

### UNITED STATES NUCLEAR REGULATORY COMMISSION

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

January 11, 2024

IA-23-015

Jon C. O'Rullian

[NOTE: HOME ADDRESS DELETED

UNDER 10 CFR 2.390]

SUBJECT: NOTICE OF VIOLATION, NRC INVESTIGATION REPORT 4-2021-009

Dear Jon C. O'Rullian:

This letter refers to the investigation completed on May 12, 2022, by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations at Radiation Solutions, LLC (Radiation Solutions or licensee) in Sugar City, Idaho. The investigation was conducted, in part, to determine whether you, the President and Radiation Safety Officer (RSO) of Radiation Solutions, willfully failed to confine your possession and use of byproduct material to the locations and purposes authorized in your NRC license. A factual summary of the investigation, as it pertains to your actions, was issued as an enclosure to our letter dated October 27, 2023, Agencywide Documents Access and Management System (ADAMS) Accession No. ML23283A276.

In the letter transmitting the factual summary of the Office of Investigations report, we provided you with the opportunity to address the apparent violation identified in the letter by attending a predecisional enforcement conference, participating in an alternative dispute resolution mediation session, or providing a written response before we made our final enforcement decision. On December 12, 2023, a predecisional enforcement conference was conducted in Arlington, Texas with you to discuss the apparent violation, its significance, the root cause, and your corrective actions.

Based on the information developed during the investigation and the information you provided during the conference, the NRC has determined that a deliberate violation of NRC requirements occurred. The violation is cited in Enclosure 1, "Notice of Violation" (Notice). The Notice states that you deliberately violated an NRC requirement when you took possession of two cesium-137 sealed sources which were not authorized by NRC Materials License 11-35111-01.

Your deliberate actions placed the licensee in violation of Title 10 of the *Code of Federal Regulations* (10 CFR) 30.3, "Activities requiring license," (Violation A of Enclosure 2) and you in violation of 10 CFR 30.10, "Deliberate misconduct." Given the significance of the underlying issue and the deliberate nature of your actions, your violation has been categorized in accordance with the NRC Enforcement Policy at Severity Level III. The NRC Enforcement Policy is included on the NRC's website at <a href="http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html">http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html</a>.

You should be aware that if you are involved in NRC licensed activities in the future, additional deliberate violations could result in more significant enforcement action or referral to the U.S. Department of Justice for potential criminal prosecution.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Instead of providing a response to the Notice, you may request Alternative Dispute Resolution (ADR) with the NRC in an attempt to resolve this issue. This request must be made within 30 days of the issuance date of the Notice. Alternative dispute resolution is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a neutral mediator works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues.

Additional information concerning the NRC's ADR program can be found at <a href="http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html">http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html</a>. The Institute on Conflict Resolution at Cornell University has agreed to facilitate the NRC's ADR program as a neutral third party. If you are interested in pursuing this issue through the ADR program, please contact: (1) the Institute on Conflict Resolution at 877-733-9415; and (2) Dr. Lizette Roldán-Otero at 817-200-1455.

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 and from the NRC's ADAMS, accessible from the website 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 or proprietary information so that it can be made available to the public without redaction. The NRC will also make our letter dated October 27, 2023, publicly available.

The NRC includes significant enforcement actions on its website at <a href="http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions">http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions</a>. In addition, this letter and its enclosures will be maintained by the Office of Enforcement in an NRC Privacy Act system of records, NRC-3, "Enforcement Actions Against Individuals." This system, which is not publicly accessible, includes all records pertaining to individuals who are being or have been considered for enforcement action, whether such action was taken or not. Detailed information about this system of records, including the NRC-3 system notice, can be accessed from the website at <a href="http://www.nrc.gov/reading-rm/foia/privacy-systems.html">http://www.nrc.gov/reading-rm/foia/privacy-systems.html</a>.

J. O'Rullian 3

Should you have any questions concerning this matter, please contact Dr. Lizette Roldán-Otero of my staff at 817-200-1455.

Sincerely,

NAR

Signed by Monninger, John on 01/11/24

John D. Monninger Regional Administrator

#### Enclosures:

- 1. Notice of Violation
- 2. Letter to Radiation Solutions, LLC

#### NOTICE OF VIOLATION. NRC INVESTIGATION REPORT 4-2021-009 - DATED **JANUARY 11, 2024**

#### **DISTRIBUTION:**

RidsOeMailCenter Resource: RidsNmssOd Resource: RidsOgcMailCenter Resource; RidsOigMailCenter Resource: RidsSecyMailCenter Resource; RidsOcaMailCenter Resource: RidsEdoMailCenter Resource: RidsOcfoMailCenter Resource: EDO Managers; RidsRgn1MailCenter Resource; RidsOiMailCenter Resource; RidsRgn3MailCenter Resource; R4Allegation.resource **R4-ORA-ACES** R4Enforcement.resource JMonninger, ORA RAlexander, ORA DPelton, OE JLara, ORA MMadison, DRMA SLewman, OE TBloomer, DRSS JKramer, ORA PSnyder, OE R4-DRSS-MIB RAugustus, OGC JCook, DRSS RErickson, DRSS RSun, NMSS JPeralta, OE VDricks, ORA AMoreno, CA MBurgess, NMSS JGroom, ORA LWilkins, CA LRoldanOtero, DRSS JHamman, OEDO ARoberts, ORA DCylkowski, ORA

