

#### UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION I 475 ALLENDALE ROAD, SUITE 102 KING OF PRUSSIA, PA 19406-2713

September 3, 2024

EA-24-005

Daniel Schroeder Titan Inspections, Inc. 200 Tombs Lane Montoursville, PA 17754

SUBJECT: TITAN INSPECTIONS – NOTICE OF VIOLATION OF NRC REQUIREMENTS, NRC OFFICE OF INVESTIGATIONS REPORT NO. 1-2023-007

#### Dear Daniel Schroeder:

This letter refers to the investigation conducted by the U.S. Nuclear Regulatory Commission's (NRC's) Office of Investigations between December 19, 2022, and November 2, 2023, at Titan Inspection, Inc (Titan). The purpose of the investigation was to determine whether employees of Titan deliberately failed to properly conduct radiography operations while working under reciprocity at a temporary jobsite in NRC jurisdiction. In a letter dated May 16, 2024, Agencywide Documents Access and Management System (ADAMS) Accession No. (ML24136A048)<sup>1</sup>, we provided you with a factual summary of the investigation and described an apparent violation that we informed you was being considered for escalated enforcement action.

Namely, the NRC identified an apparent violation of Title 10 of the *Code of Federal Regulations* (10 CFR) 34.41, "Conducting industrial radiographic operations." The apparent violation was related to Titan's failure to ensure that when radiography was performed at a location other than a permanent radiographic installation, the radiographer was accompanied by at least one other qualified radiographer or by an individual who at a minimum met the requirements of 10 CFR 34.43(c). Specifically, on November 16, 2022, at the direction of a Titan manager, a Titan radiographer performed radiography at a temporary job site near Wheeling, West Virginia (within NRC jurisdiction) and was the only qualified individual present.

In the letter, we provided you the opportunity to address the apparent violation by attending a pre-decisional enforcement conference (PEC), by engaging the NRC in Alternative Dispute Resolution (ADR) mediation, or by providing a written response before we made our final enforcement decision. On June 27, 2024, you attended a PEC in the NRC Region I office to discuss the apparent violation, its significance, its root causes, and your corrective actions. Subsequently, in an email dated July 1, 2024, you submitted a letter documenting the corrective actions you described during the PEC (ML24198A156). A summary of the PEC and the corrective actions you described at the conference and in your July 1, 2024, letter is included as Enclosure 1 to this letter.

<sup>&</sup>lt;sup>1</sup>Designation in parentheses refers to an Agency-wide Documents Access and Management System (ADAMS) accession number. Documents referenced in this letter are publicly available using the accession number in ADAMS.

Based on the information developed during the investigation and the information that you provided during the PEC, the NRC has determined that a violation of NRC requirements occurred. As noted above, the violation involves the willful failure to properly conduct radiography operations in accordance with 10 CFR 34.41. The violation is cited in the enclosed Notice of Violation (Notice), provided as Enclosure 2, and the circumstances surrounding it are described in detail in the subject investigation report.

The NRC considers the willful failure to properly conduct radiographic operations a significant safety and regulatory concern because conducting radiographic operations without a second qualified individual could lead to potential exposures to members of the public. The NRC notes that in this case, no known exposures have been identified. The NRC reviewed the specific circumstances involved with this case including the fact that there were no actual radiological consequences and reviewed your actions subsequent to the identification of this violation and, after consultation with the Director, Office of Enforcement, categorized this violation in accordance with the NRC Enforcement Policy at Severity Level III. The current Enforcement Policy is included on the NRC's Web site at <a href="https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html">https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html</a>.

In accordance with Section 8 of the NRC Enforcement Policy, a base civil penalty in the amount of \$18,000 is considered for a Severity Level III violation involving an industrial radiography licensee. Because the violation was willful, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the Enforcement Policy. The NRC determined that credit was warranted for identification because you identified the violation and reported the issue to the NRC. The NRC also determined that corrective action credit was warranted for Titan's actions taken to address the violation, as described in Enclosure 1. Therefore, to encourage prompt identification and comprehensive correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III violation constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding (1) the reason for the violation, (2) the corrective actions that have been taken and the results achieved and (3) the date when full compliance was achieved is already adequately addressed on the docket in the NRC's letter dated May 16, 2024, and in Enclosure 1 to this letter. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, should you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room and in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>. 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. If personal privacy or proprietary information is necessary to provide an acceptable response, 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 information, 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). The NRC also includes significant enforcement actions on its Web site at (http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions/).

If you have any questions concerning this matter, please contact Monica Ford of my staff at 610-337-5214.

