

FEB 01 1994

ALL AGREEMENT STATES, OKLAHOMA, OHIO, MASSACHUSETTS, PENNSYLVANIA

TRANSMITTAL OF STATE AGREEMENTS PROGRAM INFORMATION
(SP-94-015)

Your attention is invited to the attached correspondence which contains:

INCIDENT AND EVENT INFORMATION.....

PROGRAM MANAGEMENT INFORMATION.....XX **Change in Inspection
Priorities for Remote
Afterloaders**

TRAINING INFORMATION.....

OTHER INFORMATION.....

Supplementary information: Enclosed is NRC's latest change in inspection priorities for remote afterloaders. These revisions replace the interim copy of Manual Chapter (MC) 2800, "Materials Inspection Program" issued to NRC's Regions on July 2, 1993. Please note that in addition to the changes noted above, minor changes were made to accommodate the revision to Part 20.

If you have further questions regarding this correspondence, please contact the individual named below.

POINT OF CONTACT: Jim Myers
TELEPHONE: (301) 504-2328
FAX (301) 504-3502

PS
Paul H. Lohaus
Office of State Programs

Enclosure:
As stated

Distribution:

DIR RF RBangart PLOhaus JMyers /RSAOs (SLOs) ~~SP-94-015~~

E-mailed 2/3/94

DCD (SP01) PDR (YES NO)

OFC	SP:SA <i>[initials]</i>	SP:SA <i>[initials]</i>						
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DTE	02/01/94	02/ / /94						

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

February 1, 1994

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A handwritten signature in black ink, appearing to read "Paul H. Lohaus".

Paul H. Lohaus
Office of State Programs

Enclosure:
As stated



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

SP94-015

07 1994

MEMORANDUM FOR: C. W. Hehl, Director
Division of Radiation Safety and Safeguards, RI

J. Philip Stohr, Director
Division of Radiation Safety and Safeguards, RII

William L. Axelson, Director
Division of Radiation Safety and Safeguards, RIII

Dwight Chamberlain, Acting Director
Division of Radiation Safety and Safeguards, RIV

Ross A. Scarano, Director
Division of Radiation Safety and Safeguards, RV

FROM: Carl J. Paperiello, Director
Division of Industrial and
Medical Nuclear Safety, NMSS

SUBJECT: CHANGE IN INSPECTION PRIORITY FOR REMOTE AFTERLOADERS

On July 2, 1993, an interim copy of revised Manual Chapter (MC) 2800, "Materials Inspection Program," was issued to the regions. The Manual Chapter was revised to provide guidance on performing initial and deferred inspections, to add Program Codes 02230 (High-, Medium-, and Pulsed-Dose Rate Remote Afterloaders) and 02231 (Mobile High-, Medium, and Pulsed-Dose Rate Remote Afterloaders), and to assign a Priority 1 to Program Codes 02230 and 02231. The final version of the MC was issued on December 20, 1993. An E-mail version of this MC will be transmitted separately to your regional branch chiefs and section chiefs. In addition to the changes noted above, minor changes were made to accommodate the revision to Part 20.

Recently, we have received two questions from the regions regarding implementing the changes in the MC. Specific questions and answers are provided below.

Q1. The Licensing Tracking System does not indicate that all licensees with Program Codes 02230 and 02231 are Priority 1 licenses. Will the System be changed?

Answer: A global change to the Licensing Tracking System will be made by the Operations Branch during January 1994 to assign a Priority 1 to licenses with Program Codes of 02230 and 02231.

Q2. Licenses with a Program Code of 02230 or 02231 are required to be inspected annually. Should the inspector review all licenses at the facility while he/she is onsite annually? For example, if the license also has a nuclear medicine program (Program Code 02120, Priority 3), should the nuclear medicine program be inspected during each site visit?

Answer: The region should review that aspect of the program that is required to be inspected. However, the region may inspect, at its discretion, other licensed program elements that based on previous performance should be reinspected. Inspection activity should not be conducted just because the inspector is on-site.

Note, during the inspection of the remote afterloader program where the nuclear medicine program is not being inspected, it would be appropriate to complete the fieldnotes associated with (1) Temporary Instruction 2800/024 "Remote Afterloading Brachytherapy Inspections," (2) the quality management rule; and (3) specific sections of the nuclear medicine fieldnotes. At a minimum, the following sections of the nuclear medicine fieldnotes should be completed when the entire nuclear medicine program is not being inspected:

- a. Section titles as they appear in the current nuclear medicine fieldnotes: Organization, Inspection History, Scope of the Program, Internal Audits or Inspections, Personnel Radiation Protection - External, Posting and Labeling, and Transportation.
- b. Section titles as they appear in the proposed nuclear medicine fieldnotes that are being revised to incorporate revised Part 20 changes (forwarded to the regions for comment on December 27, 1993): Organization, Scope of Program, Inspection History, Personnel Radiation Exposures, Posting and Labeling, and Transportation.

Any questions on this guidance should be directed to Cathy Haney at (301) 504-2628 or Cynthia Jones at (301) 504-2629.

