



STATE OF NORTH CAROLINA

DEPARTMENT OF HUMAN RESOURCES

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October 30, 1979

Robert G. Ryan, Director  
Office of State Programs  
United States Nuclear Regulatory Commission  
Mail Code MNBB 7717  
Washington, D.C. 20555

Dear Mr. Ryan:

Thank you for your September 12, 1979 letter confirming your staff's comments made to Mr. Tom Gilmore, Deputy Secretary and other departmental staff members during your recent review of our radiation protection program. I was pleased to learn of your finding with respect to the continued adequacy and compatibility of our programs.

I always appreciate having the benefit of your staff's comments and suggestions for improvement of our program. In this regard I would like to respond to the major issues raised in your letter.

With respect to the budget and the potential reduction in DHEW 314-D funds, the revised figures indicate a decrease in \$9,000 this year and \$12,000 next year for this program. These deficits have been handled through an interdivisional transfer of funds. Any additional increase in funding for this program will be considered during the Department's next budget cycle process.

With respect to updating our radiation regulations, I am pleased to report that completely revised and updated regulations will be considered for adoption by our Radiation Protection Commission on November 30, 1979. It is my understanding that a copy of this draft was recently submitted to your staff for review and comment.

As you may be aware the situation related to License Number 97-147-2 issued to Finley C. Watts, Sr., has been both unique and complex. At this time, we are nearing the end of an enforcement procedure in which the Department is seeking to revoke this license because of alleged serious violations of regulations and license conditions by the licensee. Insofar as this specific case is concerned, the current situation appears to render your comments retrospective for the most part. In any event, we have reviewed the related comments in your letter and enclosure 1 and do not take exception to them in general. Should a similar operation be proposed in the future, it would be handled essentially in the manner you have recommended.

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To avoid any misinterpretation, I believe it should be noted that this Department was well aware of the requirements for environmental study and institutional land ownership for commercial low level radioactive waste burial pursuant to 10 N.C.A.C. 3G .1302. However, the license in this case did not authorize such commercial burial. Rather, burial was restricted to a particular waste by product under 10 N.C.A.C. 3G .1304. Further, it was the apparent unauthorized commercial waste burial activities of the licensee which in large part, prompted the current enforcement proceedings.

Again, thank you for the constructive comments and suggestions which you have provided. I look forward to the continued assistance of your office in our efforts to maintain a quality radioactive materials program.

Sincerely,

*Sarah T. Morrow, M.D.*

Sarah T. Morrow, M.D., M.P.H.  
Secretary

STM/aeb

cc: Tom Gilmore  
I.O. Wilkerson  
Gene Barrett

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*State Program - N.C. file*