

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION IV 1600 EAST LAMAR BOULEVARD ARLINGTON, TEXAS 76011-4511

July 07, 2023

EA-23-057

Seth Licalzi
Radiation Safety Officer
Olivier International, LLC
227 Clendenning Road, Suite 100
Houma, LA 70361

SUBJECT: OLIVIER INTERNATIONAL, LLC. - NRC INSPECTION REPORT

150-00017/2022-001 AND NOTICE OF VIOLATION

Dear Seth Licalzi:

This letter refers to the in-office review of information submitted by Olivier International, LLC (Olivier) to the U.S. Nuclear Regulatory Commission (NRC) on January 4, 2023, regarding the performance of licensed activities in offshore waters. Specifically, Olivier filed an application describing an initial notification of planned work activities for the new calendar year to the NRC on January 4, 2023, for work that began on January 1, 2023. A final exit briefing was conducted telephonically with you on July 6, 2023.

Based on the results of the information provided by Olivier, the NRC has determined that one Severity Level IV violation of NRC requirements occurred involving Olivier's failure to file an initial NRC Form 241, provide a copy of its agreement state license, and pay the required reciprocity fee prior to storing licensed activities in Federal jurisdiction for calendar year 2023. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at (https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html). The violation is cited in the enclosed Notice of Violation (Notice), Enclosure 1, and the circumstances surrounding it are described in detail in the subject inspection report, Enclosure 2. The violation is being cited in the Notice because it was identified by the NRC during a review of records submitted by Olivier.

In accordance with the NRC Enforcement Policy, the failure to file an NRC Form 241 prior to engaging in licensed activities in NRC jurisdiction is normally categorized as a Severity Level III violation. The NRC Enforcement Policy includes examples of Severity Level IV violations when certain criteria are met. As a materials licensee whose licensed activity is designated as a Priority 1 NRC inspection, you only met three of the four criteria in Enforcement Policy Section 6.9.d.14 to be characterized as a Severity Level IV violation.

S. Licalzi 2

However, in this case, several factors were considered to disposition this violation at Severity Level IV. The factors included: (1) Olivier had stored licensed material in offshore waters for just 3 days prior to the submittal of NRC Form 241 and no work was performed until the NRC provided the licensee reciprocity approval; therefore, the NRC had the opportunity to inspect the licensee prior to work completion; (2) Olivier had a clear history of filing the required paperwork, NRC Form 241, in a timely fashion; and (3) the licensed activities were performed in offshore waters, thereby limiting security access concerns, as well as potential for exposure and contamination to members of the public. Considering these mitigating factors, the NRC determined this violation is more appropriately characterized at Severity Level IV.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosures, and your response will be made available electronically for public inspection in the NRC 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, your response should not include any personal privacy or proprietary, information so that it can be made available to the public without redaction.

Please feel free to contact Casey Alldredge or Alexus Willis if you have any questions regarding this in-office review. Casey Alldredge can be reached at 812-200-1546 or casey.alldredge@nrc.gov, and Alexus Willis can be reached at 817-200-1187 or alexus.willis@nrc.gov.

Thank you for your cooperation.

Sincerely,

Signed by O'Keefe, Cornelius on 07/07/23

Neil O'Keefe, Chief Materials Licensing Branch Division of Radiological Safety and Security

Docket no. 150-00017 License no. 10 CFR 150.20

Enclosures:

1. Notice of Violation

2. NRC Inspection Report 150-00017/2022-001

S. Licalzi 3

OLIVIER INTERNATIONAL, LLC. - NRC INSPECTION REPORT 150-00017/2022-001 AND NOTICE OF VIOLATION – DATED JULY 07, 2023.

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OLIVIER INTERNATIONAL, LLC. NRC INSPECTION REPORT 150-00017/2022-001 AND NOTICE OF VIOLATION

ADAMS ACCESSION NUMBER: ML23184A137

SUNSI Review: ADAMS: ☐ Non-Publicly Available XNon-Sensitive Keyword: By: NFO X Yes ☐ No X Publicly Available ☐ Sensitive NRC B.1

OFFICE	HP:MLB	HP:MLB	C:MIB	ATL:ACES	C:MLB
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NOTICE OF VIOLATION

Olivier International, LLC. Houma, Louisiana

Docket No. 150-00017 License No. 10 CFR 150.20 EA-23-057

During an NRC in-office inspection conducted from January 4 through June 1, 2023, one violation NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.3(a) requires, in part, that no person shall receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with the regulations in 10 CFR Chapter I.