ADAMS ACCESSION NUMBER: ML23352A381

ADAMS:

**⊠SUNSI** Review:

Keyword: By: ACR □ Publicly Available □ Sensitive ES:ACES OFFICE C:MIB TL:ACES RC NMSS OE NAME **ARoberts** LRoldanOtero JGroom DCylkowski RSun JPeralta **SIGNATURE** /RA/ E /RA/ E /RA/ E /RA/ E /RA/ E /RA/ DJones for 12/19/23 12/19/23 12/20/23 12/22/23 12/27/23 DATE 12/18/23 OFFICE OGC D:DRSS RA RAugustus JMonninger NAME TBloomer SIGNATURE /NLO/ E /RA/ E /RA/ E 01/03/24 01/04/24 01/11/24 DATE

□ Non-Publicly Available

☑ Non-Sensitive

#### NOTICE OF VIOLATION

Jon C. O'Rullian [HOME ADDRESS DELETED UNDER 10 CFR 2.390]

IA-23-015

During an NRC investigation conducted from August 18, 2021, to May 12, 2022, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.10(a)(1) requires, in part, that an employee of a licensee may not engage in deliberate misconduct that causes a licensee to be in violation of any regulation.

10 CFR 30.3(a) requires, in part, 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 Chapter I.

License Condition 10 of NRC License 11-35111-01, Amendment No. 10 states that the license does not authorize the licensee to take possession of radioactive material from its clients.

Contrary to the above, on May 20, 2020, you, the owner and radiation safety officer of Radiation Solutions, LLC, engaged in deliberate misconduct that caused the licensee to be in violation of a regulation. Specifically, you deliberately caused Radiation Solutions, LLC, to be in violation of a regulation when Radiation Solutions, LLC, took possession of two cesium-137 sealed sources which were not authorized by the license.

This is a Severity Level III violation (NRC Enforcement Policy, Section 2.2.1.d).

Pursuant to 10 CFR 2.201, you are 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, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, and email it to R4Enforcement@nrc.gov 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; IA-23-01" and should include: (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 was or 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, the NRC may issue an order or a demand for information requiring you to explain why your 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, U.S. 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 <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 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 that such material is withheld from public disclosure, you <u>must</u> specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (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).

Dated this 11th day of January 2024

RADIATION SOLUTIONS, LLC – NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES – \$35,000 AND EXERCISE OF ENFORCEMENT DISCRETION, NRC INSPECTION REPORTS 030-38691/2022-001, 030-38691/2022-002, AND 030-38691/2023-001; AND INVESTIGATION REPORTS 4-2021-009 AND 4-2022-010



## UNITED STATES NUCLEAR REGULATORY COMMISSION

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

January 11, 2024

EA-22-041 EA-23-032 EA-23-106

Jon C. O'Rullian, President and Radiation Safety Officer Radiation Solutions, LLC 229 Sugar Avenue Sugar City, ID 83448

SUBJECT: RADIATION SOLUTIONS, LLC - NOTICE OF VIOLATION AND PROPOSED

IMPOSITION OF CIVIL PENALTIES - \$35,000 AND EXERCISE OF ENFORCEMENT DISCRETION, NRC INSPECTION REPORTS 030-38691/2022-001, 030-38691/2022-002, AND 030-38691/2023-001;

AND INVESTIGATION REPORTS 4-2021-009 AND 4-2022-010

Dear Jon C. O'Rullian:

This letter refers to investigations conducted by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations. The purpose of these investigations was to determine whether an official at Radiation Solutions, LLC, willfully failed to confine the possession and use of byproduct material to the locations and purposes authorized in NRC License No. 11-35111-01. Investigation 4-2021-009 was initiated on August 18, 2021, and completed on May 12, 2022. Investigation 4-2022-010 was initiated on March 11, 2022, and completed on March 8, 2023.

This letter also refers to the announced routine inspection conducted on January 27, 2022, at your facility in Sugar City, Idaho, with continued in-office review through September 27, 2023. The purpose of the inspection was to examine your licensed activities as they relate to public health and safety and to the NRC rules and regulations.

The results of the investigations and inspection were discussed with you during a telephone conversation on October 5, 2023. A factual summary of Investigation 4-2021-009 was issued as an enclosure to our letter dated October 27, 2023, Agencywide Documents Access and Management System (ADAMS) Accession No. ML23283A331.

