



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 11, 2022

EA-21-045

Nicole Kennedy
Steel City Gamma, LLC
309 Woodland Rd
Daisytown, PA 15427

SUBJECT: STEEL CITY GAMMA, LLC – ORDER IMPOSING CIVIL PENALTY - \$ 25,600

Dear Ms. Kennedy:

This refers to our letter to you dated March 2, 2022, which enclosed a notice of violation that proposed imposition of a civil penalty on Steel City Gamma, LLC (Notice) (NRC's Agencywide Documents Access and Management System (ADAMS) Accession No. ML22041A233). Our letter and the Notice described two violations identified during an investigation conducted by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations (OI). The violations involved: (1) Steel City Gamma, LLC's (Steel City Gamma) failure to file for reciprocity prior to performing work in NRC jurisdiction in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 150.20; and (2) performing licensed activities in NRC jurisdiction without a license contrary to 10 CFR 30.3. The OI investigation also concluded that these two violations were willful.

To emphasize the importance of compliance with NRC regulatory requirements, a civil penalty (CP) of \$25,600 was proposed in the Notice. Steel City Gamma did not respond to our letter and has not taken any action, such as paying the CP or asking for additional time to make the payment, to address the Notice. Because Steel City Gamma has not provided any additional information for the NRC's consideration, we have concluded that the violations occurred as stated and we are proceeding with our enforcement action. Accordingly, we hereby serve the enclosed Order on Steel City Gamma, imposing a civil monetary penalty in the amount of \$25,600. Within 30 days of the date of the enclosed Order, you must either: (1) pay the civil penalty in accordance with Section IV of the Order (civil penalty invoice and NUREG/BR-0254, "Payment Methods," are enclosed), or (2) request a hearing in accordance with Section V of the Order.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, if you choose to provide one, 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 Web site 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. The NRC also includes significant enforcement actions on its Web site (<http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/>).

If you have any questions concerning this matter, please contact Chris Cahill at Christopher.Cahill@nrc.gov or 610-337-5108.

Sincerely,

Mark D. Lombard, Director
Office of Enforcement

Enclosures:

1. Order Imposing Civil Monetary Penalty
2. Civil Penalty Invoice No. EA-21-045
3. NUREG/BR-0254 Payment Methods

cc w/o enclosures:
Commonwealth of Pennsylvania

SUBJECT: STEEL CITY GAMMA, LLC – ORDER IMPOSING CIVIL PENALTY - \$ 25,600
 DATED: 10/11/2022

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ADAMS Package: ML22276A115

Order: ML22208A036

FRN: ML22276A123

OFFICE	RI/ORA	RI/DRSS	RI/ORA	RI/ORA	RI/DRSS
NAME	C Crisden/CJC	C Cahill/CC via email	R McKinley/RRM with comment via email	B Klukan/ BMK NLO via email	B Welling/BDW via email
DATE	8/11/2022	8/11/2022	8/11/2022	8/25/2022	8/26/2022
OFFICE	RI/ORA	NMSS	OGC	OE	OE
NAME	D Lew/DCL via email	M Burgess	M Simon (NLO)	J Peralta	M Lombard
DATE	8/30/2022	9/21/2022	9/29/2022	10/3/2022	10/11/2022

OFFICIAL RECORD COPY

Steel City Gamma, LLC
ORDER IMPOSING CIVIL MONETARY PENALTY

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
STEEL CITY GAMMA, LLC) EA-21-045
DAISYTOWN, PENNSYLVANIA)

ORDER IMPOSING CIVIL MONETARY PENALTY

I

Steel City Gamma, LLC (Steel City Gamma) was an industrial radiography company located in Pennsylvania. From May 14, 2019, until September 2020, Steel City Gamma was authorized under the Commonwealth of Pennsylvania radioactive materials license No. PA-1633 to possess and utilize byproduct material in up to three (3) devices for the purposes of industrial radiography. During the relevant time periods discussed below, Steel City Gamma did not possess a specific license issued by the Nuclear Regulatory Commission (NRC) under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 30. However, as an Agreement state licensee, Steel City Gamma was authorized to conduct radiography in NRC jurisdiction under the general NRC license granted pursuant to 10 CFR 150.20.

II

U.S. NRC Office of Investigations (OI) initiated an investigation on April 21, 2020, to determine whether Steel City Gamma deliberately conducted unauthorized and/or unlicensed radiography activities within NRC jurisdiction. The investigation concluded that two violations of NRC requirements occurred and that those violations were willful. During a closed predecisional enforcement conference held on February 3, 2022, Steel City Gamma acknowledged the violations and stated that it would no longer conduct industrial radiography

and intended to withdraw the application for an NRC license for another company, A & B Testing.

