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STATE OF COLORADO

COLORADO DEPARTMENT OF HEALTH

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Roy Romer
Governor

Thomas M. Vernon, M.D.
Executive Director

June 30, 1987

Carlton C. Krammerer, Director
State, Local and Indian Tribe Programs
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Krammerer:

The Colorado Department of Health through the Radiation Control Division has instituted the following actions to address the comments in your June 18, 1987 letter. (Enclosures 1 and 2)

COMMENT:

Priority 1, 2 and 3 licenses were overdue for inspection by more than 50% of the inspection frequency. (Enclosure 1, Item IA)

RESPONSE:

In order to eliminate the past due inspections, and to prevent future backlogs, the Division is instituting several changes.

1. Effective July 2, 1987 the Division will be reorganized. This will result in 2.6 full-time-equivalent inspections for non-uranium inspections.
2. The licenses which are overdue for inspection will be given the highest priority for completion. It is expected that this backlog will be eliminated before October, 1987.
3. A tracking system is to be instituted which will allow management to easily identify overdue inspections.

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COMMENT:

Enforcement letters are not always issued within the recommended 30 days following the inspection. Licensee responses to enforcement letters were not always received within the recommended 20 days. There were cases where there was no documentation of a letter of acknowledgement from the State. (Enclosure 1, Item IB)

RESPONSE:

As noted above, a department action and document tracking system will be instituted. This system will assure that inspection reports and enforcement letters will be sent out within the required schedule, and that action will be taken if a licensee's response is not received within the required time. The principal health physicist in charge of the regulatory program has been assigned the responsibility for auditing and the timeliness of these activities.

COMMENT:

Not all inspection reports adequately and completely document the results of the inspection. (Enclosure 1, Item IC)

RESPONSE:

The Division will conduct an internal training program for its compliance inspectors. Those items noted through the NRC review will be addressed and the need for proper documentation will be emphasized.

Additionally, as a result of the Division reorganization, the inspection reports will be reviewed by a supervisory person new to the regulatory effort. It is expected this review will result in more complete reports.

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COMMENT:

The staffing level for the uranium mill program is inadequate. (Enclosure 2, Item I)

RESPONSE:

The staffing level for the uranium related activities was diminished because of the Division's litigation activities under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) against the State's two major uranium mills. As a result of these activities, the Division has already hired one new employee as a full-time remedial action site coordinator for the Uravan mill. It is expected that in the very near future, a second employee will be hired to oversee the Cotter facility remedial actions. Further, the individuals currently assigned to assisting the Attorney General's Office will return to the regulatory effort. This should resolve the staffing problem.

COMMENT:

Inspection reports and compliance letters for uranium mills were not completed in a timely manner. (Enclosure 2, Item II)

RESPONSE:

Part of the problem with the issuance of inspection reports and compliance letters was due to the staffing level. This issue is resolved as discussed above. In the case of the State not responding to a licensee's letter for five months, that response was prepared but not sent because of the sensitive nature of the settlement discussions surrounding the CERCLA lawsuit.

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COMMENT:

Action on applications for seven minor amendments to uranium mill licenses have not been completed. Of these, five require appropriate annual financial assurance determinations. (Enclosure 2, Comment III)

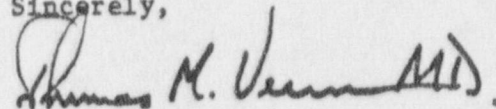
RESPONSE:

The problems associated with the issuance of "minor" amendments for uranium licenses should be resolved with the settlement of the two CERCLA suits and the availability of regulatory staff.

Regarding the financial assurance determinations, one site is potentially involved with UMTRAP under Title I of PL-95-604. Others are likely to result in legal challenges to our authority to require full surety. The Division has already begun review of the financial assurance arrangements, and has begun to evaluate staff and attorney requirements necessary to fully implement adequate surety arrangements.

We look forward to your favorable review and finding of adequacy and compatibility of the Colorado program.

Sincerely,



Thomas M. Vernon, M.D.
Executive Director

cc: Chairman Zech
Commissioner Roberts
Commissioner Asselstine
Commissioner Bernthal
Commissioner Carr
Victor Stello, Executive Director
for Operations, NRC
T. Looby, Director
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