



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

**OFFICE OF THE
INSPECTOR GENERAL**

August 27, 2012

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
ISSUANCE OF GENERAL LICENSES (OIG-12-A-14)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS,
WASTE, RESEARCH, STATE, TRIBAL, AND COMPLIANCE
PROGRAMS, OFFICE OF THE EXECUTIVE DIRECTOR
FOR OPERATIONS, MEMORANDUM DATED
AUGUST 14, 2012

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated August 14, 2012. Based on this response, recommendations 1, 2, 3, and 4 are in resolved status. Please provide an updated status of the recommendations by March 1, 2013.

If you have any questions or concerns, please call me at 415-5915 or Sherri Miotla, Team Leader, at 415-5914.

Attachment: As stated

cc: N. Mamish, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S ISSUANCE OF GENERAL LICENSES

OIG-12-A-14

Status of Recommendations

Recommendation 1: Contact current general licensees with general licensed devices containing IAEA Code of Conduct Category 1, 2, or 3 sources, within 180 days, to encourage the general licensee to transfer the device(s) to a specific license(s).

Agency Response Dated
August 14, 2012:

Agree. Staff will identify, verify, and tabulate the GLs with GLDs in their possession that contain IAEA Category 1, 2, or 3 sources of byproduct material. The staff will then contact the identified GLs and explore with them options for converting these GLDs to an existing specific license and, where appropriate, encourage the licensee to obtain a new specific license.

Target Completion Date: Staff will complete this action and document the results in a summary report by January 15, 2013.

Point of Contact: Ujagar Bhachu, FSME.

OIG Analysis: The proposed actions meet the intent of the recommendation. OIG will close this recommendation when it receives and reviews a summary report documenting the results of this action.

Status: Resolved.

Audit Report

AUDIT OF NRC'S ISSUANCE OF GENERAL LICENSES

OIG-12-A-14

Status of Recommendations

- Recommendation 2: Visit all general licensees currently in possession of general licensed devices containing IAEA Category 1, 2, or 3 sources within 2 years. Focus such visits on:
- Reviewing records of leak testing and proper operations of open-close mechanisms and indicators.
 - Device use, installations, maintenance and repair to determine that the devices are being used within authorized parameters.

Agency Response Dated
August 14, 2012:

Agree. The staff will develop a plan, with guidelines and expected outcomes, for visiting the 13 NRC GLs in possession of 32 GLDs (fixed gauges) containing IAEA Category 3 sources. The staff will also identify the manufacturers/distributors of the GLDs and summarize pertinent data for all models of GLDs (fixed gauges) identified in the OIG audit report. The summary report of the data will be prepared.

Target Completion Date: July 31, 2014.

Point of Contact: Ujagar Bhachu, FSME.

OIG Analysis: The proposed action meets the intent of the recommendation. OIG will close this recommendation when it receives and reviews a summary report documenting the results of this action.

Status: Resolved.

Audit Report

AUDIT OF NRC'S ISSUANCE OF GENERAL LICENSES

OIG-12-A-14

Status of Recommendations

Recommendation 3: Monitor agency records for 2 years to identify new general licensees entering the marketplace and visit those in possession of IAEA Category 1, 2, or 3 general licensed devices to ensure that devices are properly installed and that general licensees have adequate understanding of the relevant regulations and their responsibilities.

Agency Response Dated
August 14, 2012:

Agree. Staff will develop a General Licensing Tracking System (GLTS) query for identifying new GLDs (fixed gauges) that contain Category 1, 2, or 3 sources entering the market place. The newly developed query will be run in GLTS every quarter for the next 2 years.

The staff will visit those general licensees to ensure that devices are properly installed and that the licensees have adequate understanding of the regulations and their responsibilities. Trip reports will be prepared to document the visits.

Target Completion Date: July 31, 2014.

Point of Contract: Ujagar Bhachu, FSME.

OIG Analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when it receives and reviews 2 years of trip reports documenting the visits to general licensees identified with new fixed gauges that contain Category 1, 2, or 3 sources.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S ISSUANCE OF GENERAL LICENSES

OIG-12-A-14

Status of Recommendations

Recommendation 4: Analyze information retrieved from Recommendations 1, 2, and 3 and take additional regulatory action, if needed, within 6 months after completion of data collection.

Agency Response Dated
August 14, 2012:

Agree. The NRC staff will review and analyze the collected data from Recommendations 1, 2, and 3, and take appropriate actions.

Target Completion Date: December 15, 2014.

Point of Contract: Ujagar Bhachu, FSME.

OIG Analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when it receives and reviews an analysis of data collected from the implementation of Recommendations 1, 2, and 3 to determine if additional regulatory action is needed.

Status:

Resolved.