Sincerely,

Raymond by Raymond K. Lorson Date: 2024.09.03

Raymond Lorson 3:02:36 -04'00'
Regional Administrator

License No. 37-35708-01 Docket No. 030-39345 PA License No. PA-1559

#### Enclosures:

- Summary of June 27, 2024, Pre-decisional Enforcement Conference and Description of Corrective Actions
- 2. Notice of Violation

#### **ENCLOSURE 1**

#### SUMMARY OF JUNE 27 PRE-DECISIONAL ENFORCEMENT CONFERENCE AND DESCRIPTION OF CORRECTIVE ACTIONS

On May 16, 2024, the NRC issued Titan Inspection, Inc. (Titan) a choice letter with an inspection report that described one apparent violation of Title 10 of the *Code of Federal Regulations* (10 CFR) 34.41, "Conducting industrial radiographic operations." The apparent violation was related to Titan's failure to ensure that when radiography was performed at a location other than a permanent radiographic installation, the radiographer was accompanied by at least one other qualified radiographer or by an individual who at a minimum met the requirements of 10 CFR 34.43(c). Specifically, on November 16, 2022, at the direction of a Titan manager, a Titan radiographer performed radiography at a temporary job site near Wheeling, West Virginia (within NRC jurisdiction) and was the only qualified individual present.

In the May 16, 2024, letter the NRC staff informed Titan that the apparent violation was being considered for escalated enforcement action and provided the licensee the opportunity to address the apparent violation by attending a pre-decisional enforcement conference (PEC), by engaging the NRC in Alternative Dispute Resolution (ADR) mediation, or by providing a written response. Titan elected to participate in a PEC and the conference was conducted on June 27, 2024, at the NRC's Region I office.

The licensee's representative (Titan's Chief Executive Officer (CEO) and Radiation Safety Officer (RSO)) did not contest the apparent violation. The CEO suggested the failure occurred, in part, due to an emphasis by new management on customer satisfaction over safety, a failure to oversee new management during onboarding and training of new staff, and a lack of emphasis on the need to immediately report any request or instruction that would result in a violation of safety regulations. The CEO described having taken more direct control over operations at both Titan's office locations—at least in the short term—to implement corrective actions and prevent recurrence.

The licensee's representative described the following immediate corrective actions that have been implemented:

- suspended the two involved Titan employees from engaging in radiography activities (NOTE: one of the employees resigned shortly after the event),
- implemented a standard to train all new Pittsburgh (PA) branch staff at the Williamsport (PA) office (where the CEO is based),
- addressed the topic of "solo shooting" at an all-staff meeting and reminding employees
  that it is strictly prohibited in all situations, regardless of who instructs them to do so, and
  reinforced that employees are to immediately contact the CEO if any safety regulations
  are violated and/or if they are asked to violate any regulations,
- met with each Pittsburgh branch employee to ensure they were adequately trained, that they understand the regulations, and that they understand they are to contact the CEO/RSO with any safety concerns.

The Titan representative described the following longer-term corrective actions:

- add verbiage to the employee handbook, in the Radiation Safety Disciplinary Policy section, addressing what needs to occur if someone instructs an employee to violate a safety regulation,
- add questions to both Radiographer and Assistant Radiographer Radiation Safety Tests, as well as a verbal question and answer component to the practical examination,

- · post the Radiation Disciplinary Policy in the shop,
- reiterate in safety meetings a variety of safety violations, including solo shooting, that will
  result in immediate disciplinary action, including potential termination,
- Retraining the manager through attendance at a 40-hour radiation safety course (if the manager remains on staff).

The PEC attendance list and the NRC's PEC presentation are attached to this summary.

#### Attachments:

- 1. Attendee list
- 2. NRC presentation

#### Attachment 1 - Attendee list

#### **NRC**

Region I:

Paul Krohn, Director, Division of Radiological Safety & Security (DRSS)
Brett Klukan, Regional Counsel, Office of the Regional Administrator (ORA)
Monica Ford, Chief, Commercial, Industrial, Research & Development, and Academic Branch (CIRDA), DRSS
Randy Ragland, Senior Health Physicist, CIRDA, DRSS
Marjorie Mclaughlin, Senior Enforcement Specialist, ORA
Sherlyn Haney, Acting Senior Enforcement Specialist, ORA
Timothy Hennessey, Enforcement Specialist, ORA

Office of General Counsel:
Robert Carpenter, Senior Attorney

Titan Inspection, Inc.
Daniel Schroeder, CEO

#### Attachment 2 – NRC PEC Presentation

# PRE-DECISIONAL ENFORCEMENT CONFERENCE

June 27, 2024 1:00-4:00



#### LOGISTICS

- Closed Meeting that will be transcribed
  - Transcript will be non-public, but available through FOIA
- Please turn on camera when speaking
  - State name and affiliation prior to speaking
  - When not speaking, turn off camera and mute microphone

#### **AGENDA**

Opening Remarks & Attendee Introductions

Licensee Opening Remarks

Overview of Enforcement Process

Summary of the Apparent Violation

Licensee Presentation

**NRC Caucus** 

**Closing PEC Remarks** 

P. Krohn

D. Schroeder

T. Hennessey

T. Hennessey

D. Schroeder

**NRC Staff** 

P. Krohn

#### NRC OPENING REMARKS

- Today's Pre-Decisional Enforcement Conference (PEC) with Titan Inspections, Inc. (Titan) is being conducted to discuss an apparent violation (AV) of NRC requirements.
  - The AV is related to a failure to properly conduct radiography operations while working under reciprocity at a temporary jobsite in NRC jurisdiction.

