



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
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ATLANTA, GEORGIA 30303-8931**

April 4, 2002

Ms. Beverly O. Hall, Acting Director
Division of Radiation Protection
Department of Environment, and Natural Resources
3825 Barrett Drive
Raleigh, NC 27609-7221

SUBJECT: PERIODIC MEETING

Dear Ms. Hall:

This year's periodic meeting with North Carolina was held on March 14, 2002. The purpose of this meeting was to review and discuss the status of the North Carolina Agreement State program. Specific topics and issues of importance discussed at the meeting included actions on previous 2000 IMPEP review findings, program strengths, staffing and training, performance of licensing and inspection activities, and the updating of regulations for compatibility.

I have completed and enclosed a general meeting summary which includes an action needed by NRC as a result of our meeting.

If you feel that our conclusions do not accurately summarize the meeting discussion, or have any additional remarks about the meeting in general, please contact me at 404-562-4704, or e-mail to rlw@nrc.gov to discuss your concerns.

Sincerely,

/RA/

Richard L. Woodruff
Regional State Agreement Officer

Enclosure: Annual meeting summary

cc w/encl:
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L. Rakovan, STP

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AGREEMENT STATE PERIODIC MEETING SUMMARY FOR NORTH CAROLINA

DATE OF MEETING: March 14, 2002

ATTENDEES:

NRC

Richard L. Woodruff, RSAO, Region II
Lance J. Rakovan, ASPO, STP

STATE

Beverly O. Hall, Acting Director, Division of Radiation Protection
Robin Haden, Chief, Radioactive Materials Section

DISCUSSION:

A meeting was held with the North Carolina representatives on March 14, 2002, in Raleigh, North Carolina. The topics listed in NRC letter dated February 6, 2002, to Mr. Richard M. Fry were discussed. Details for each area are discussed below.

Action on Previous Review Findings

The previous IMPEP review was conducted during the period of September 18-20, 2000, and the Management Review Board determined that the State was satisfactory in all seven indicators. Recommendations were made to the State concerning the following indicators:

Recommendations:

1. The review team recommends that the Division change the inspection frequency of nuclear pharmacies from a Priority 2 to a Priority 1 in accordance with NRC's IMC 2800 and conduct inspections at the appropriate frequency. (Section 3.1)

Status: The State revised the inspection frequency priority to be consistent with the current Manual Chapter 2800 criteria (A discussion was held concerning NRC's current consideration of revising MC 2800 to recategorize nuclear pharmacies to a Priority 2). It is recommended that this item be closed at the next IMPEP review.

2. The review team recommends that the Division meet the reciprocity inspection frequency goals specified in NRC's IMC 1220. (Section 3.1)

Status: The State has made improvements to their data base tracking system to enhance the tracking of reciprocity inspections. It is recommended that this item be closed at the next IMPEP review.

Enclosure

3. The review team recommends that staff who conduct independent inspections and/or license reviews of teletherapy and brachytherapy licenses and irradiator licenses complete the teletherapy/brachytherapy course and irradiator course, or their equivalent. (Section 3.3)

Status: Additional staff have not been sent to the teletherapy/brachytherapy course. One individual is fully trained. The State is looking at training options for training their staff internally, such as hosting seminars on specific topics at Universities, or having manufacturers of devices or products provide demonstrations of the products. We discussed how these types of training could be evaluated, and documented for training purposes. It is recommended that this item be evaluated at the next IMPEP review.

4. The review team recommends that a formalized, written training program based upon the requirements specified in IMC 1246 or "NRC/OAS Training Working Group Recommendations for Agreement State Training Programs," be developed for license reviewers and inspectors. (Section 3.3)

Status: The State reported that the current staff had been adequately trained and that formal documentation of the program was on-going. The State uses a mentoring program for training in some of the areas. It is recommended that this item be evaluated at the next IMPEP review.

5. The review team recommends that the NMED data be updated to reflect the status and close out of cases as appropriate, and that incident data be provided to the NRC in accordance with STP Procedure SA-300. (Section 3.5)

Status: The State has been providing incident data to NMED on a quarterly basis and will provide the information on a monthly basis in the future. The State has been very diligent in prompt reporting of significant events, and the coordination of information to other States and jurisdictions. It is recommended that this item be evaluated at the next IMPEP review.

6. The review team recommends that all registration certificates reference the specific documents which were reviewed during the safety evaluation. (Section 4.2)

Status: The State reported that this recommendation had been completed. It is recommended that this item be verified at the next IMPEP review.

