



NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

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NRC ISSUES CONFIRMATORY ORDER TO CAN USA, INC. AFTER AGREEMENT IS REACHED UNDER ALTERNATE DISPUTE RESOLUTION

CAN USA, Inc., (CAN USA) has agreed to pay a \$7,000 fine and implement a series of corrective actions related to the safe use of radiography equipment on offshore facilities under an agreement reached with the Nuclear Regulatory Commission.

The settlement with CAN USA was achieved under the NRC's Alternative Dispute Resolution (ADR) process, which was initiated at the request of CAN USA. The objective was to reach a preliminary settlement agreement and address four apparent violations that were identified in an inspection report following a June 12, 2008, incident onboard a Chevron USA offshore platform involving a two-person radiography crew. On Jan. 27, 2010, the NRC shared results of its special inspection and investigation with CAN USA.

In addition, the NRC found that willfulness may have been involved in that two radiography personnel failed to follow proper procedures when conducting radiographic operations to produce industrial radiographs of piping on the oil and gas platform. In addition to not following proper safety related operating procedures, a radiographer failed to supervise and maintain direct supervision of a radiographer's assistant, and radiography personnel failed to control and maintain constant surveillance of licensed material left in an uncontrolled area.

In response to the report, CAN USA informed the agency on February 18, 2010, that they were interested in the use of the ADR session to resolve the matter. ADR is a process in which a neutral mediator with no decision-making authority assists the parties in reaching an agreement or resolving any differences regarding a dispute.

An ADR mediation session took place on March 9, 2010, and led to an agreement which is detailed in the Confirmatory Order issued April 16, 2010 by the NRC. Under the agreement, CAN USA's actions will include the following:

- Develop and implement a procedure for additional oversight of radiography crews on offshore facilities
- Train employees on the use of radiography equipment and completing a checklist before being allowed to participate on offshore operations
- Develop and implement new or improved operating procedures and provide training to new employees about these procedures
- Develop and implement a written agreement outlining the safe use of radiography equipment with the owner and operators of offshore facilities.

In recognition of these actions, the NRC has agreed to not pursue any further enforcement action in connection with NRC's investigation of this incident.

Copies of the enforcement actions will be posted on the NRC web site at:
<http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions>.

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