In the October 27, 2023, letter transmitting the inspection report, we informed you that two apparent violations were being considered for escalated enforcement action. In the letter, we provided you the opportunity to address the apparent violations identified in the report by either attending a predecisional enforcement conference or by engaging the NRC in alternative dispute resolution mediation before we made our final enforcement decision. On December 12, 2023, a closed predecisional enforcement conference was conducted at the Region IV office with you to discuss the apparent violations, their significance, their root causes, and your corrective actions.

Based on the information developed during the investigations, the inspection and in-office review by the inspection staff, and the information provided during the conference, the NRC has determined that two violations of NRC requirements occurred. Please note that the characterization of the Violation B examples has changed slightly from those described in our October 27, 2023, letter. The NRC considers these changes administrative in nature to provide additional clarity and better reflect the dates and circumstances of the violation examples. These violations are cited in Enclosure 1, "Notice of Violation and Proposed Imposition of Civil Penalties" (Notice), and the circumstances surrounding them are described in detail in the subject inspection report. The violations involved: (A) the deliberate failure to confine possession and use of byproduct material to the locations and purposes authorized in NRC License No. 11-35111-01, and (B) the failure to confine possession and use of byproduct material to the locations and purposes authorized in NRC License No. 11-35111-01.

The NRC considers both Violations A and B to be significant violations because the possession and use of radioactive isotopes, devices, and sources that you are not authorized to use or handle could lead to significant safety consequences, and the conduct of licensed activities outside the scope of your license, including at locations not authorized on the license, prevents the NRC from performing an adequate inspection of these activities. In addition, Violation A involved deliberate misconduct on the part of a licensee official. Therefore, these violations have been categorized in accordance with the NRC Enforcement Policy at Severity Level III. The current Enforcement Policy is included on the NRC's website at <a href="http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html">http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html</a>.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$8,750 is considered for each Severity Level III violation.

For Violation A, because your facility is the subject of a willful escalated enforcement action, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* credit in accordance with the civil penalty assessment process in Section 2.3.4 of the NRC Enforcement Policy. The NRC determined that *Identification* credit is not warranted because the NRC staff identified the violation. The NRC also determined that *Corrective Action* credit is not warranted. The *Corrective Action* credit evaluation is documented in Enclosure 2, "Corrective Action Credit Evaluation." To emphasize the importance of a willful enforcement action, possession of materials in a manner not authorized by your license, and the failure to identify and perform comprehensive corrective actions, I have been authorized, after consultation with the Director, Office of Enforcement, to issue a civil penalty for twice the base amount (i.e., \$17,500) for Violation A.

For Violation B, because your facility has not been the subject of escalated enforcement actions within the last two inspections, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the NRC Enforcement Policy. The NRC determined that for Violation B, *Corrective Action* credit is not warranted. The *Corrective Action* credit evaluation is documented in Enclosure 2. For a Severity Level III violation without credit for *Corrective Action*, and in recognition of your particularly poor performance and the numerous examples of the possession and use of materials in a manner not authorized by your license, I have been authorized, after consultation with the Director, Office of Enforcement, to exercise enforcement discretion, in accordance with Section 3.6 of the NRC Enforcement Policy, and issue a civil penalty for twice the base amount, (i.e., \$17,500) for Violation B.

In summary, the NRC is issuing the enclosed Notice of Violation and Proposed Imposition of Civil Penalties in the amount of \$17,500 for Violation A and \$17,500 for Violation B, for a total of \$35,000 in civil penalties.

You may choose to pay the proposed civil penalties by submitting your payment with the invoice enclosed to this letter (Enclosure 3), to the following address:

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

In addition, you may pay the proposed civil penalties in accordance with NUREG/BR-0254 "Payment Methods," Enclosure 4 or ADAMS Accession No. ML19163A244. When using NUREG/BR-0254 to pay the civil penalties, the bill number, EA-22-041, EA-23-032, EA-23-106, should be used as the "enforcement action identifier" when submitting your payment through one of the approved methods listed in the brochure. The NRC may consider a request for additional time to pay the proposed civil penalties, including the option to enter into an installment agreement, if payment of the civil penalties as a lump sum in the required timeframe would pose a financial hardship. To request additional time to pay, you must submit a written request, with appropriate justification explaining your financial hardship, to <a href="https://www.nccentral.org/nrc.gov">NRCCollections.Resource@nrc.gov</a>. All requests should be submitted in sufficient time to allow the NRC the ability to review your request for additional time to pay before the 30-day payment period expires.

