



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, ILLINOIS 60532-4352

August 31, 2023

Keith Orban
Radiation Safety Officer
R.S. Scott Associates, Inc.
405 River Street
Alpena, MI 49707

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03013803/2023001(DRSS) AND
NOTICE OF VIOLATION – R.S. SCOTT ASSOCIATES, INC.

Dear Keith Orban:

This letter refers to the inspection conducted on June 21, 2023, at your facility in Alpena, Michigan, with continued in-office review through August 15, 2023. The purpose of the inspection was to review activities performed under your NRC license to ensure that these activities were being performed in accordance with NRC requirements. The purpose of the in-office review was to evaluate information not available at the time of the on-site inspection. This letter presents the results of the inspection. Ryan Craffey of my staff conducted a final exit meeting by telephone with you on August 21, 2023, to discuss the inspection findings.

This inspection examined activities conducted under your license as they relate to public health and safety, and to confirm compliance with the Commission's rules and regulations, and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred.

The violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in the enclosed inspection record. The violations are being cited because the inspector identified them.

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 will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with the NRC's "Rules of Practice" in 10 CFR 2.390, a copy of this letter, its enclosure, and any response you provide will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, any response should not

include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction.

Please feel free to contact Ryan Craffey of my staff if you have any questions regarding this inspection. Ryan can be reached at 630-829-9655 or ryan.craffey@nrc.gov.

Sincerely,



Signed by Edwards, Rhex
on 08/31/23

Rhex A. Edwards, Chief
Materials Inspection Branch
Division of Radiological Safety and Security

Docket No. 030-13803
License No. 21-18504-01

Enclosures:

1. Notice of Violation
2. Materials Inspection Record

cc w/encl: State of Michigan

K. Orban

3

Letter to K. Orban from R. Edwards, dated August 31, 2023.

SUBJECT: NRC INSPECTION REPORT NO. 03013803/2023001(DRSS) – R.S. SCOTT ASSOCIATES, INC.

DISTRIBUTION w/encl:

Jack Giessner
Mohammed Shuaibi
Jared Heck
Kimyata Morgan-Butler
Diana Betancourt-Roldan
Kenneth Lambert
MIB Inspectors

ADAMS Accession Number: ML23237A477

OFFICE	RIII-DRSS	RIII-DRSS					
NAME	RCraffey	REdwards					
DATE	8/25/23	8/31/23					

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

R.S. Scott Associates, Inc.
Alpena, MI

License No. 21-18504-01
Docket No. 030-13803

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on June 21, 2023, with continued in-office review through August 15, 2023, three violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. Title 10 of the *Code of Federal Regulations* (10 CFR) Section 20.1101(c) requires that licensees shall periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, as of June 21, 2023, R.S. Scott Associates had not periodically (at least annually) reviewed its radiation protection program content and implementation.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3)

- B. Title 10 CFR 71.5(a) requires that each licensee who transports licensed material outside the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, comply with the applicable requirements of the DOT regulations in 49 CFR parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

1. Title 49 CFR 172.203(d) states, in part, that the description for a shipment of a Class 7 (radioactive) material must include the following additional entries as appropriate: (1) the name of each radionuclide in the Class 7 (radioactive) material; (2) a description of the physical and chemical form of the material; and (3) the maximum activity of the radioactive contents contained in each package during transport; (4) the category of label applied to each package in the shipment; (5) The transport index assigned to each package in the shipment bearing RADIOACTIVE YELLOW-II or RADIOACTIVE YELLOW-III labels.

Contrary to the above, on multiple occasions through June 2, 2023, R.S. Scott Associates transported licensed material using shipping papers that did not include the correct radionuclides in the Class 7 (radioactive) material being transported and did not include the correct maximum activity of the radioactive contents contained in each package. Specifically, the licensee transported 7.4 millicuries (mCi) of cesium-137 and 40 mCi of americium-241 contained in Troxler 3400 series portable moisture density gauges, but listed the contents of all seven of its gauges on corresponding shipping papers as 0.0074 megacuries (MCi) of cesium-137, 0.04 MCi of americium-241, and also listed radium-226, which was not present.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.8)

2. Title 49 CFR 172.702 requires that each hazmat employer shall ensure that each hazmat employee is trained and tested, and that no hazmat employee performs any function subject to the requirements of 49 CFR Parts 171-177 unless trained, in accordance with Subpart H of 49 CFR Part 172. The terms Hazmat Employer and Hazmat Employee are defined in 49 CFR 171.8. Title 49 CFR 172.704(c)(2) requires, in part, that a hazmat employee receive the training required by this subpart at least once every three years.

Contrary to the above, as of June 21, 2023, R.S. Scott Associates did not provide recurrent training at least once every three years to hazmat employees that satisfied the requirements in Subpart H of 49 CFR Part 172, and the licensee otherwise met the definition of a hazmat employer in 49 CFR 171.8. Specifically, three of the licensee's active authorized users had last taken hazmat training on February 26, 2013, December 26, 2017, and May 18, 2020, respectively.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3)

Pursuant to the provisions of 10 CFR 2.201, R.S. Scott Associates, Inc. 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 Regional Administrator, Region III, 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, IR 03013803/2023001(DRSS)" and should include: (1) the reason for the violations, or, if contested, the basis for disputing the violations or their 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 previously 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 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.

Your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

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, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 31st day of August 2023.