Original signed by

Carl J. Paperiello, Director
Division of Industrial and
Medical Nuclear Safety, NMSS



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

NRC INSPECTION MANUAL

IMNS

MANUAL CHAPTER 2800

MATERIALS INSPECTION PROGRAM

2800-01 PURPOSE

To establish the inspection program for licensees authorized to possess and use licensed material for radiography, medical programs, academic and industrial uses, waste disposal operations, manufacturing and distribution of products, and leak testing, calibration, other types of services, and transportation related thereto.

2800-02 OBJECTIVES

02.01 To establish general policy for the materials inspection programs, including priorities for inspection.

02.02 To define specific requirements for inspection of materials licenses.

02.03 To aid in the achievement of a consistent process of inspection for materials licensees.

2800-03 DEFINITIONS

03.01 Inspection Priorities. The priority number assigned to a licensee is based on the potential hazard of the licensee's programs. For example, a license with an inspection Priority 1 is one in which there is the greatest potential for hazards in health and safety; this priority requires the most frequent inspections because of the nature of the operations. On the other hand, an inspection Priority 7 involves little potential hazard to health and safety and requires less frequent inspection.

03.02 Telephonic Contacts. These are contacts, done by telephone, using a questionnaire to determine the status of licensees' activities. These contacts are routinely used for the low-priority licenses, Priority 7, and under certain conditions, Priority 5 licenses (see Enclosure 1 for instructions).

03.03 Telephonic Inquiries. These are inquiries done by telephone to determine: (1) some facts about the licensed program, such as reminding the licensee that its license is near expiration; (2) if there is sufficient activity to conduct an inspection (radioactive material may be in storage); or (3) if the licensee actively possesses radioactive material under its license. These are only

examples; there may be other reasons to make telephonic inquiries of licenses regarding license expiration, decommissioning, and so forth. Telephone inquiries generally do not involve direct inspection effort, whereas telephone contacts do (03.02 above).

2800-04 INSPECTION PRIORITIES

04.01 Routine, Periodic Inspections. (Also see 2800-05 and 2800-06.) Inspections of licenses in Priorities 1 through 5 shall be conducted at intervals in years corresponding to the inspection priority: Priority 1 = each year; Priority 2 = each 2 years; Priority 3 = each 3 years; Priority 4 = each 4 years; Priority 5 = each 5 years. Licenses in Priority 7 are inspected initially (04.03, below) and thereafter only for resolution of complaints, allegations, or incidents, or in connection with an inspection of another specific license; Priority-W (as needed) is for walk-in or pool-type irradiators under construction (see Manual Chapter (MC) 2815).

Because considerable travel is required, inspectors should telephone licensees located in Puerto Rico, Guam, American Samoa or other distant locations to verify that a routine inspection can be performed before undertaking such travel. We have experienced situations where inspectors, after arriving in such locations, have found that licensees did not possess and use radioactive material.

04.02 Initial Assignment of Inspection Priority. When a new license is issued by the regional office, it shall be assigned an initial inspection priority and scheduled for an initial inspection. These actions should be taken as soon as possible. The initial inspection priority is assigned by comparing the types, quantities, and forms of material and authorized uses with the descriptions of the priority system in Table 1. If a license involves more than one type of use, the type associated with the highest priority (most frequent inspection) shall establish the initial inspection priority.

04.03 Initial Inspections. The time interval from license issuance to an onsite inspection is based on whether the licensee has possessed material or performed operations under the license, i.e. initiated licensed activities. Initial inspections of new licenses should be announced.

Initial inspections shall be conducted of licenses in Inspection Priorities 1 through 5 within six months from the date of license issuance provided the licensee has possessed licensed material or performed licensed operations. Initial inspections of licenses in Priority 7 shall be conducted within one year from the date of license issuance provided the licensee has possessed licensed material or performed licensed operations.

An initial inspection of any new licensee should not be attempted during the first 6 months or 12 months (whichever is applicable) of license issuance if it is determined that licensed material has not been possessed or licensed activities have not been initiated. After this time period, the region shall schedule an onsite visit in accordance with Schedule A. The primary purpose of the inspection is to verify that the licensee has not possessed licensed material or has not performed licensed operations under the license.

Once onsite, the inspector should interview licensee staff (management and technical) to determine if licensed material has been possessed or licensed operations have been performed. Methods for determining if licensed activities have been performed include, but are not limited to the following: performing a site tour, performing confirmatory measurements, and/or contacting distributors

of radioactive material such as local radiopharmacies to see if they have distributed material to the licensee.

If the licensee has possessed material or performed licensed operations, the inspector should perform a routine inspection of the facility as defined in Inspection Procedure 87100.

If it is determined that the licensee has not possessed licensed material or perform licensed operations, the inspector should do the following:

- a. Determine the licensee's plans for future possession of licensed material or plans to perform licensed operations. In assessing the licensee's future plans, the inspector should determine if adequate facilities and equipment are in place to safely handle licensed material.