If you disagree with this enforcement sanction, you may deny one or more of the violations, as described in Enclosure 1, or you may request alternative dispute resolution (ADR) mediation with the NRC to resolve this issue. Alternative dispute resolution is a general term encompassing various techniques for resolving conflicts using a neutral third party. The technique that the NRC has decided to employ is mediation. Mediation is a voluntary, informal process in which a neutral mediator works with parties to help them reach resolution. If the parties agree to use ADR, they select a mutually agreeable neutral mediator who has no stake in the outcome and no power to make decisions. Mediation gives parties an opportunity to discuss issues, clear up misunderstandings, be creative, find areas of agreement, and reach a final resolution of the issues.

Additional information concerning the NRC's ADR program can be found at <a href="http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html">http://www.nrc.gov/about-nrc/regulatory/enforcement/adr.html</a>. The Institute on Conflict Resolution at Cornell University has agreed to facilitate the NRC's ADR program as a neutral third party. If you are interested in pursuing this issue through the ADR program, please contact: (1) the Institute on Conflict Resolution at 877-733-9415; and (2) Lizette Roldán-Otero at 817-200-1455 within 10 days of the date of this letter. Your submitted signed agreement to mediate using the NRC ADR program will stay the 30-day period for payment of the civil penalties, as identified in Enclosure 1, until the ADR process is completed.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. 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 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," 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 and from the NRC's ADAMS, accessible from the NRC website 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 or proprietary information so that it can be made available to the public without redaction. The NRC also includes significant enforcement actions on its website at <a href="http://www.nrc.gov/reading-rm/doccollections/enforcement/actions">http://www.nrc.gov/reading-rm/doccollections/enforcement/actions</a>.

Should you have any questions concerning this matter, please contact Dr. Lizette Roldán-Otero of my staff at 817-200-1455.

Sincerely,

Signed by Monninger, John on 01/11/24

John D. Monninger Regional Administrator

Docket No. 030-38691 License No. 11-35111-01

#### **Enclosures:**

- Notice of Violation and Proposed Imposition of Civil Penalties
- 2. Corrective Action Credit Evaluation
- 3. Civil Penalty Invoice
- 4. NUREG/BR-0254 "Payment Methods"

cc w/ enclosures: Landry Austin INL Oversight Program Manager Idaho Department of Environmental Quality 900 North Skyline Drive, Suite B Idaho Falls, ID 83402 RADIATION SOLUTIONS, LLC - NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES - \$35,000 AND EXERCISE OF ENFORCEMENT DISCRETION, NRC INSPECTION REPORTS 030-38691/2022-001, 030-38691/2022-002, AND 030-38691/2023-001; AND INVESTIGATION REPORTS 4-2021-009 AND 4-2022-010 - DATED JANUARY 11, 2024

#### **DISTRIBUTION:**

RidsOeMailCenter Resource;
RidsSecyMailCenter Resource;
RidsEdoMailCenter Resource;
RidsOiMailCenter Resource;
R4Allegation.resource
JMonninger, ORA
JLara, ORA
TBloomer, DRSS
R4-DRSS-MLB
RSun, NMSS
VDricks, ORA
JGroom, ORA
JHamman, OEDO
LSaah, OCFO

RidsNmssOd Resource; RidsOcaMailCenter Resource; EDO\_Managers; RidsRgn1MailCenter Resource; R4-ORA-ACES RAlexander, ORA MMadison, DRMA JKramer, ORA RAugustus, OGC JPeralta, OE AMoreno, CA LWilkins, CA ARoberts. ORA

R4-DRSS-MIB

RidsOgcMailCenter Resource; RidsOigMailCenter Resource; RidsOcfoMailCenter Resource; RidsRgn3MailCenter Resource; R4Enforcement.resource DPelton, OE SLewman, OE PSnyder, OE JCook, DRSS

RErickson, DRSS

MBurgess, NMSS

DCylkowski, ORA

KGamin, OGC

LRoldanOtero, DRSS

ADAMS ACCESSION NUMBER: MI 23349A189

ADAMS ACCESSION NUMBER. WILZSS43A 103							
SUNSI Review		ADAMS	☑ Publicly Available		☑ Non-Sensitive	Keyword:	
By: ACR		Yes □ No	☐ Non-Publicl	y Available	□ Sensitive		
OFFICE	ES:ACES	C:MIB	TL:ACES	RC	NMSS	OE	
NAME	ARoberts	LRoldanOtero	JGroom	DCylkowski	RSun	JPeralta	
SIGNATURE	/RA/ E	/RA/ E	/RA/ E	/RA/ E	/RA/ E	/RA/ DJones for	
DATE	12/15/23	12/19/23	12/15/23	12/19/23	12/22/23	12/27/23	
OFFICE	OGC	D:DRSS	RA				
NAME	RAugustus	TBloomer	JMonninger				
SIGNATURE	/NLO/ E	/RA/ E	/RA/ E				
DATE	01/03/24	01/03/24	01/11/24				

#### OFFICIAL RECORD COPY

## NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTIES

Radiation Solutions, LLC Sugar City, Idaho

Docket No. 030-38691 License No. 11-35111-01 EA-22-041, EA-23-032, EA-23-106

During NRC investigations conducted from August 18, 2021, to May 12, 2022, and from March 11, 2022, to March 8, 2023, and during an NRC inspection conducted on January 27, 2022, with continued in-office review through September 27, 2023, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the NRC proposes to impose civil penalties pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205. The particular violations and associated civil penalties are set forth below:

A. 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 Chapter I.

License Condition 10 of NRC License 11-35111-01, Amendment No. 10, states that the license does not authorize the licensee to take possession of radioactive material from its clients.

