

September 18, 1990

Mr. Michael H. Mobley, Director
Division of Radiological Health
Bureau of Environment
T.E.R.R.A. Building
150 Ninth Avenue North
Nashville, TN 37247-3201

Dear Mr. Mobley:

This will confirm my telephone conversation with you on September 6, 1990, and my subsequent telephone discussion with Ms. Short on September 14, 1990. During our conversations, we discussed NRC's intention to conduct a follow-up review of the Tennessee Radiation Control Program and established tentative schedules for this review.

As discussed, the follow-up review is scheduled for November 6-8 and November 14-16, 1990. An exit meeting with you and Commissioner Luna is scheduled for 1:00 p.m. on November 29, 1990.

I would like to accompany Mr. Freeman on an inspection and visit some of your major licenses in the Knoxville area on November 6 and 7, 1990. The major licenses of interest are SEG, Diversified Sciences and Services Institute (DSSI), and Manufacturing Sciences. If inspections of these licenses are planned, I would like to accompany the inspector. If an inspection is not due or planned, then I would like to visit these licensees and in the presence of Mr. Freeman. A visit to the Chattanooga area office is planned for November 8, 1990, and I would like to accompany Ms. Schrader on an inspection of one of your Chattanooga area licensees. I would also like to visit your Memphis area office on November 13, 1990, and to accompany Mr. Grewe on an inspection in that area. The inspections conducted in the Chattanooga office and the Memphis office should be some of your larger licensees or licensees where you are having problems, and that can be inspected in one day. Coordination of these inspector accompaniments and visits will be coordinated with Mr. Nanney and your area offices.

The follow-up review meeting in your office is scheduled for November 15 and 16, 1990. It is my understanding that your prior commitments will not allow for you to be present during these dates. Therefore, I would like to meet with Mr. West, Assistant Director; Mr. Graves, Supervisor, Licensing and Registration; and Mr. Nanney, Supervisor, Inspection and Enforcement. During this meeting, I plan to review the follow-up actions that Tennessee has been taking in response to our letter to Mr. Luna dated March 20, 1990, following the last review of your program. To better understand what actions have been taken since the last review and to prepare for our meetings, I am requesting additional information prior to the follow-up review. The information needed is included as an enclosure. Please provide the additional information to me by October 25, 1990.

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I understand that Commissioner Luna will be available for a meeting at 1:00 p.m. on November 29, 1990. We believe that it is very important that we have an exit meeting with him, and our schedule has been arranged to accommodate the Commissioner's schedule. Mr. Kammerer, Director, State Programs; and Mr. Ebnetter, Regional Administrator, Region II, are planning on attending the exit meeting. Also, we would like to exit with you and your senior staff during the morning of November 29, 1990, prior to our exit meeting with Commissioner Luna.

If you have any questions regarding this meeting, please feel free to contact me at any time.

Sincerely,

ORIGINAL SIGNED BY
RICHARD L. WOODRUFF

Richard L. Woodruff
State Agreements Officer

Enclosure:
Attachment A

cc w/encl:
J. W. Luna, Commissioner
Department of Health and
Environment
344 Cordell Hull Building
Nashville, TN 37247

S. D. Ebnetter, Regional
Administrator, NRC, Region II

Carlton Kammerer, Director
State Programs
Office of Governmental and
Public Affairs
NRC, Headquarters

Vandy L. Miller, Assistant
Director of State Agreements
Program, State Programs
NRC, Headquarters

Mary Helen Short, Administrator
Division of Radiological Health
Bureau of Environment
T.E.R.R.A. Building
150 Ninth Avenue North
Nashville, TN 37247-3201

bcc w/encl: (See page 3)

Mr. Michael H. Mobley

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bcc w/encl:

R. L. Woodruff

J. P. Stohr

R. E. Trojanowski

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ENCLOSURE

INFORMATION NEEDED IN PREPARATION FOR
TENNESSEE FOLLOW-UP REVIEW

Additional information is needed on each recommendation below that was brought to the State's attention in a letter from Carlton Kammerer to J. W. Luna dated March 20, 1990.

1. Status and Compatibility of Regulations is a Category I Indicator.

Recommendation

The State needs to update its regulations to maintain compatibility. ...We recommend that the Department review its rulemaking procedures with a view towards streamlining the procedures where possible, eliminating unnecessary delays.

Additional Information Needed

Please provide us with the most current edition of your "Tennessee Regulations for Protection Against Radiation"; and with respect to the regulations that are needed for compatibility (identified below), please list the specific code section where the regulations can be found and the date when the Tennessee regulations became effective.