NOTE: All material licenses issued after September 24, 1992, should contain a condition requiring that the licensee notify NRC when a decision is made not to complete the facility, acquire equipment, or possess and use authorized material. The inspector should remind the licensee of this license condition.

- b. Use this opportunity to discuss the license and applicable regulations with the licensee. The inspector should include a discussion on unique license conditions.
- c. Request that the licensee notify the NRC prior to receipt of licensed material or initiation of licensed operations.
- d. Document the on-site inspection by placing a note in the docket file, signed by the inspector and approved by the Section Chief, that briefly summarizes the following: individuals contacted, actions taken by the inspector to verify license status, and the licensee's plans for future possession of material or plans to perform licensed operations.
- e. Provide written acknowledgement to the licensee documenting the inspection. Included in the acknowledgement should be a restatement of the licensee's plans for future possession of material or plans to perform licensed operations and a statement requesting that the licensee inform the NRC when licensed activities have been initiated.
- f. Record this onsite visit as an inspection in the Licensing Tracking System and the Inspection Followup System. The licensee will be charged a fee for this inspection.
- g. Assign the next inspection due date based on the priority assigned to the license.
- h. Contact the licensee by phone at six month intervals to determine if the licensee has possessed material or performed licensed operations. This telephone call should be documented in the docket file. If material has been possessed or licensed operations performed the region should perform an inspection prior to the next due date.

Schedule A

Specified Time Period for Performing Initial Onsite Visits Regardless of Whether the Licensee Possessed Licensed Material or Performed Licensed Activities

Priority	Months From Date of License Issuance
1	9
2	12
3	18
4	24
5	24
7	24

NOTE: New licenses that are issued because a licensee did not file a timely license application for a renewal are not required to be inspected in accordance with Section 04-03 unless more than six months have elapsed between the date the renewal application was submitted and the initial license expired.

04.04 Expired and Terminated Licenses. Notification that a license has expired or is being processed for termination will require prompt action to ensure that licensed material has been properly disposed of and areas wherein material was used can be safely released to unrestricted use. Final action, including inspection and confirmatory survey, if necessary, should be conducted as soon as possible, but no later than six months after the notification is received (see Inspection Procedure 83895).

04.05 Abandonment of Licensed Activities. Returned, undeliverable mail to licensees should be included as a weekly routine follow-up. The follow-up should include a telephone call to the licensee. If no response is received, an inspector should be sent to the licensee site.

04.06 Inspection Activities and Licensee Inspection Fees. The following guidance is being provided to assist in determining when activities constitute an inspection and when fees applicable to those activities will be charged to the licensee.

- a. An inspection should not be considered to have been performed (1) if, after arriving on an unannounced inspection, it is found that no radioactive material is possessed or used because of disposal or storage of the material, and no inspection activities are performed, unless this is an initial or deferred inspection that has been performed in accordance with Section 04.03 or Section 2800-09 or (2) if the licensee or licensee's representatives are not available to assist with the inspection, and the inspector is unable to perform inspection activities. On the other hand, if it is possible to inspect records or other items according to license conditions or Nuclear Regulatory Commission (NRC) regulations, such activities should be inspected and be recorded as an inspection, whether the radiation safety officer (RSO) is present or not, including those licenses that have been terminated.
- b. An inspection is considered to have been performed if the inspector has performed an onsite inspection in accordance with Sections 04.03 or 2800.09.

- c. For any situation where an inspection was not performed as defined above, the region should not record the attempted inspection in the License Tracking System (LTS) as "an inspection." A note should be placed in the docket file recording the reason an inspection could not be performed and giving a date when the next inspection should be performed. The "next inspection date" data element in the LTS should be changed to reflect the new date.
- d. Telephone contacts are not on-site inspections even though they involve direct inspection effort. The fact that a telephone contact of a licensee was made should not be entered into the LTS as an inspection. However, the Regulatory Information Tracking System (RITS) allows the time spent in gathering factual material to be charged against the time budgeted for performing routine inspections.

04.07 Unannounced Inspections. With the exceptions provided in the above sections of this manual chapter, all other materials inspections should be performed on a strictly unannounced basis.

2800-05 TELEPHONE CONTACTS

As defined in 03.02, contacts by telephone are a useful means of maintaining contact with licensees who are never inspected or are inspected infrequently. Contacts should be limited to general licensees and Priority 7 licensees. Priority 5 licensees may be included if the programs are small and the potential for health and safety hazards is remote. Procedures for using the telephonic contacts are included as Enclosure 1. A telephone questionnaire is attached as Enclosure 2 and standard responses back to licensees contacted by telephone are included as Enclosures 3 and 4.

2800-06 CHANGE IN PRIORITY BASED ON CHANGE IN TYPE OF PROGRAM

A change to a lower or higher inspection priority can be made when it is determined that the licensed activity being carried out is of a priority different from that initially assigned and is one which warrants a lower or higher inspection priority under the system in Table 1. The program priority codes shall be changed in the LTS. Any changes from the usual priorities shall be authorized by the Section Chiefs and a note placed in the docket file, but the program code shall not be changed.