Contrary to the above, on May 20, 2020, Radiation Solutions, LLC, received and possessed byproduct material not authorized in a specific or general license issued in accordance with the regulations in Chapter I. Specifically, Radiation Solutions, LLC, deliberately received and took possession of two cesium-137 sealed sources at its facility. The cesium-137 sources contained approximately 5.47 millicurie (mCi) and 5.29 mCi, and the licensee was not authorized by its license to possess this byproduct material.

This is a Severity Level III violation (Enforcement Policy Section 6.3.c.11(c)). Civil Penalty - \$17,500.

B. 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 Chapter I.

License Condition 10 of NRC License 11-35111-01, Amendment Nos. 2 through 10, states that this license does not authorize the licensee to take possession of radioactive material from its clients.

Contrary to the above, Radiation Solutions, LLC, received, possessed, and used byproduct material not authorized in a specific or general license issued in accordance with the regulations in Chapter I, as evidenced by the following eight examples:

1. From February 12, 2020, to May 21, 2021, Radiation Solutions, LLC, received, possessed, and used approximately 2.47 curies of cesium-137 in the form of sealed sources at the Radiation Solutions, LLC, facility, a location that was not authorized in the NRC license.

- 2. On or about May 13, 2020, Radiation Solutions, LLC, received, possessed, and used approximately 4.87 mCi of californium-252 in the form of sealed sources at the Radiation Solutions, LLC, facility, a location that was not authorized in the NRC license.
- 3. From February 11 to June 7, 2021, Radiation Solutions, LLC, received, possessed, and used approximately 2.27 mCi of cobalt-60 in the form of sealed sources at the Radiation Solutions, LLC, facility, a location that was not authorized in the NRC license.
- 4. From May 17, 2021, to June 7, 2021, Radiation Solutions, LLC, received, possessed, and used approximately 150 mCi of nickel-63 in the form of sealed sources at the Radiation Solutions, LLC, facility, a location that was not authorized in the NRC license.
- 5. From September 28 to December 28, 2021, Radiation Solutions, LLC, received, possessed, and used approximately 100 mCi of strontium-90, in the form of a sealed source. The Radiation Solutions, LLC, license did not authorize the licensee to use, receive, or possess strontium-90 sealed sources, at any location or in any form, except for possession incident to performing leak test and sample analysis.
- 6. From October 26, 2016, to July 30, 2021, Radiation Solutions, LLC, received, possessed, and used 313 carbon-14 sealed sources for disposal, each with a nominal activity of 60 microcuries. The Radiation Solutions, LLC, license did not authorize the licensee to use, receive, or possess carbon-14 sealed sources, at any location or in any form, except for possession incident to performing leak test and sample analysis.
- 7. In or about December 2017, Radiation Solutions, LLC, packaged a Metorex (Oxford Instruments America, Inc.) Model HEPS X-ray fluorescence probe. The probe contained an approximately 60 mCi curium-244 sealed source. The Radiation Solutions, LLC, license did not authorize the licensee to use, remove, transfer for disposal, or package devices containing curium-244 sealed sources.
- 8. In or about April 2018, Radiation Solutions, LLC, used or provided service for a Texas Nuclear Model 5020 neutron backscatter gauging device containing an approximately 200 mCi americium-241/beryllium sealed source. The Radiation Solutions, LLC, license did not authorize the licensee to use or provide service for this manufacturer and model number device, Texas Nuclear Model 5020 neutron backscatter gauging device.

This is a Severity Level III violation (Enforcement Policy Section 6.3.c.11(c)). Civil Penalty - \$17,500.

Pursuant to 10 CFR 2.201, Radiation Solutions, 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 Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, and email it to R4Enforcement@nrc.gov within 30 days of the date of the letter transmitting this Notice of Violation and Proposed Imposition of Civil Penalties (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation and Proposed Imposition of Civil Penalties, EA-22-041, EA-23-032, EA-23-106" and should include for each 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 was or 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, the NRC may issue an order or a demand for information requiring you to explain why your 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, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

You may pay the civil penalties proposed above through one of the following two methods:

1. Submit the payment with the enclosed invoice for Civil Penalties EA-22-041, EA-23-032, EA-23-106, issued to Radiation Solutions, LLC, 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.