A written Notice of Violation and Proposed Imposition of Civil Penalty (Notice) was served upon Steel City Gamma by letter dated March 2, 2022. The Notice stated the nature of the violations, the provisions of the NRC's requirements that the Steel City Gamma violated, and the amount of the civil penalty proposed for the violations. As of the date of this Order, Steel City Gamma has not responded to the Notice, paid the civil penalty, or requested more time to do so.

III

Because Steel City Gamma did not response to the Notice, there are no additional facts, explanations, or other information to consider. The NRC staff has determined that the violations occurred as stated in the Notice and that the penalty proposed for the violations identified in the Notice should be imposed.

IV

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

Steel City Gamma shall pay the civil penalty in the amount of \$25,600 within 30 days of the date of this Order through one of the following two methods:

1. Submit the payment with Civil Penalty Invoice No. EA-21-045, to the following address:

Office of the Chief Financial Officer
U.S. Nuclear Regulatory Commission
P.O. Box 979051
St. Louis, MO 63197
OR

2. Submit the payment in accordance with NUREG/BR-0254, "Payment Methods."

In addition, at the time payment is made, Steel City Gamma shall submit a statement indicating when and by what method payment was made to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738.

V

Steel City Gamma and any other person adversely affected by this Order may request a hearing on this Order within 30 days of the date of the Order. Where good cause is shown, consideration will be given to extending the time to answer or request a hearing. A request for extension of time must be directed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, and include a statement of good cause for the extension.

All documents filed in NRC adjudicatory proceedings including documents filed by an interested State, local governmental body, Federally recognized Indian Tribe, or designated agency thereof that requests to participate under 10 CFR 2.315(c), must be filed in accordance with 10 CFR 2.302. The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases, to mail copies on electronic storage media, unless an exemption permitting an alternative filing method, as further discussed, is granted. Detailed guidance on electronic submissions is located in the "Guidance for Electronic Submissions to the NRC" (ADAMS Accession No. ML13031A056) and on the NRC's public website at <https://www.nrc.gov/site-help/e-submittals.html>.

To comply with the procedural requirements of E-Filing, at least 10 days prior to the filing deadline, the participant should contact the Office of the Secretary by email at Hearing.Docket@nrc.gov, or by telephone at 301-415-1677, to (1) request a digital identification (ID) certificate, which allows the participant (or its counsel or representative) to digitally sign submissions and access the E-Filing system for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a petition or other adjudicatory document (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on the NRC's public website at <https://www.nrc.gov/site-help/e-submittals/getting-started.html>. After a digital ID certificate is obtained and a docket created, the participant must submit adjudicatory documents in Portable Document Format. Guidance on submissions is available on the NRC's public website at <https://www.nrc.gov/site-help/electronic-sub-ref-mat.html>. A filing is considered complete at the time the document is submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. ET on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an email confirming receipt of the document. The E-Filing system also distributes an email that provides access to the document to the NRC's Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the document on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before adjudicatory documents are filed to obtain access to the documents via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the NRC's Electronic Filing Help Desk through the "Contact Us" link located on the NRC's public website at <https://www.nrc.gov/site-help/e-submittals.html>, by email to MSHD.Resource@nrc.gov, or by a toll-free call at 1-866-672-7640. The NRC Electronic Filing Help Desk is available between 9:00 a.m. and 6:00 p.m., ET, Monday through Friday, except Federal holidays.

Participants who believe that they have good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing stating why there is good cause for not filing electronically and requesting authorization to continue to submit documents in paper format. Such filings must be submitted in accordance with 10 CFR 2.302(b)-(d). Participants filing adjudicatory documents in this manner are responsible for serving their documents on all other participants. Participants granted an exemption under 10 CFR 2.302(g)(2) must still meet the electronic formatting requirement in 10 CFR 2.302(g)(1), unless the participant also seeks and is granted an exemption from 10 CFR 2.302(g)(1).

Documents submitted in adjudicatory proceedings will appear in the NRC's electronic hearing docket, which is publicly available at <https://adams.nrc.gov/ehd>, unless excluded pursuant to an order of the presiding officer. If you do not have an NRC-issued digital ID certificate as previously described, click "cancel" when the link requests certificates and you will be automatically directed to the NRC's electronic hearing dockets where you will be able to access any publicly available documents in a particular hearing docket. Participants are requested not to include personal privacy information such as social security numbers, home addresses, or personal phone numbers in their filings unless an NRC regulation or other law requires submission of such information. With respect to copyrighted works, except for limited

excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, participants should not include copyrighted materials in their submission.

If a person other than Steel City Gamma requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.309(d) and (f).

If a hearing is requested by Steel City Gamma or any other person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearings. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained. In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 30 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. If payment has not been made by the date the provisions of this Order become final, the matter may be referred to the Attorney General for collection.

FOR THE NUCLEAR REGULATORY COMMISSION

Mark D. Lombard, Director
Office of Enforcement

Dated this 11th day of October 2022