10 CFR 150.20(a)(1)(iii) states, in part, that any person who holds a specific license from an Agreement State is granted a general NRC license to conduct the same activity in offshore waters subject to the provisions of 10 CFR 150.20(b).

10 CFR 150.20(b)(1) requires, in part, that any person engaging in activities in offshore waters under the general license provisions of 10 CFR 150.20 shall, at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States", a copy of its Agreement State specific license, and the appropriate fee with the Regional Administrator of the appropriate NRC regional office.

Contrary to the above, from January 1 through 4, 2023, Olivier International, LLC, a licensee of the State of Louisiana, engaged in activities in offshore waters under the general license provisions of 10 CFR 150.20 without filing a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee with the Regional Administrator of the NRC Regional Office at least 3 days before engaging in each activity for the first time in a calendar year. Specifically, Olivier International, LLC, stored licensed material on three platforms in offshore waters on January 1, 2023, but did not submit an NRC Form 241, a copy of its Agreement State radioactive materials license, and the appropriate fee until January 4, 2023. Since the licensed material was stored in exclusive Federal jurisdiction on January 1, 2023, the licensee was required to provide this information to the NRC three days prior to the start of the new calendar year, which was December 29, 2022. This is a Severity Level IV violation (NRC Enforcement Policy Section 6.9).

Pursuant to the provisions of 10 CFR 2.201, Olivier International, LLC., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Director, Division of Radiological Safety and Security, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; EA-23-057" and should include for the violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence if the correspondence adequately addresses the required response.

If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued requiring information as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Your response will be made available electronically for public inspection in the NRC Public Document Room or in 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, your response 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, then 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 material, 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).

U.S. NUCLEAR REGULATORY COMMISSION REGION IV

Docket: 150-00017

License: 10 CFR 150.20

Report: 2022-001

EA No: EA-23-057

Licensee: Olivier International, LLC

Location Inspected: In-office review only

Inspection Dates: January 4, 2023 through June 1, 2023

Exit Meeting Date: July 6, 2023

Inspector: Alexus Willis, Health Physicist

Materials Licensing Branch

Division of Radiological Safety and Security

Approved by: Neil O'Keefe, Chief

Materials Licensing Branch

Division of Radiological Safety and Security

Attachment: Supplemental Inspection Information

EXECUTIVE SUMMARY

Olivier International, LLC NRC Inspection Report 150-00017/2022-001

Program Overview

Olivier International, LLC (Olivier) is authorized under the State of Louisiana Department of Environmental Quality License No. LA-13780-L01, to possess and use byproduct material, including Cobalt-60, Iridium-192, and Selenium-75 for industrial radiography operations. As of January 5, 2023, Olivier is authorized to perform these same licensed activities at temporary job sites in offshore waters under a general license pursuant to 10 CFR 150.20. (Section 1)

Inspection Findings

One violation was identified involving Olivier's failure to file an initial NRC Form 241, and pay the required reciprocity fee, prior to storing licensed activities in offshore waters for calendar year 2023. This violation was identified when the licensee provided an initial notification of planned work activities for the new calendar year on January 4, 2023. To meet the regulatory requirement, the information and fee were required to have been submitted by December 29, 2022. (Section 2)

Corrective Actions

Olivier submitted the appropriate information, to include the NRC Form 241, Agreement State License and required reciprocity fee to the NRC on January 4, 2023. The NRC subsequently granted the reciprocity request in a letter dated January 5, 2023. (Section 3)

REPORT DETAILS

1 Program Overview (87121)

1.1. Program Scope

Olivier International, LLC (Olivier) is authorized under the State of Louisiana Department of Environmental Quality License No. LA-13780-L01, to possess and use byproduct material, including Cobalt-60, Iridium-192, and Selenium-75, for industrial radiography operations at temporary job sites in the State of Louisiana.

After the NRC received Olivier's initial NRC Form 241, a copy of its Agreement State license, and reciprocity fee for calendar year 2023 on January 4, 2023, Olivier became authorized to perform industrial radiography operations in offshore waters under a general license pursuant to 10 CFR 150.20, "Recognition of Agreement State Licenses."

1.2. Observations and Findings

Upon reviewing the information submitted by the licensee, the license reviewer determined that Olivier was untimely when it submitted an initial NRC Form 241 application, a copy of their agreement state license, and the appropriate fee for the work to be performed in CY 2023. To meet the regulatory requirement, the information and fee were required to have been submitted by December 29, 2022.