You may protest the imposition of the civil penalties in whole or in part, by a written answer addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, within 30 days of the date of this Notice. Should you elect to file an answer in accordance with 10 CFR 2.205 protesting the civil penalties, in whole or in part, such answer should be clearly marked as an "Answer to a Notice of Violation, EA-22-041, EA-23-032, EA-23-106," and may: (1) deny the violation(s) listed in this Notice, in whole or in part; (2) demonstrate extenuating circumstances; (3) show error in this Notice; or (4) show other reasons why the penalties should not be imposed. In addition to protesting the civil penalties in whole or in part, such answer may request remission or mitigation of the penalties. Should you fail to answer or pay the civil penalties within 30 days of the date of this Notice, the NRC may issue an order imposing the civil penalties.

In requesting mitigation of the proposed penalties, the response should address the factors addressed in Section 2.3.4 of the Enforcement Policy. Any written answer addressing these factors pursuant to 10 CFR 2.205 should be set forth separately from the statement or explanation provided pursuant to 10 CFR 2.201 but may incorporate parts of the 10 CFR 2.201 reply by specific reference (e.g., citing page and paragraph numbers) to avoid repetition. The attention of the licensee is directed to the other provisions of 10 CFR 2.205 regarding the procedure for imposing a civil penalty.

Upon failure to pay any civil penalties which subsequently have been determined in accordance with the applicable provisions of 10 CFR 2.205 to be due, this matter may be referred to the Attorney General, and the penalties, unless compromised, remitted, or mitigated, may be collected by civil action pursuant to Section 234c of the Act, 42 U.S.C. 2282c.

The responses noted above, i.e., "Reply to a Notice of Violation, EA-22-041, EA-23-032, EA-23-106" and "Answer to a Notice of Violation, EA-22-041, EA-23-032, EA-23-106," should be addressed to: Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, and a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, and emailed to R4Enforcement@nrc.gov.

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 <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 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 that such material is withheld from public disclosure, you <u>must</u> specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (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).

In accordance with 10 CFR 19.11, you are required to post this Notice within 2 working days of receipt.

Dated this 11th day of January 2024

#### CORRECTIVE ACTION CREDIT EVALUATION

The NRC performed a *Corrective Action* credit evaluation of the Severity Level III violations identified in the cover letter and in Enclosure 1 as part of the civil penalty assessment process in Section 2.3.4 of the NRC Enforcement Policy.

The purpose of the *Corrective Action* factor is to encourage licensees to: (1) take the immediate actions necessary upon discovery of a violation that will restore safety, security, and compliance with the license, regulation(s), or other requirement(s) and (2) develop and implement (in a timely manner) the lasting actions that will not only prevent recurrence of the violation at issue, but will be appropriately comprehensive, given the significance and complexity of the violation, to prevent occurrence of violations with similar root causes.

Regardless of other circumstances (e.g., past enforcement history, identification), the NRC evaluates the licensee's corrective actions as part of the civil penalty assessment process. As a reflection of the importance given to this factor, an NRC judgment that the licensee's corrective action has not been prompt and comprehensive will result in the issuance of civil penalty.

In assessing the *Corrective Action* factor, the NRC considers the timeliness of the corrective action (including the promptness in developing the schedule for long-term corrective action), the adequacy of the licensee's root cause analysis for the violation, and, given the significance and complexity of the issue, the comprehensiveness of the corrective action (i.e., whether the action is focused narrowly on the specific violation or broadly on the general area of concern).

#### **Corrective Action Evaluation:**

For both Violations A and B, while the licensee did obtain possession limits for some of the isotopes that were the subject of Violation B, additional corrective actions to ensure compliance with these possession limits were not robust or comprehensive. When reviewing the "Gauge Spreadsheet" tracking tool provided by the licensee, the NRC identified some discrepancies in the spreadsheet when compared with the license authorizations. For example, the licensee's spreadsheet did not contain all the isotopes listed on the license, some model numbers of devices were mislabeled, some model numbers were omitted, and one series of devices states that it was authorized for 500 millicuries, whereas the license only authorizes 900 microcuries.

Further, the licensee was unable to describe any internal company procedures and processes that have been developed to effectively implement these measures. As the licensee has recently brought on additional staff members, having robust policies and procedures as well as training on these matters is critical for compliance. The licensee lacked specific details regarding how it will document its licensed activities in a manner that will demonstrate to inspectors that the activities performed, and isotopes, material form, quantities handled, and locations of use were authorized by the license. Radiation Solutions, LLC, (licensee) also did not provide any corrective actions to address wrongdoing, one of the underlying causes of Violation A.