#### Please Note:

- The NRC has not made a final enforcement decision on this matter.
- This PEC is your opportunity to provide information you want the NRC to consider in making a final decision.

#### Introductions

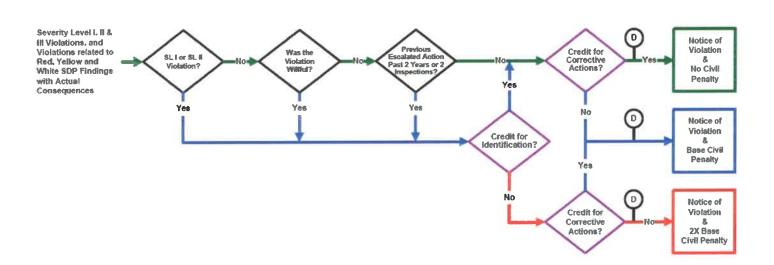
## TITAN INSPECTIONS, INC. OPENING REMARKS



#### ESCALATED ENFORCEMENT PROCESS

- NRC Enforcement Policy available at <a href="https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html">https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html</a>
- The significance of violations is assessed using Severity Levels.
  - SL I is the most significant and SL IV is the least.
  - SL I, SL II, and SL III violations are considered for escalated enforcement action.
- Factors used in determining Severity Level:
  - Actual Consequences
  - Potential Consequences
  - Impact to the Regulatory Process
  - Willfulness

### ESCALATED ENFORCEMENT PROCESS





#### ENFORCEMENT PROCESS — ROLE OF PEC

- Following this PEC, the NRC will issue the final enforcement outcome.
- A PEC is <u>not</u> a forum for negotiating the enforcement action. It is an opportunity for you to present additional information you want the NRC to consider.
- The NRC staff's final position will not be communicated today. Rather, the NRC staff at this conference will consider the information you present, in conjunction with the information from the investigation, to reach a final decision.

#### SUMMARY OF APPARENT VIOLATION

- An NRC investigation was conducted to evaluate whether employees of Titan deliberately failed to properly conduct radiography operations while working under reciprocity at a temporary jobsite in NRC jurisdiction.
- One Apparent Violation was identified:

10 CFR 34.41(a) requires, in part, that whenever radiography is performed at a location other than a permanent radiographic installation, the radiographer must be accompanied by at least one other qualified radiographer or an individual who has at a minimum met the requirements of 10 CFR 34.43(c). The additional qualified individual shall observe the operations and be capable of providing immediate assistance to prevent unauthorized entry. Radiography may not be performed if only one qualified individual is present.

Contrary to the above, on November 16, 2022, Titan Inspection, Inc. performed radiography at a location other than a permanent radiographic installation and the individual performing the radiography was not accompanied by at least one other qualified radiographer or other individual meeting, at a minimum, the requirements of 10 CFR 34.43(c). Specifically, a Titan Inspection, Inc. radiographer performed radiography at a temporary job site and was the only qualified individual present.



## TITAN INSPECTIONS, INC. PRESENTATION



## QUESTIONS & ANSWERS



### BREAK / NRC CAUCUS



## QUESTIONS & ANSWERS



## CLOSING REMARKS



#### **ENCLOSURE 2**

#### NOTICE OF VIOLATION

Titan Inspection, Inc. Montoursville, PA

License No. 37-35708-01 Docket No. 030-39345 EA-24-005

During an NRC investigation conducted between December 19, 2022, and November 2, 2023, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 34.41(a) requires, in part, that whenever radiography is performed at a location other than a permanent radiographic installation, the radiographer must be accompanied by at least one other qualified radiographer or an individual who has at a minimum met the requirements of 10 CFR 34.43(c). The additional qualified individual shall observe the operations and be capable of providing immediate assistance to prevent unauthorized entry. Radiography may not be performed if only one qualified individual is present.

Contrary to the above, on November 16, 2022, Titan Inspection, Inc. performed radiography at a location other than a permanent radiographic installation and the individual performing the radiography was not accompanied by at least one other qualified radiographer or individual who has at a minimum met the requirements of 10 CFR 34.43(c). Specifically, a Titan Inspection, Inc. radiographer willfully performed radiography at a temporary job site and was the only qualified individual present.

This is a Severity Level III violation as defined in Section 6.3.c.4.(a) of the Enforcement Policy.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was achieved, is already adequately addressed on the docket in the NRC's letter dated May 16, 2024, and in Enclosure 1 to the letter transmitting this Notice of Violation. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, (EA-24-005), and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, NRC Region I, 475 Allendale Road, Suite 102, King of Prussia, PA 19406 within 30 days of the date of the letter transmitting this Notice of Violation.

If you choose to respond, 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 Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>. 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.

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

Dated this 3rd day of September 2024