2 Inspection Findings (87121)

2.1 Inspection Scope

On January 4, 2023, the licensee filed an initial notification of planned work activities for 2023 to NRC Region IV. The licensee had received reciprocity to perform industrial radiography in 2022 and planned to continue working in offshore waters on three oil/gas platforms from January 1 through March 15, 2023. The platforms, in the Gulf of Mexico, include Horn Mountain Platform, Marco Polo TLP Platform, and Marlin TLP Platform.

2.2 Observation and Findings

On January 4, 2023, while reviewing the request, the license reviewer determined that Olivier was untimely when it submitted an initial NRC Form 241 application, a copy of their agreement state license, and the appropriate fee for the work to be performed in 2023. To meet the regulatory requirement, the information and fee were required to have been submitted by December 29, 2022. During a discussion with the licensee, the license reviewer was informed that licensed material was stored but not used to perform work on the offshore platforms from January 1, 2023, to January 5, 2023, when initial reciprocity was approved for 2023. The licensee's Radiation Safety Officer (RSO) received the December 2022 renewal reminder email sent to reciprocity licensees and was working with the licensee's financial department to have the reciprocity fee paid prior to December 29, 2022. However, there was a breakdown of communication between the RSO and financial department on the time sensitivity and significance of the initial reciprocity application and fees which led to the submittal of the NRC Form 241 application and fee being delayed.

Title 10 CFR 30.3(a) requires, in part, that no person shall receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with the regulations in 10 CFR Chapter I.

Title 10 CFR 150.20(a)(1)(iii) states, in part, that any person who holds a specific license from an Agreement State is granted a general NRC license to conduct the same activity in offshore waters subject to the provisions of 10 CFR 150.20(b).

Title 10 CFR 150.20(b)(1) requires, in part, that any person engaging in activities in offshore waters under the general license provisions of 10 CFR 150.20 shall, at least 3 days before engaging in each activity for the first time in a calendar year, file a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States", a copy of its Agreement State specific license, and the appropriate fee with the Regional Administrator of the appropriate NRC regional office.

Contrary to the above, from January 1 through 4, 2023, Olivier International, LLC, a licensee of the State of Louisiana, engaged in activities in offshore waters under the general license provisions of 10 CFR 150.20 without filing a submittal containing an NRC Form 241, "Report of Proposed Activities in Non-Agreement States," a copy of its Agreement State specific license, and the appropriate fee with the Regional Administrator of the NRC Regional Office at least 3 days before engaging in each activity for the first time in a calendar year. Specifically, Olivier International, LLC, was storing licensed material on three platforms in offshore waters on January 1, 2023, but did not submit an NRC Form 241, a copy of its Agreement State radioactive materials license, and the appropriate fee until January 4, 2023. Since the licensed material was stored in exclusive Federal jurisdiction on January 1, 2023, the licensee was required to provide this information to the NRC three days prior to the start of the new calendar year, which was December 29, 2022.

2.3 Conclusions

The NRC identified one violation regarding Olivier's failure to file an initial NRC Form 241 for calendar year 2023 and pay the reciprocity fee, prior to engaging in licensed activities in offshore waters beginning on January 1, 2023, as required by 10 CFR 150.20(b)(1). (150-00017/2022-001-01)

3 Corrective Actions

The RSO stated that there was a breakdown of communication with the financial department. The financial department did not understand the time sensitivity and significance of the initial application and the fees were not paid until after the required deadline of December 29, 2022. Olivier restored compliance by submitting the appropriate information, to include the NRC Form 241, Agreement State License and required reciprocity fee to the NRC on January 4, 2023. The licensee has not provided a summary of its planned comprehensive corrective actions.

4 Exit Meeting Summary

The license reviewer presented the preliminary inspection findings at the conclusion of the in-office review on July 6, 2023 with Seth Licalzi, RSO for Olivier. On July 6, 2023, a final telephonic exit meeting was conducted with Seth Licalzi.

SUPPLEMENTAL INSPECTION INFORMATION

PARTIAL LIST OF PERSONS CONTACTED

Seth Licalzi, Radiation Safety Officer

INSPECTION PROCEDURES USED

87121 Industrial Radiography

ITEMS OPENED, CLOSED, AND DISCUSSED

Opened

150-00017/2022-001 The failure to file an initial NRC Form 241 prior

to engaging in licensed activities in offshore

waters

Closed

None

Discussed

None

LIST OF ACRONYMS USED

ADAMS Agencywide Documents Access and Management System

CFR Code of Federal Regulations
NRC Nuclear Regulatory Commission

RSO Radiation Safety Officer