

May 31, 2013

MEMORANDUM TO: Stephen D. Dingbaum
Assistant Inspector General for Audits
Office of the Inspector General

FROM: Mark A. Satorius, Director **/RA BHolian for/**
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S
OVERSIGHT OF INDUSTRIAL RADIOGRAPHY (OIG-12-A-15)

The purpose of this memorandum is to provide an update on the status of the agency's actions in response to the recommendations contained in the Office of the Inspector General's (OIG) audit of the U.S. Nuclear Regulatory Commission (NRC) oversight of industrial radiography. This status report highlights the staff's actions and revises the staff's schedule for completing the remaining actions documented in the last status update on September 20, 2012. The following status updates are provided for each recommendation:

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).

Status

The Office of Federal and State Materials and Environmental Management Programs (FSME) is 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 locations 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.

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In November 2011, FSME published a draft of NUREG-1556, Volume 2, Revision 1, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Industrial Radiography Licenses" for comment. The draft volume included a new Appendix D that provided detailed guidance regarding lay-barge, offshore platform, and underwater radiography procedures and precautions.

The draft document remains available to the public on the NRC's public Web site. The final revision of NUREG-1556, Volume 2, Revision 1, is tentatively scheduled to be issued in October 2013.

FSME staff is continuing its efforts to revise NUREG-1556, Volume 20, "Consolidated Guidance About Materials Licenses: Guidance About Administrative Licensing Procedures," which will include a new draft standard authorization in Item 9: "Authorized Use," and will clarify lay-barge, offshore, and underwater authorization. The final revision of NUREG-1556, Volume 20, is tentatively scheduled to be issued in December 2014.

The staff recommends that Recommendation 1 be closed, since the draft NUREG-1556, Volume 2, Revision 1, is available to the public and includes Appendix D that provides guidance for lay-barge, offshore platform, and underwater radiography procedures and precautions.

Recommendation 2

Revise NRC inspection guidance to define the NRC radiography licensees' location(s) that must be inspected each inspection cycle.

Status

Based on the information contained in the audit, the staff committed to ensure that radiography licensees' radiation safety officers (RSOs) are contacted as a part of each inspection. FSME staff will revise appropriate inspection guidance in Inspection Procedure (IP) 87121, "Industrial Radiography Programs," 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 frequency, and (3) an expectation that the licensee's primary RSO be contacted as a part of every inspection.

Revision of inspection guidance is expected to begin in fiscal year (FY) 2014 after work on NUREG-1556, Volume 2, Revision 1 is completed.

The staff recognizes OIG's concern regarding the completion date of this recommendation. The completion of this recommendation has been delayed due to the delay in completing the revisions to the NUREG-1556 series of guidance documents. The NUREG-1556 series are now being actively worked and new completion dates have been established.

Due to the delay in the NUREG-1556 series, the Division of Materials Safety and State Agreements (MSSA) will hold a conference call on June 5, 2013, with the regions to discuss developing interim guidance for inspectors or starting the revision to the inspection guidance in IP 87121 before the updates to the NUREG-1556 series are finalized.

Completion Date: January 31, 2015

Point of Contact: Margie Kotzalas, Branch Chief
FSME/MSSA/LB

Recommendation 3

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

Status

The staff will revise inspection guidance in IP 87121, "Industrial Radiography Programs," to ensure that a methodical approach is followed when selecting field stations for inspection and that a sufficient number of field stations are routinely inspected while taking into account risk-significant locations.

Revision of inspection guidance is expected to begin in FY 2014, after work on NUREG-1556, Volume 2, Revision 1 is completed.

The staff recognizes OIG's concern regarding the completion date of this recommendation. The completion of this recommendation has been delayed due to the delay in completing the revisions to the NUREG-1556 series of guidance documents. The NUREG-1556 series are now being actively worked and new completion dates have been established. Due to the delay in the NUREG-1556 series, MSSA will hold a conference call on June 5, 2013, with the regions to discuss developing interim guidance for inspectors or starting the revision to the inspection guidance in IP 87121 before the updates to the NUREG-1556 series are finalized.

Completion Date: January 31, 2015

Point of Contact: Margie Kotzalas, Branch Chief
FSME/MSSA/LB

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 inspections.

Status

FSME staff will revise the inspection guidance in IP 87121, "Industrial Radiography Programs," to establish the expectation that inspectors take clearly defined measures to arrange for a temporary job site inspection when an NRC licensee, whose primary operations are conducted at temporary jobsites, has not had a temporary job site inspection for a defined minimum number of consecutive inspections.

Revision of inspection guidance is expected to begin in FY 2014, after work on NUREG-1556, Volume 2, Revision 1 is completed.

The staff recognizes OIG's concern regarding the completion date of this recommendation. The completion of this recommendation has been delayed due to the delay in completing the revisions to the NUREG-1556 series of guidance documents. The NUREG-1556 series are now being actively worked and new completion dates have been established. Due to the delay in the NUREG-1556 series, MSSA will hold a conference call on June 5, 2013, with the regions to discuss developing interim guidance for inspectors or starting the revision to the inspection guidance in IP 87121 before the updates to the NUREG-1556 series are finalized.

Completion Date: January 31, 2015

Point of Contact: Margie Kotzalas, Branch Chief
FSME/MSSA/LB

Recommendation 5

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

Status

The OIG responded to the Executive Director for Operations (EDO) in a memorandum dated September 20, 2012, based on the agency's August 14, 2012, memorandum, which states that Recommendation 5 is closed.

Recommendation 6

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

Status

The OIG responded to the EDO in a memorandum dated September 20, 2012, based on the agency's August 14, 2012, memorandum, which states that Recommendation 6 is closed.

The staff has completed its actions to address Recommendation 6.

Recommendation 7

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

Status

MSSA will hold a conference call on June 5, 2013, with the regions to discuss asking NRC licensees if they have been or are performing radiographic operations in offshore federal waters. While it is not a requirement for radiography licensees to notify the NRC of these activities, the staff will ask the licensees to voluntarily provide the notification.

The staff recognizes OIG's concern regarding the delay in the completion date for this activity. The staff believes that the recommendation will be completed by May 15, 2014. This delay occurred due to competing priorities.

Completion Date: May 15, 2014

Point of Contact: Margie Kotzalas, Branch Chief
FSME/MSSA/LB

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.

Status

FSME staff will revise inspection guidance in IP 87121, "Industrial Radiography Programs," to 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.

Revision of inspection guidance is expected to begin in FY 2014, after work on NUREG-1556, Volume 2, Revision 1 is completed.

The staff recognizes OIG's concern regarding the completion date of this recommendation. The completion of this recommendation has been delayed due to the delay in completing the revisions to the NUREG-1556 series of guidance documents. The NUREG-1556 series are now being actively worked and new completion dates have been established.

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Due to the delay in the NUREG-1556 series, MSSA will hold a conference call on June 5, 2013, with the regions to discuss developing interim guidance for inspectors or starting the revision to the inspection guidance in IP 87121 before the updates to the NUREG-1556 series are finalized.

Completion Date: January 31, 2015

Point of Contact: Margie Kotzalas, Branch Chief
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cc: Michael F. Weber, DEDMRT

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Due to the delay in the NUREG-1556 series, MSSA will hold a conference call on June 5, 2013, with the regions to discuss developing interim guidance for inspectors or starting the revision to the inspection guidance in IP 87121 before the updates to the NUREG-1556 series are finalized.

Completion Date: January 31, 2015

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