A reduction to a Priority 7 may be done if:

- a. it is not likely that a radiation worker will exceed 10% of the radiation dose limits listed in 10 CFR Section 20.1201(a), 20.1207, or 20.1208 (as applicable), or will not need to use personnel monitoring devices;
- b. it is not likely that any work with radioactive material will result in a spill causing spread of contamination;
- c. complex surveys are not required; and,
- d. waste disposal is not required.

The interval between inspections may be extended (lengthened) beyond that specified by the priority system on the basis of exemplary performance on the part of the licensee. The governing consideration in extending the inspection interval should be evidence of a level of performance in safety and compliance on the part of the licensee that provides a greater-than normal assurance of a well-managed, safe operation. The determination to extend the inspection interval shall be made on the basis of an inspection, considering current and prior findings. The extension shall be valid only until the next inspection, but may be renewed on the basis of repeated favorable findings. The extension shall be limited to a maximum of six months for licensees in Priorities 1 and 2, and to a maximum of two years for licensees in other priorities. For computer entry, the letter "E" shall be used for licensees on an extended inspection interval.

The designated inspection priority for these licensees should not be changed in the LTS. However, the "next inspection date" data element in the LTS should be changed to contain the extended date for the next inspection. To support the extension in the interval between inspections, a brief note should be written giving the basis for the extension, approved by the Section Chief, and placed in the docket file.

The interval between inspections may be reduced (shortened) and inspections conducted more frequently than specified by the priority system on the basis of minimally satisfactory performance on the part of the licensee. The governing consideration in reducing the inspection interval should be a lack of confidence in the level of performance in safety and compliance on the part of the licensee that indicates continuing adequate protection of worker and public safety will not be provided without increased attention by the licensee and NRC. The determination to reduce the inspection interval shall be made on the basis of an inspection, considering current and prior findings. For computer entry, the letter R shall be entered for licensees on a reduced inspection interval.

The designated inspection priority for these licensees should not be changed in the LTS. However, the "next inspection date" data element in LTS should be changed to contain the date for the next inspection, based on a reduction of the interval between inspections. A brief note should be written giving the basis for the reduction, approved by the Section Chief, and placed in the docket file.

Onsite inspections at a licensed facility, may be deferred if the licensee has not possessed licensed material or conducted licensed operations since the last onsite inspection. Onsite inspections under these conditions may be deferred in accordance with Schedule B. Inspections can only be deferred once after an onsite inspection has been performed.

In addition to the inspection objectives listed below, the performance, documentation, and followup action taken as a result of an onsite inspection should be identical to that for an initial inspection as detailed in Section 04.03 a - f. For computer entry, the letter "D" shall be entered for licensees on a deferred inspection interval.

The designated inspection priority for these licensees could not be changed in the LTS. However, the "next inspection date" data element in LTS should be changed to contain the deferred date for the next inspection. To support the deferment, a brief note should be written giving the basis for the extension, approved by the Section Chief, and placed in the docket file.

Inspection Objectives for Onsite Inspection

<u>Licensee Assertion</u>	<u>Inspection Objective</u>
Licensed activities have not been performed or licensed material has not been possessed under the license	Verify licensee assertions
Licensed activities have been performed or licensed material has been possessed under the license however, activities are not currently being performed or materials currently are not possessed under the license	Verify that the licensee has maintained its licensed program, i.e., qualified/trained staff if available, facilities and equipment are adequate for licensed operations

Schedule B Allowable Period to Defer Onsite Inspection Beyond Normal Inspection Period

Priority 1	9 months
Priority 2	12 months
Priority 3	18 months
Priority 4 and 5	24 months

2800-10 SCHEDULING OF INSPECTIONS

10.01 Basis for Scheduling. The month in which an inspection is actually performed may be completed earlier or later than scheduled (by its placement in the priority system) for the purpose of the efficiency realized in inspector travel time. The efficiencies of travel time should be balanced against the basic purpose of the inspection priorities, that is, effective use of an inspector's time versus the potential hazards in a licensee's operation. A low-priority licensee should not be over-inspected just because an NRC inspector is in the area of the facility. Inspection of a high-priority licensee should not be unduly delayed merely for scheduling purposes.

10.02 Inspections at Temporary Job Sites or Field Sites. For licensees that are authorized to work at temporary job sites or field sites, an inspection at these sites should be attempted. Attempts should be made to accompany licensee auditors during audits of these sites if applicable. The accompaniment of auditors may be on an announced basis.

For licensees working in off-shore waters the regional staff should contact the rig operators and schedule inspections, when work is in progress and transporta-

tion is available. NRC should reimburse the provider for the cost of transportation, lodging, or other service accepted during the course of inspections.