Finally, at the December 12, 2023, predecisional enforcement conference, the NRC noted that the licensee demonstrated continued misunderstanding of some NRC requirements that were used as justification for possessing material not authorized on their license (e.g., exempt quantities of materials, naturally occurring radioactive material, temporary job sites). These knowledge gaps were a fundamental cause of the apparent violations described in the NRC's choice letter, and given the licensee's continued knowledge deficiencies of these requirements,

the NRC lacked confidence in Radiation Solutions' ability to implement appropriate long-term corrective actions.

#### **Corrective Action Credit Conclusion:**

The NRC concluded that for both of the Severity Level III violations, *Corrective Action* credit is not warranted because corrective actions were not comprehensive.

Civil Penalty Invoice



Radiation Solutions, LLC 229 Sugar Ave Sugar City, ID 83448



#### Address/Customer Information

Radiation Solutions, LLC 229 Sugar Ave Sugar City, ID 83448

#### **Customer Codes**

Account Code: L000000868/1

#### **Bill Information**

Bill Number: EA-22-041 Amount Due: \$35.000.00

#### **Contact Us**

Phone Number: 301-415-7554 Fax Number: 301-415-4135

Email Address: Fees.Resource@nrc.gov

#### **Remit to Address**

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

#### **Bill Summary**

Initial Charges	\$35,000.00
Discount	0.00
Surcharge	0.00
Interest Charges	0.00
Penalty Charges	0.00
Admin Charges	0.00
Bill Amount	\$35,000.00
Collected	0.00
Applied Credit	0.00
Adjustments	0.00
Amount Due	\$35,000.00

#### **Credit Summary**

Applied Credit	\$0.00
Unapplied Credit	0.00
Credit Total	\$0.00

#### Comments:

For questions, contact the NRC Financial Services and Operations Branch at (301) 415-7554 or by email at Fees.Resource@nrc.gov. For NRC debt collection procedures, including interest and penalty provisions, see 31 U.S.C. 3717, 4 CFR 101-105 and 10 CFR 15. If this invoice is related to an Order Imposing a Civil Penalty, Radiation Solutions, LLC is required to pay the Civil Penalty within 30 days of the Order date. If payment is in response to a Notice of Violation and Proposed Imposition of a Civil Penalty, please follow the instructions in the Notice. The NRC may consider a request for additional time to pay the Civil Penalty, including the option to enter into an installment agreement, if appropriate. All requests for additional time to pay an invoice must be submitted in writing, with appropriate justification, to NRCCollections.Resource@nrc.gov, and should be submitted sufficiently ahead of time to allow the NRC time to review the request for additional time to pay within the 30-day payment period. This Invoice is related to the Civil Penalty proposed or imposed under EA-22-041 issued to Radiation Solutions, LLC. Please include this reference number on your payment method (see attached Payments Methods Brochure).

# L000000868/1 Radiation Solutions, LLC 229 Sugar Ave Sugar City, ID 83448 Change of Address: This Payment References the following Bill: EA-22-041 Outstanding Amount Due: \$35,000.00 Amount Enclosed:

**Remittance Information** 

**Customer Information** 

NUREG/BR-0254 Payment Methods

#### QUESTIONS?

If you have questions, please visit https://www.nrc.gov and search for

Questions may also be directed to the NRC Accounts Receivable Help Desk by sending an e-mail to nrc@fiscal.treasury.gov, by calling (301) 415-7554, or by writing to the address below:

U.S. NUCLEAR REGULATORY COMMISSION OCFO/DOC/LAFBB Washington, DC 20555-0001





# Payment Methods

See.

....

U.S. NUCLEAR REGULATORY COMMISSION OCFO/DOC/LAFBB Washington, DC 20555-0001 PH (301) 415-7554



NUREG/BR-0254, Rev. 11 October 2023

STAY CONNECTED













...  APPROVED BY OMB NO. 3150-0190

Paperwork Reduction Act This NUREG/BR provides guidance for completing the voluntary information collection in NRC Form 629. The estimated burden per response for completing NRC Form 629 is 10 minutes. This information collection was approved by the Office of Management and Budget (OMB), approval numbers 3150-0190. Send comments regarding this information collection to the FOIA, Library, and Information Collections Branch (T6-A10M), U.S. Nuclear Regulatory Commission, Washington, DC 20555 0001, or by e mail to Infocollects.Resource@nrc.gov, and to the OMB reviewer at: OMB Office of Information and Regulatory Affairs (3150-0190), Attn: Desk Officer for the Nuclear Regulatory Commission, 725 17th Street, NW Washington, DC 20503; e mail: oira submission@omb.eop.gov.

Public Protection Notification The NRC may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the document requesting or requiring the collection displays a currently valid OMB control number.

The NRC accepts the methods described below.

#### PAYMENT BY AUTOMATED **CLEARINGHOUSE**

To pay by Automated Clearinghouse/Electronic Data Interchange (ACH/EDI). provide a copy of NRC Form 628 to your financial institution. You may obtain a copy of NRC Form 628 from the NRC Web site at http://www.nrc.gov by searching for "NRC Form 628." You can also obtain a form by calling the NRC Accounts Receivable Help Desk at (301) 415-7554.

