p>The NRC issued a letter to Prime NDT on January 2, 2020 (ML20003E962; publics), confirming receipt of the civil penalty payment. This item was also verified complete in the inspection that was completed on June 28, 2019 (NRC Inspection Report No. 03020982/2019001 (ML19221B593; public and ML19220A566; nonpublic)).</p> <p>This item is closed.</p>