10.03 Combining Inspections. If a licensee holds more than one kind of license (that is, of different priorities), a single inspection may be scheduled whenever practicable to aid in more effective use of inspector's time spent in travel status. In the determination to combine inspections on a continuing basis, consideration should be given to "over-inspecting" a lower-priority license versus the need and desirability of inspecting a licensee's total activities for a more complete picture of its safety and compliance performance. The priority designations of the lower-priority licenses shall not be changed in these cases; the more frequent inspections of lower-priority licenses shall be handled only in the scheduling process.

10.04 Inspection before License Renewal. Before renewing a license in Priorities 1, 2, or 3, the compliance/inspection history of the licensee should be checked to determine whether additional requirements should be made a part of the license, particularly for those licensees where there has been escalated enforcement since the last license renewal. In some cases, it may require an onsite inspection to determine if the license should be renewed, based on prior performance and up-to-date information on the licensee.

10.05 Intervals between Inspections. To achieve the goals of cost saving and efficient use of staff time as described in 10.01 and 10.03, inspections (other than initial inspections) may be performed at a frequency other than that defined by the priority system. However, the frequency of inspection for a licensee should not fall outside the following points:

<u>Type of Inspection</u>	<u>Acceptable Frequency</u>
Initial inspections of new licensees.	See 04.03.
Inspection of licensees in Priorities 1, 2, 3.	Interval between inspections may vary by $\pm 25\%$.
Inspection of licensees in Priorities 4 and 5	Interval between inspections may vary by ± 1 year.

If escalated enforcement action has taken place, an inspection should be conducted within one year following closeout of the escalated enforcement action.

10.06 Notification to States. Notify in a reasonably timely manner by telephone or in writing State radiation control program personnel of planned NRC materials inspections and enforcement cases in their States. Inform the States of the type of materials inspections, enforcement cases applicable for participation, and the number of such personnel that may participate in each case. For inspection accompaniments at Federal facilities, the State radiation control program director must seek permission from the Federal agency licensee. State personnel interested in participation may do so as observers as long as their presence does not impact on NRC's inspection program. State personnel should be informed that the information they receive is confidential and should not be disclosed to anyone. NRC assumes no responsibility for injuries or radiation exposures that may be received by participating State personnel.

11.01 General. When a license authorizes operations in more than one region, the responsibility for inspection shall reside with the regional office in which the licensee's main office is located. The main office means the corporate office, normally the address given on the license.

11.02 Assistance in Inspections. In the interest of efficiency in travel time and funds, the responsible regional office shall request another regional office to conduct inspections (assist inspections) of the activities of such licensees when the licensee is operating outside the geographical area of the responsible region. The inspecting region should provide complete documentation and recommend enforcement action to the responsible region. The responsible region should distribute the documentation, initiate enforcement action, and take other follow-up actions, as appropriate to the case. These last two actions shall be completed by mutual agreement of the regional offices involved.

When requesting assist inspections, the regional offices shall take into consideration the sample size of inspections for which they are requesting assistance. In this effort, the regions should differentiate between large and small licensees and establish different inspection programs for each general class of license. Some licensees have many field offices and others have few. The strength of the licensee's internal inspection program is another factor in determining the sample size of the licensee's field operations.

11.03 Transfer of Responsibility. Notwithstanding the above (11.01 and 11.02), when a license carries an address that places the inspection responsibility in one region and operations under the license occur principally within another region, the inspection responsibility may be transferred to the region in which the operations are performed. This transfer shall be done with mutual agreement of the regional offices involved. The regional offices should ensure that the appropriate changes are made to the LTS to show which office has the overall responsibility for inspection and enforcement.

2800-12 INSPECTION OF GENERAL LICENSEES

12.01 Routine Inspection Not Required. Inspections of general licensees are not required on a routine basis. However, inspections shall be made to resolve allegations, complaints, or other indications of an unsafe practice or a case of noncompliance, or when such an inspection is directly pertinent to an inspection involving a specific license. Any inspections conducted under the above provisions should be done during activities conducted in areas of NRC jurisdiction.

12.02 Inspection of Activities under Reciprocity. The NRC region in which an Agreement State is located is the recipient of the NRC-241 form report from a State licensee of its proposed activities in non-Agreement States. The regional office receiving the NRC-241 form shall take action on the report, including prompt notification of the NRC regional office having jurisdiction in the area in which the Agreement State licensee's activities take place. The responsible regional office shall make every reasonable effort to conduct inspections of Agreement State licensees at the same frequency as the NRC licensees.

Construction and preoperational inspections of new walk-in or pool-type irradiator facilities shall be a regular part of the inspection program. The inspections will involve the use of engineering inspectors and will require that the materials staff identify the parts of the facility that are especially important to safe operations of irradiators. (MC) 2815 describes the inspection program for these facilities.

2800-14 SPECIAL INSPECTIONS

Special inspections are reactive in nature and cannot be scheduled on a routine basis. Occasions for which a special inspection should be performed include, but are not necessarily limited to, the following:

14.01 Licensee report of an incident where onsite inspection is needed to determine the facts of the case, the cause of the incident, and adequacy of the licensee actions to correct the cause of the incident, mitigate its consequences, and prevent recurrence. (See MC 1301 for criteria and guidance.)