#### PAYMENT BY CREDIT CARD

The NRC currently accepts credit card payments of up to \$24,999.99. For payment by credit card, go to Pay.gov, search for "U.S. Nuclear Regulatory Commission Fees." and enter the required information.









You may also mail or fax NRC Form 629 following the directions on the form. To obtain a copy of NRC

Form 629, go to http://www.nrc.gov and search for "NRC Form 629" or call the NRC Accounts Receivable Help Desk at (301) 415-7554.

#### PAYMENT BY DIGITAL WALLET

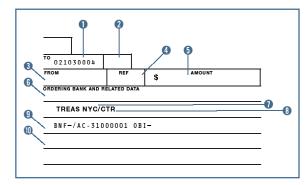
The NRC currently accepts payments of up to \$10,000.00. For payment by PavPal and Amazon Pav. go to Pav.gov. search for "U.S. Nuclear Regulatory Commission Fees." and enter the required information.





The NRC can receive funds through the U.S. Department of the Treasury (Treasury) Fedwire Deposit System. The basic wire message format below complies with the Federal Reserve Board's standard structured third-party format for all electronic funds transfer (EFT) messages.

See the sample EFT message to Treasury below. Each numbered field is described below.



- RECEIVER-DFI#—Treasury's ABA number for deposit messages is 021030004.
- TYPE-SUBTYPE-CD-The sending bank will provide the type and subtype code.
- SENDER-DFI#-The sending bank will provide this number.
- 4 SENDER-REF#—The sending bank will insert this 16-character reference number at its discretion.
- **6 AMOUNT**–The transfer amount must be punctuated with commas and a decimal point; use of the "\$" is optional. The depositor will provide this item.
- 6 SENDER-DFI-NAME-The Federal Reserve Bank will automatically insert this information.
- RECEIVER-DFI-NAME-Treasury's name for deposit messages is "TREAS NYC". The sending bank will enter this name.
- 8 PRODUCT CODE-A product code of "CTR" for customer transfer should be the first item in the reciever text field. Other values may be entered, if appropriate. using the ABA's options. A slash must be entered after the product code.
- 9 AGENCY LOCATION CODE (ALC)-THIS ITEM IS OF CRITICAL IMPORTANCE. IT MUST APPEAR ON THE FUNDS TRANSFER DEPOSIT MESSAGE IN THE PRECISE MANNER AS STATED TO ALLOW FOR THE AUTOMATED PROCESSING AND CLASSIFICATION OF THE FUNDS TRANSFER MESSAGE TO THE AGENCY LOCATION CODE OF THE APPROPRIATE AGENCY. The ALC identification sequence can, if necessary, begin on one line and end on the next line; however, the field tag "BNF=" must be on one line and cannot contain any spaces. The NRC's eight-digit ALC is: BNF=/AC-31000001
- THIRD-PARTY INFORMATION—The Originator to Beneficiary Information (OBI) field tag "OBI=" signifies the beginning of the free-form third-party text. All other identifying information intended to enable the NRC to identify the deposit—for example, NRC annual fee invoice number, description of fee, 10 CFR Part 171 annual fee, and licensee name—should be placed in this field

The optimum format for fields 7, 8, 9, and 10 using an eight-digit ALC is as

TREAS NYC/CTR/BNF=/AC-31000001 OBI=

The optimum format, shown above, will allow 219 character positions of information following the "OBI=" indicator.

If the licensee's bank is not a member of the Federal Reserve System, the nonmember bank must transfer the necessary information and funds to a member bank, which then must transfer the information and funds to the local Federal Reserve Bank.

For a transfer of funds from local Federal Reserve Banks to be recorded on the same day, the transfer must be received at the New York Federal Reserve Bank by 4 p.m., EST. Otherwise, the deposit will be recorded on the next

#### PAYMENT BY CHECK

Checks should be made payable to the U.S. Nuclear Regulatory Commission with the invoice number. Enforcement Action number, or other information that identifies the payment written on the check. Mail the check to the following address:

U.S. Nuclear Regulatory Commission

U.S. Bank

P.O. Box 979051

St. Louis, MO 63197-9000

FedEx or overnight mailings must be delivered to the following address:

U.S. Nuclear Regulatory Commission

U.S. Bank

SL-MO-R1GL

3180 Rider Trail S.

Earth City, MO 63045

#### TAXPAYER IDENTIFICATION NUMBER

You must file your Taxpayer Identification Number (TIN) with the NRC. Use NRC Form 531 to provide your TIN. You may obtain NRC Form 531 from the NRC Web site at http://www.nrc.gov by searching for "NRC Form 531" or by calling the NRC Accounts Receivable Help Desk at (301) 415-7554.