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

OFFICE OF THE
INSPECTOR GENERAL

October 30, 2013

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S 10 CFR PART 31 GENERAL LICENSING PROGRAM (OIG-12-A-21)

REFERENCE: ACTING DIRECTOR, OFFICE OF FEDERAL AND STATE MATERIALS AND ENVIRONMENTAL MANAGEMENT PROGRAMS, MEMORANDUM DATED SEPTEMBER 26, 2013

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated September 26, 2013. Based on these responses, recommendations 1 and 2 remain in resolved status. Please provide an updated status of the recommendations by August 31, 2014.

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: R. Mitchell, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S 10 CFR PART 31 GENERAL LICENSING PROGRAM

OIG-12-A-21

Status of Recommendations

Recommendation 1: Develop and implement procedures for NRC to provide information clearly describing all applicable regulatory requirements each time an NRC general licensed device is distributed to an NRC general licensee.

Agency Response Dated September 26, 2013: To support the implementation of Recommendation 1, the staff completed changes to the General Licensing Tracking System (GLTS) software, developed a procedure (Agencywide Document and Management System (ADAMS) Accession No. ML13261A199) for inclusion in the GLTS User's Manual (ADAMS Accession No. ML13260A486), finalized tables of applicable regulations for general licensed devices (GLDs), and prepared a template cover letter for mailing the applicable regulations to GLs who are recipients of a new device. In addition, the staff issued letters with the applicable regulations to all recipients of GLDs between October 1, 2012, and March 31, 2013 (ADAMS Accession No. ML13261A306).

To implement this recommendation, the staff completed a change request to the GLTS software to: (1) allow searches of the GLTS database for a specified time period, (2) identify all new initial recipients of GLDs containing radioactive materials listed in 10 CFR Part 20, Appendix E, and (3) facilitate efficient production of mailing labels and logs.

Using the procedure, on June 30, 2013, the staff searched the GLTS database to create a list of GLs who received new GLDs during the period October 1, 2012, to June 30, 2013.

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Status of Recommendations

Recommendation 1 (continued):

On July 9, 2013, the staff mailed letters containing the applicable regulatory requirements to 287 GLs under NRC jurisdiction. The data generated by the GLTS search indicates that all GLDs distributed in NRC jurisdiction during this period were authorized under 10 CFR 31.5.
The staff will perform another search of the GLTS database on September 30, 2013, to identify recipients of new GLDs since June 30, 2013. The staff will then mail letters containing applicable regulatory requirements to these GLs. Based on the Agency's Supplemental Response dated December 17, 2012 (ADAMS Accession No. ML12290A101), the staff will analyze the efficacy of the approach and, if appropriate, will propose a revised approach based on the analysis and risk significance of the devices. The staff considers this action to be completed.

The staff also committed to incorporate the tables of applicable regulatory requirements for GLDs into NUREG-1556, Volume 16, "Program-Specific Guidance About License Authorizing Distribution to General Licensees." The tables have been forwarded to the Volume 16 Working Group and will be included in the next revision which is expected to be issued in March 2015.

Staff is continuing to determine the best method of presenting the regulatory tables on the NRC Web site. The staff will complete this action by July 31, 2014.

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Status of Recommendations

Recommendation 1 (continued):

The staff notes that the tables of applicable regulatory requirements included in Appendix B of the OIG-12-A-21 were modified to remove descriptive wording before being issued to GLs and forwarded to the Volume 16 Working Group. This change was based on advice of the Office of General Counsel (ADAMS Accession No. ML13260A286), and its concern that the summaries do not accurately reflect regulatory requirements.

Point of Contact: Hector Rodriquez, FSME

OIG Analysis: The agency has completed changes to the General License Tracking System, finalized tables of regulatory requirements, prepared a template cover letter, and sent a mailing of the applicable regulations to general licensees who are recipients of a new device. The agency is developing a procedure for inclusion in the GLTS User Manual. The agency's actions meet the intent of the recommendation.

This recommendation will be closed when OIG reviews the final procedure for inclusion in the GLTS User Manual; any agency revision to the approach for providing information; revisions to NUREG-1556, Volume 16, "Program-Specific Guidance About Licenses Authorizing Distribution to General Licensees"; and updates to the NRC Web site incorporating information about all applicable regulatory requirements, and determines that NRC procedures provide information clearly describing all applicable regulatory requirements each time an NRC general licensed device is distributed to an NRC general licensee.

Status: Resolved.

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Status of Recommendations

Recommendation 2: Develop and implement procedures for NRC to periodically reinform existing general licensees of applicable regulatory requirements.

Agency Response Dated September 26, 2013: The staff will review implementation of Recommendation 1 to develop a cost effective and efficient procedure to periodically re-inform existing general licensees of applicable regulatory requirements. The staff will also consider feedback received from general licensees in determining the appropriate communication approach.

The staff will complete this action by September 30, 2014.

Point of Contact: Hector Rodriquez, FSME

OIG Analysis: The proposed actions meet the intent of the recommendation. OIG will close this recommendation when it receives and reviews documentation supporting the completion and occurrence of the above cited activities.

Status: Resolved.