14.02 Follow-up within one year of escalated enforcement to determine whether the licensee has taken the actions to which it committed itself in its response to the enforcement order.

14.03 Obtain information as to the validity and significance of the alleged unsafe operations.

2800-15 INSPECTION METHODS

To the maximum extent practicable, inspectors should ascertain whether a licensee is in compliance with specific provisions of the license and the regulations by direct observation of work activities, demonstrations of how the licensee performs an NRC-required test or other activity, interviews of licensee employees, and, in appropriate cases, by independent measurements of radiation and air concentrations. Less reliance should be placed on determining compliance based solely on information in licensee records. Table 2 specifies the inspection procedures to be used in conducting materials inspections.

2800-16 INPUT INTO THE LTS SYSTEM AND ASSIGNMENT OF INSPECTION PRIORITIES

16.01 Table 1 provides a listing of license program codes with the associated inspection priorities. In the case of problems with the assigned codes, the inspection staff should make a judgment about the proper inspection priority for the license, based on past practice, and should insert that priority into the LTS.

16.02 Data should be entered promptly into the LTS at the time a new license is issued or an inspection has been performed, including the dates for initial inspections of new licensees, the last inspection date, and the next inspection date for licensees already inspected.

Table 2 lists the inspection procedures that should be used in the materials inspection program and the frequency for use of each procedure. For computer entry, the letter R shall be entered for licensees on a reduced inspection interval.

The designated inspection priority for these licensees should not be changed in the LTS. However, the "next inspection date" data element in LTS should be changed to contain the date for the next inspection, based on a reduction of the interval between inspections. A brief note should be written giving the basis for the reduction, approved by the Section Chief, and placed in the docket file.

END

Enclosures:

1. Inspection Priority by Program Codes
2. Inspection Procedures
3. Telephone Contact Procedures for Priorities 5 and 7 Licensees
4. Evaluation of Possessions and Use of Byproduct Material
5. Form Letter
6. Form Letter

ENCLOSURE 1
Inspection Priority by Program Codes

Program Code	Category Title	Remarks	Priority
01100	Academic Type A Broad	Committee approved users	2
01110	Academic Type B Broad	RSO approved users	2
01120	Academic Type C Broad	Named users	5
01200	Academic Other (Secondary Code)	Primarily classroom teaching-academic research	
02110	Medical Institution Broad	Hospitals only	1
02120	Medical Institution Limited	Hospitals, clinics	3
02121	Medical Institution Custom (includes Diagnostic - Limited Therapeutic)		4
02200	Medical Private Practice - Limited		4
02201	Medical Private Practice - Custom (includes Limited Diagnostic, Limited Therapeutic)	Lixiscopes by podiatrists, physicians (bone mineral analysis) Also iodine-131 for diagnostic/therapeutic	4
02209	Grandfathered <u>In-Vivo</u> General Medical Use		4
02210	Eye Applicators Strontium-90	Hospitals or physicians' offices	4
02220	Mobile Nuclear Medicine Service	(Primary code)	2
02230	High-, Medium-, and Pulsed-Dose Rate Remote Afterloaders		1
02231	Mobile High-, Medium-, and Pulsed-Dose Rate Remote Afterloaders		1
02300	Teletherapy	Human use only	1
02400	Veterinary Nonhuman		5
02410	<u>In Vitro</u> Testing Laboratories		5
02500	Nuclear Pharmacies		1
02511	Medical Product Distribution - 32.72	Prepared Radiopharmaceuticals	3
02512	Medical Product Distribution - 32.73	Generators and Kits	5 3
02513	Medical Product Distribution - 32.74 - Sources and Devices	Therapy sources, calibration and reference sources	3
03110	Well Logging Byproduct and/or SNM Tracer and Sealed Sources		3
03111	Well Logging Byproduct and/or SNM Sealed Sources Only		3
03112	Well Logging Byproduct Only - Tracers Only		3
03113	Field Flooding Studies		3
03120	Measuring Systems Fixed Gauges		5
03121	Measuring Systems Portable Gauges (includes Industrial Lixiscope)		4
03122	Measuring Systems Analytical Instruments		7
03123	Measuring Systems Gas Chromatographs		7
03124	Measuring Systems Other		7
03211	Manufacturing and Distribution Type A Broad		1

