



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

**OFFICE OF THE
INSPECTOR GENERAL**

September 20, 2012

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: NRC'S OVERSIGHT
OF INDUSTRIAL RADIOGRAPHY (OIG-12-A-15)

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

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated August 14, 2012. Based on this response, recommendations 5 and 6 are closed and recommendations 1, 2, 3, 4, 7, and 8 are resolved. Please provide an updated status of the resolved recommendations by May 31, 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 OVERSIGHT OF INDUSTRIAL RADIOGRAPHY

OIG-12-A-15

Status of Recommendations

Recommendation 1: Require license reviewers to write radiography licenses in a manner that clearly and consistently specifies whether or not licensees are authorized to conduct certain activities (such as offshore, lay-barge, or underwater radiography).

Agency Response Dated
August 14, 2012:

Agree. Based on OIG's findings, we recognize the need to write radiography licenses in a clear and consistent fashion regarding the activities that are authorized under the license. We will develop guidance to enhance the clarity and consistency of the license.

We are currently revising NUREG-1556, Volume 2, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Industrial Radiography Licenses," to inform applicants who plan to perform radiographic operations on lay-barges, offshore platforms, or underwater that they must specifically request these operations and provide specific operating and emergency procedures to address these unique operations and that specific license conditions will be included for these activities. A new Appendix D is also being added to the NUREG that provides more detailed guidance regarding lay-barge, offshore platform, and underwater radiography procedures and precautions.

Further, we are also revising NUREG-1556, Volume 20, "Consolidated Guidance About Materials Licenses: Guidance About Administrative Licensing Procedures," and will include a new draft standard authorization in Item 9: "Authorized Use," which will help to clarify lay-barge, offshore, and underwater authorization.

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Status of Recommendations

Recommendation 1 (continued):

Completion Dates: NUREG-1556, Volume 2 – May 15,
2013
NUREG-1556 Volume 20 – September
30, 2013

OIG analysis:

The proposed corrective actions meet the intent of the recommendation. OIG will close this recommendation when the agency provides copies of the completed revised versions of NUREG-1556 Volumes 2 and 20 and OIG determines that those include changes to require license reviewers to write radiography licenses in a manner that clearly and consistently specifies whether or not licensees are authorized to conduct certain activities.

Status:

Resolved.

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Status of Recommendations

Recommendation 2: Revise NRC inspection guidance to define the NRC radiography licensees' location that must be inspected each inspection cycle.

Agency Response Dated
August 14, 2012:

Agree. Based on the information contained in the audit, we will ensure that radiography licensees' radiation safety officers (RSOs) are contacted as a part of each inspection. We will revise appropriate inspection guidance to articulate: (1) locations that must be inspected and at what frequency, specifically when licensees have multiple locations of use, (2) inspection of the RSO's location, field stations, and temporary job sites with an acceptable routine frequency, and (3) expectation that the licensee's primary RSO be contacted as a part of every inspection.

Completion Date: May 15, 2014

(For this recommendation and Recommendations 3, 4, 5, and 8, the completion dates are based on the scheduled completion date of the associated volumes in the NUREG-1556 series (September 2013), and the revisions and implementation of the associated inspection guidance.)

OIG analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides copies of the revised inspection guidance and OIG determines that it specifies how inspectors determine the licensee location that must be inspected each inspection cycle. OIG notes with concern that the staff have not identified what guidance will be revised and that the completion date for this activity is 21 months from the date of the referenced NRC response.

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Status of Recommendations

Recommendation 2 (continued):

Status: Resolved.

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Status of Recommendations

Recommendation 3: Revise NRC inspection guidance to include a reliable methodology to select NRC radiography licensee field stations for inspection.

Agency Response Dated
August 14, 2012

Agree. We will revise appropriate inspection guidance to ensure a methodical approach is followed when selecting field stations for inspection in order to make certain that a sufficient number of field stations are routinely inspected while taking into account more risk-significant locations.

Completion Date: May 15, 2014

OIG Analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides copies of the revised inspection guidance and OIG determines that it specifies a reliable methodology to select NRC radiography licensee field stations for inspection. OIG notes with concern that the staff have not identified what guidance will be revised and that the completion date for this activity is 21 months from the date of the referenced NRC response.

Status: Resolved.

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Status of Recommendations

Recommendation 4: Revise NRC inspection guidance to require NRC inspectors to take additional steps to arrange a temporary job site inspection for an NRC licensee that has not had a temporary job site inspection for a defined minimum number of consecutive routine inspections.