- "Transportation Regulations," 10 CFR Part 71, effective September 6, 1983
- "Elimination of Exemption for Glass Enamel and Glass Enamel Frit," 10 CFR 40.13(c)(2), effective September 11, 1984
- "Medical Misadministrations," 10 CFR 35.33, effective April 1, 1987
- "Well Logging Requirements," 10 CFR 39, effective July 13, 1987
- "Certification of Dosimetry Processors," 10 CFR 20.202, effective February 13, 1987
- "Decommissioning," 10 CFR 30.35, effective June 27, 1988
- "Emergency Preparedness," 10 CFR 30.32, 30.34, and 30.72; effective April 7, 1990.

Also, please provide a copy of any regulations not listed above that have become effective since the last review, and copies of all regulations that have been proposed and that have not become effective.

Please provide a current copy of Tennessee's "administrative procedures" for rulemaking and indicate what actions were taken to eliminate unnecessary delays in the rulemaking process.

2. Staffing level is a Category II Indicator.

Recommendation

The program has one technical position vacancy that is critical to the program and we recommend that the position be filled as soon as possible.

Additional Information Needed

Please provide a statement that addresses the status of the "hiring freeze," and provide documentation of what actions were taken to obtain additional personnel to fill the vacancies.

Please provide an organizational chart that reflects the status of the current staffing plan and any positions that are vacant.

Please provide the number of specific licenses that are active in each license category and an updated listing of all the major licenses.

3. Staff Continuity is a Category II Indicator.

Recommendation

We recommend that the job classifications and respective salary ranges be reviewed and upgraded as needed to provide better staff continuity.

Additional Information Needed

Please provide a summary statement of the actions that were taken to upgrade the job classifications and salary structure. Also, please provide copies of any correspondence relating to the resolution of this issue.

4. Status of the Inspection Program is a Category I Indicator.

Recommendation

We recommend that the State reevaluate their inspection policies and develop a plan to eliminate the inspection backlog. The plan should include goals and milestones for each regional office and monthly written reports to program management that summarizes, by region, the inspections performed, status of enforcement actions, and the status of the inspection backlog by priority.

Additional Information Needed

Please provide a copy of the plan that was developed and implemented to eliminate the inspection backlog. If a backlog still exists, please provide a summary that characterizes the backlog in each region by the number of inspections overdue in each inspection priority and the number of months overdue.

5. Inspection Frequency is a Category I Indicator.

Recommendation

We recommend that the State's inspection priority V be changed to a five-year routine frequency.

Additional Information Needed

Please provide a current copy of your inspection frequency schedule for your specific licenses.

Mr. Mobley's response (dated June 7, 1990) to our comment letter requested NRC's inspection frequency for general licenses. As we have previously discussed, NRC does not inspect general licenses (GLs) on a routine frequency. GLs are inspected only for cause (i.e., known safety problem, allegations, etc.), and when the generally licensed devices are present at facilities that are also specifically licensed; therefore, under the routine inspection frequency associated with their specific license.

6. Inspectors' Performance and Capability is a Category I Indicator.

Recommendation

We recommend that the Compliance Supervisor or the Program Manager conduct field evaluations of each inspector to assess performance and assure application of appropriate policies and guides on an annual basis.

Additional Information Needed

Please provide a summary of the inspectors who were accompanied by the Compliance Supervisor or the Program Manager since the last review and list the supervisor providing the accompaniment, licensee, and date for each inspector accompaniment.

7. Administrative Procedures is a Category II Indicator.

Recommendation

We recommend that the staff continue their efforts to revise and refine the draft Procedures Manual to assure that program functions are carried out as required and to provide a high degree of uniformity and continuity

in regulatory practices. This includes additional review and refinement of the routing, distribution and filing system for all technical documents.

Additional Information Needed

Please have a copy of your Procedures Manual available for review during our visits to the Nashville and Regional Compliance Offices.

8. Management is a Category II Indicator.

Recommendation

We recommend that program management conduct periodic internal audits of their regional offices to determine if the program functions are being carried out as intended, in accordance with State policies, and document the audit findings.

Additional Information Needed

Please provide information that describes the regional office audits that have been performed since the last review by program management, and the scope of the audits.

9. Licensing Procedures is a Category II Indicator.

Recommendation

We recommend that the "one year extension" policy be reevaluated with consideration being given to the license category and the number of extensions permitted. Also, an overall written plan for reducing the backlog should be developed including milestone time frames and monthly status reports to management that summarize the licensing actions taken by type of license and the status of the backlog.

Additional Information Needed

Please provide a detailed assessment of the licensing backlog by license category and describe what actions are being taken to reduce or eliminate the backlog.

10. Inspection Reports is a Category II Indicator.

Recommendation

We recommend that the inspection report forms be revised for uniformity and to adequately document inspection results, and accommodate new changes in the regulatory requirements.

Additional Information Needed

Please provide a copy of all the inspection forms that are currently being used.