Program Code	Category Title	Remarks	Priority
03212	Manufacturing and Distribution Type B Broad		3
03213	Manufacturing and Distribution Type C Broad		5
03214	Manufacturing and Distribution Other		3
03218	Nuclear Laundry		3
03219	Decontamination Services		2
03220	Leak Test Services Only		7
03221	Instrument Calibration Services Only Source Less Than 100 Curies		5
03222	Instrument Calibration Services Only Source Greater Than 100 Curies		3
03223	Leak Test and Instrument Calibration Services Source Less Than 100 Curies		5
03224	Leak Test and Instrument Calibration Services Source Greater Than 100 Curies		3
03225	¹ Other Services - includes teletherapy, irradiator, and gauge services		4
03231	Waste Disposal - Burial		1
03232	Waste Disposal Service Prepackaged Only		2
03233	Waste Disposal Service Incineration		1
03234	Waste Disposal Service Processing and/or Repackaging		1
03235	Incineration-Noncommercial (Secondary Code)		
03240	General License Distribution - 32.51	Generally licensed gauges, other	4
03241	General License Distribution - 32.53	H-3, PM-14 signs or markers	4
03242	General License Distribution - 32.57	Am-241 calibration sources	4
03243	General License Distribution - 32.61	Sr-90 ice detection	5
03244	General License Distribution - 32.71	<u>In vitro</u> kits	3
03250	Exempt Distribution - 32.11	Includes broad, exempt concentrations	5
03251	Exempt Distribution Certain Items - 32.14	H-3, Pm-147, and other isotopes in 30.15	5
03252	Exempt Distribution, Resins - 32.17	Sc-46 resins	5
03253	Exempt Distribution Small Quantities - 32.18	Byproduct material in processed chemical elements, compounds, mixtures, tissue samples, etc.	5
03254	Exempt Distribution - 32.22	Self-luminous products	5
03255	Exempt Distribution - 32.26	Smoke detectors	5
03310	Industrial Radiography Fixed		1
03320	Industrial Radiography Temporary Job Sites		1

¹ Low hazard services, such as soil and water analysis may be designated a priority 5-7 by the Region on a case-by-case basis (see Section 2800-06).

Program Code	Category Title	Remarks	Priority
03510	Irradiators Self-Shielded Less Than 10,000 Curies		3
03511	Irradiators Other Less Than 10,000 Curies		3
03520	Irradiators Self-Shielded Greater Than 10,000 Curies		3
03521	Irradiators Other Greater Than 10,000 Curies		1
03610	Research and Development Type A Broad	Committee-approved users	2
03611	Research and Development Type B Broad	RSO-approved users	3
03612	Research and Development Type C Broad	Named users	5
03613	R&D Broad - Multisite-Multiregional		1
03620	Research and Development Other		4
03710	Civil Defense		7
03800	Byproduct Material Possession Only - No Operations Authorized		3
03900	Decommissioning of Byproduct Material Facilities		1
11200	Source Material Other Less Than 150 Kilograms		3
11210	Source Material Shielding		7
11220	Source Material Military Munitions - Indoor Testing		5
11221	Source Material Military Munitions - Outdoor Testing		3
11230	Source Material General License Distribution - 40.34		5
11300	Source Material Other Greater Than 150 Kilograms	Includes munition production subcritical assembly, and other	3
11700	Rare Earth Extraction and Processing		3
11800	Source Material Possession Only - No Operations Allowed		3
11900	Decommissioning of Source Material Facilities		1
21310	Critical Mass Material - University		5
21320	Critical Mass Material - Other Than Universities		5
21325	Decommissioning of Critical Mass - Other Than Fuel Fabrication		1
22110	SNM Plutonium - Unsealed, Less Than a Critical Mass		2
22111	SNM U-235 and/or U-233 Unsealed, Less Than a Critical Mass		2
22120	SNM Plutonium - Sealed Neutron Source Less Than 200 Grams		5
22130	Power Sources with Byproduct and/or SNM		7
22140	SNM Plutonium-Sealed Sources in Devices		5
22150	SNM Plutonium - Sealed Sources Less Than a Critical Mass		5
22151	SNM U-235 and/or U-233 Sealed Sources Less Than a Critical Mass		5
22160	Pacemaker Byproduct, and/or SNM - Medical Institution		7
22161	Pacemaker Byproduct, and/or SNM - Individual		7
22162	Pacemaker Byproduct and/or SNM - Manufacturing and Distribution		1

Program Code	Category Title	Remarks	Priority
22170	SNM General License Distribution (70.39)		5
22200	Decommissioning of Other SNM Facilities - Less Than Critical Mass		1
23300	SNM Possession Only - Other Than Reactor Fuel		3

ENCLOSURE 2

Inspection Procedures

The procedures listed in this table comprise the inspection program for materials licensees. The list of procedures is divided into two parts, programmatic and generic. The programmatic procedures specify the inspection requirements for operational and radiological safety aspects of licensee activities; the generic procedures cover instructions and requirements applicable to all licensees.

Procedure Number	Title	Inspection Frequency ¹
PROGRAMMATIC PROCEDURES		
83822	Radiation Protection	I, P
87100	Well Logging	I, P
87100	Individual Radiography	I, P
87100	Industrial/Academic	I, P
87100	Commercial Irradiators	I, P
MC 2810	Multisite/Multiregional Broad Licensees	I, W
MC 2815	Construction and Preoperational Inspection of Panoramic Wet Source Storage Gamma Irradiators	W
87100	Medical	I, P
84850	Inspections of Waste Generator Requirements	I, P ²
87101	Performance Evaluation Factors	I, P
GENERIC PROCEDURES		
30703	Management Meeting--Entrance and Exit Interviews	X
30800	Initial Management Meeting	I
86740	Transportation Activities	I, P ²

¹ Codes for inspection frequencies:

I = initial inspection
P = by priority of license

W = when required
X = each inspection

² As applicable to the activities of the license being inspected.

