



North Carolina Department of Environment and Natural Resources
Division of Environmental Health
Radiation Protection Section

To: Lohaus STP
Appropriate Action

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February 15, 2005

Martin J. Virgilio, Deputy Executive Director
Materials, Research and State Programs
US Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: Response to the North Carolina August 16-20, 2004 IMPEP Recommendations

Dear Mr. Virgilio:

I want to apologize for the untimely response to your letter dated November 30, 2004. I mistakenly thought my comments during the Management Review Board (MRB) meeting satisfied your response requirements in the letter identified above. This letter will serve to formalize those comments to your recommendations including updates since the MRB.

Recommendation:

"The review team recommends that the Branch develop and implement a reliable and comprehensive licensing and inspection, and SS&D product evaluation database that serves as an effective planning, tracking and management tool."

Response:

At the time of the IMPEP, the Radiation Protection Section (RPS) was running all of its database applications from the oldest data server. End-users were accessing and writing data using any of the 5 operating systems deployed at that time. These circumstances lead to erroneous data writing and even data corruption in some cases. Our reporting and tracking system, which is based on this suspect data, was found to be unreliable by the IMPEP team. RPS has now purchased a new data server and will migrate all database applications to the new server. Currently, there are now 2 end-user operating systems running and we have also purchased upgrades to the database software. We expect to complete beta testing and implementing this new configuration by March 31, 2005.

The Branch is currently revising its coding system and inspection frequencies to identify core licensees the same as those identified as priority 1, 2 and 3 by the NRC. This will allow the Branch to accurately track licensing and inspection activities. The Branch is also implementing a code change for new licenses identifying initial inspections. This new system will identify priority 1, 2 and 3 licensees and new licensees and their corresponding inspection due dates consistent with the expectations of the NRC. The implementation of this phase will be completed by April 30, 2005.

The SS&D product evaluation database has been developed and is currently being tested. This database will be fully implemented by April 30, 2005.

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Recommendation:

"The review team recommends that the Branch assess their licensing quality control process and tools to improve the accuracy and consistency of licensing actions."

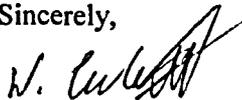
Response:

Since the IMPEP, the Branch has been addressing this recommendation in several different ways. It was identified that the staff did not feel they had sufficient time to ensure and build-in the needed quality improvements. To address this, the staff's work plans have been modified to allow for more time for licensing actions. It was identified that SS&D evaluations were not routinely being reviewed for licensing requests that may require such action. To address this, all licensing actions that would require such evaluation review now must be accompanied by the SS&D registration. The quality assurance reviewer checklists for the respective licensing actions will be modified to include verification that the registration sheet has been reviewed by the staff member. It was also identified that additional errors were found with quantities and types of isotopes, user material authorization and a financial assurance standard condition used when not applicable. These issues have been addressed through more stringent supervisor review of documents and will further be tightened through additional modifications to the quality assurance reviewer checklists.

Lastly, there was a general comment as to NC licensing documents containing standard conditions in need of updating. We are committed to accomplishing this and are currently reviewing NRC standard conditions found in NUREG 1556, Volume 20, Appendix E. This will be an ongoing process, but all categories of specific licensing templates will be completed with these revisions by December 31, 2005.

Thank you for the opportunity to comment and respond to the IMPEP team's recommendations. I want to congratulate your team on helping North Carolina become a better Agreement State Program for the health and safety of its citizens with regards to radiation hazards.

Sincerely,



W. Lee Cox, III, Manager
Radioactive Materials Branch

wlc