Agency Response Dated
August 14, 2012

Agree. We will revise appropriate inspection guidance to establish an expectation that inspectors will take additional, more clearly defined measures to arrange for a temporary job site inspection when an NRC licensee, whose primary operations are conducted at temporary jobsites, and has not had a temporary job site inspection for a defined minimum number of consecutive inspections.

We anticipate that the defined minimum number of consecutive inspections may be based on several factors, such as compliance history, company size, the frequency a company may conduct operations at temporary jobsites, and the staff's knowledge of the company's operations.

Completion Date: May 15, 2014

OIG Analysis: The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides copies of the revised inspection guidance and OIG determines that it specifies requirements for NRC inspectors to take additional steps to arrange a temporary job site inspection for an NRC licensee that has not had a temporary job site inspection for a defined minimum number of consecutive routine inspections. OIG

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Status of Recommendations

Recommendation 4 (continued):

notes with concern that the staff have not identified what guidance will be revised and that the completion date for this activity is 21 months from the date of the referenced NRC response.

Status: Resolved.

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Status of Recommendations

Recommendation 5: Establish a means to secure transportation and access to conduct radiography inspections on offshore platforms.

Agency Response Dated
August 14, 2012

Agree. Progress is being made for resuming the offshore inspection program. NRC has been informed that the Minerals Management Service's successor organization, the Bureau of Safety and Environmental Enforcement (BSEE) will allow NRC to accompany their inspectors, on a space available arrangement. A letter of agreement was signed between NRC and the BSEE in May 2012 (Agencywide Document Management System (ADAMS) Accession No. ML12152A077), which provides the mechanism for NRC inspectors to coordinate with BSEE for transportation to and from oil and gas platforms and lay-barges.

Completion Date: Completed May 30, 2012

OIG Analysis: OIG reviewed the completed letter of agreement and determined that it provides NRC with transportation and access to offshore platforms for NRC staff to conduct inspections to verify that NRC-licensed materials are used safely and in compliance with NRC regulations. This recommendation is therefore considered closed.

Status: Closed.

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Status of Recommendations

Recommendation 6: Establish a means to secure transportation and access to conduct radiography inspections on lay-barges.

Agency Response Dated
August 14, 2012

Agree. See the response to Recommendation 5.

Completion Date: Completed May 30, 2012

OIG Analysis:

OIG reviewed the completed letter of agreement and determined that it provides NRC with transportation and access to lay barges for NRC staff to conduct inspections to verify that NRC-licensed materials are used safely and in compliance with NRC regulations. This recommendation is therefore considered closed.

Status:

Closed.

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Status of Recommendations

Recommendation 7: Establish a means to increase awareness of when and where NRC licensees are conducting radiography in NRC jurisdiction offshore.

Agency Response Dated
August 14, 2012

Agree. In the short term, increased awareness will be achieved through the routine inspection program by directing inspectors to query if licensees have been or are performing radiographic operations in offshore Federal waters. The Office of Federal and State Materials and Environmental Management Programs (FSME), Division of Materials Safety and State Agreements (MSSA) will hold a telephone conference call with the regional Branch Chiefs to discuss the effort and approach. In the long term, staff will explore ways to receive notification when offshore operations are planned.

Staff will document and record its efforts to develop long term approaches to increasing its awareness of when and where NRC licensees are conducting radiography in NRC jurisdiction offshore. Staff will also document and keep records of the results of its efforts. Such documentation, which may include staff meeting summaries, draft and final suggested approaches, and correspondence with licenses or other partners who may be willing to participate in providing notification, will be saved in ADAMS and on the FSME/MSSA SharePoint site.

Completion Date: May 15, 2014

OIG Analysis: The proposed action meets the intent of the recommendation. OIG will close this recommendation

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Status of Recommendations

Recommendation 7 (continued):

when the agency provides copies of documentation and records of NRC efforts and OIG verifies that those efforts increase NRC awareness of when and where NRC licensees are conducting radiography in NRC jurisdiction offshore. OIG notes with concern that the completion date for this activity is 21 months from the date of the referenced NRC response.

Status: Resolved.

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Status of Recommendations

Recommendation 8: Revise NRC inspection guidance to include guidance for inspectors conducting inspections when the NRC licensee's facility is located in an Agreement State.

Agency Response Dated
August 14, 2012

Agree. We will revise appropriate inspection guidance to more clearly define expectations, including records and other information inspectors should review for conducting an inspection of an NRC licensee who is located in an Agreement State.

Completion Date: May 15, 2014

OIG Analysis: The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides copies of the revised inspection guidance and OIG determines that it includes guidance for NRC inspectors conducting inspections of NRC licensee facilities located in Agreement States. OIG notes with concern that the staff have not identified what guidance will be revised and that the completion date for this activity is 21 months from the date of the referenced NRC response.

Status: Resolved.