MC 1330	Response to Transportation Accidents Involving Radioactive Materials	W
MC 2820	Followup Actions to Incidents Involving Fuel Facility or Materials Licensees	W
83890	Closeout Inspection and Survey	W
83895	Followup on Expired Licensees	W
92701	Followup on Inspector-Identified Problems	W
92702	Followup on Noncompliance and Deviations	W
92703	Confirmatory Action Letter Follow-up	W

ENCLOSURE 3

Telephone Contact Procedures for Priorities 5 and 7 Licenses

Program Objectives: In the past, there have been times when manpower limitations have required exempting lower-priority licensees from routine inspection by NRC. As a result of this practice, the regions were left with a large number of licensees, many of which had never been inspected. To improve general performance of these low-priority licenses, this telephone contact procedure was developed so each licensee would be interviewed at least once during the duration of the license and at some periodic frequency thereafter, to be determined by the regional staff.

1. Select license to interview at random (see 2800-05) from the computer listing of licenses never inspected. After this is done, select licensees that have had initial inspections (Priority 7) and those inspected infrequently (Priority 5).
2. Pull the license file and review the file to determine the person to contact for information needed to complete interview questionnaire (Enclosure 2).
3. Telephone licensee and complete questionnaire. Note that not all licenses require each procedure mentioned in the questionnaire.
4. If the licensee reports any problems, namely:
 - a. doses in excess of the occupational dose limits specified in 10 CFR 20.1201, 20.1207, or 20.1208
 - b. lost licensed material
 - c. leak tests indicating source leakage or
 - d. any event the licensee considered unusual

The person filling in the questionnaire should promptly notify their Section Chief. Provide the Section Chief with the appropriate draft letter (Enclosure 3).

5. If the licensee responses confirm no problems are present, prepare the appropriate draft transmittal letter (Enclosure 4) for signature by the Section Chief.
6. Send package to Section Chief for review.

EVALUATION OF POSSESSION AND USE OF BYPRODUCT MATERIAL

Name: _____ License Number: _____

Address: _____ Phone Number: _____

Name and Title of person responsible for radiation safety program: _____

Describe how this material is used: _____

Describe how you safeguard the byproduct material from use by unauthorized personnel: _____

Describe how you safeguard the material from loss or theft: _____

Describe controls which prevent individuals who work in the area around the material from becoming exposed to radiation: _____

Do you have a personal monitoring program for your employees, such as film badges, dosimeters, : Yes _____ No _____

If yes, were there any exposures to individuals in excess of 50 millisieverts (5 rem) for the year(s) _____ ?

Yes _____ No _____

Do you perform surveys to detect external radiation in the area around the byproduct material? Yes _____ No _____

If yes, how often are the surveys performed? _____

What instrument is used to perform the surveys? _____

When was this instrument last calibrated? _____

On what date was the last physical inventory of all byproduct material in your possession performed? _____

Do you perform leak tests on the sealed source? Yes _____ No _____

If yes, how often are these leak tests performed? _____

Who evaluates the leak test results? _____

If no, describe the provisions you have made to have the leak tests done:

Describe your provisions for repair and maintenance of your device or source holder: _____

Describe any unusual events involving the byproduct material or device(s) in which it is used: _____

Name of person filling in questionnaire

Title

Date

License No. _____

Sir or Madam:

This refers to a telephone contact conducted on _____, 19 __.

The contact was an examination of activities conducted under your license as they relate to radiation safety and to compliance with the Commission's rules and regulations and with the conditions of your license. The contact consisted of discussions with _____.

As a result of this examination of activities, regulatory concerns were noted and are specified below. These may be evaluated at an onsite inspection at your facility soon.

As you described on the telephone, the following apparent regulatory concerns were identified.

(List apparent violations - if they appear to be serious add the following paragraph.)

You should examine your license and NRC regulations to determine how you can correct the apparent regulatory concerns that were discussed on the telephone. In addition, we would like to highlight the following items that licensees should pay particular attention to, as follows:

- a. maintaining awareness and control of licensed material
- b. proper transfers and disposal of radioactive sources
- c. promptly reporting losses or thefts of licensed materials

If you have any questions about this contact, you may contact us at _____.

Sincerely,

_____, Chief
Nuclear Materials Safety and
Safeguards (Branch or Section)

bcc
DCS/RSB (RIDS)

License No. _____

Sir or Madam:

This refers to a telephone contact conducted on _____, 19 __.

The contact was an examination of activities conducted under your license, as they relate to radiation safety and to compliance with the Commission's rules and regulations and with the conditions of your license. The contact consisted of discussions with _____.

No regulatory concerns were identified.

If you have any questions about this contact, you may contact us at _____.

Sincerely,

_____, Chief
Nuclear Materials Safety and
Safeguards (Branch or Section)

bcc
DCS/RSB (RIDS)