7. The review team recommends that the Division develop a tracking system to follow the status of SS&D actions. (Section 4.2)

Status: The State reported that a tracking system had been developed and implemented. This issue will be reviewed at the next IMPEP review.

Program Strengths and/or Weaknesses

In general, the North Carolina representatives related that their program has adequate administrative support, legislative support, stable sources of funding, good legal support, good laboratory support, and fully trained staff. No performance type weaknesses were identified by NRC during this meeting.

Specific areas were discussed as follows:

1. The Acting Division Director related that North Carolina has a comprehensive radiation control program that includes not only agreement materials, but also NORM and NARM, electronic products, environmental surveillance, emergency preparedness, and a mobile laboratory, all under one division.
2. The Section Chief related that the program is adequately staffed, with good staff retention, personnel trained in their respective positions with back up capabilities in most positions, and dedicated staff that utilizes team work on all projects.
3. The Section Chief also related that the program has good radiation survey equipment and commercial calibration services are utilized.
4. The Section Chief related that the program has a LAN manager and in-house expertise. Their system is utilized for tracking incidents, allegations, reciprocities, licensing information, and inspection data. The State reported that the web page has been updated, but the e-mail system has experienced some problems.
5. The Section Chief related that the materials program has no inspection or licensing backlogs at this time.
6. The staffing has been relatively stable since that last review with very few staff turnovers.
7. The State currently funds the program partially (51%) by annual fees with the rest coming from the general fund. The 2001 General Assembly directed the Division of Radiation Protection to develop a Self Sufficiency Plan to become self supporting by FY 2004. The Division has developed a plan which would make the program self-supporting by July 1, 2004. The plan would increase fees in general, and the fees would include the cost of registration, licensing, environmental surveillance, and some emergency response activities which are not covered under the current fee structure. The plan may be put on a fast track to be implemented this next fiscal year. The plan will require legislative approval and new legislation. The legislature is scheduled to meet in May of 2002.

All of the IMPEP Indicators were discussed and there were no performance issues identified during the meeting,

Status of Program and/or Policy Changes

At the time of the meeting, there had been no significant changes in the organizational structure of the Radiation Protection Division since the 2000 IMPEP review. There has been two manager changes since the IMPEP, Beverly O. Hall is the Acting Division Director, and Robin Haden is Chief of the Materials Section (see organization chart). The Division has four major technical Sections: Radioactive Materials Section; Nuclear Facility & Environmental Radiation Surveillance Section; Electronic Product Registration and Mammography Section; and the Electronic Product Inspection and Enforcement Section. All of the technical sections report to the Division Director including the Radiation Protection Manager who handles the administrative matters for the Division, and the Radiological Emergency Coordinator. The Division is organized under the Deputy Secretary who reports to the Secretary of the Department of Environment and Natural Resources.

No major changes in the staffing plan are planned at this point. It was noted that the Radiation Protection Manager position will become vacant on May 1, 2002 but no replacement has been announced as of this meeting. The Acting Director related that she knew of no plans to reorganize or relocate the Division.

All materials licensing and inspections are performed out of the Raleigh office. The Radioactive Materials Section currently has 632 specific licenses of which 594 are core licenses under NC inspection criteria (47 inspection Priority 1's, 269 inspection Priority 2's, and 278 inspection Priority 3's). The program also has approximately 900 general licenses.

Feedback on NRC's Program and Status of NRC Program Changes

The NRC representatives discussed NRC program changes that could impact the State, such as the status of the 10 CFR Part 35 revision, the control of radioactive material (accountability, orphan sources, physical protection), doses to the public, clearance, evolving material processes (risk assessment, resources, management reviews, priorities, safety goals), and the need for more input from the Agreement States.

In response to the issues, the State noted that information like NUREG guidance documents, preliminary notices, event notices, and training courses are needed and hopefully will be placed back on the internet or made available as soon as possible. No other issues were identified. It was noted that the Division has provided a technical person for the IMPEP program and the former Division Director participated as a State Liaison to the Management Review Board.

The Acting Division Director noted that Mel Fry was the State Liaison Officer (SLO) before his retirement, and inquired about the status of the SLO appointment process. It was confirmed with STP that the Chairman sent a letter to Governor Easley on March 18, 2002 requesting a new SLO in light of Mel's retirement.

Internal Program Audits and Self-assessments.

The managers reported that self-assessments were being accomplished through the use of tracking systems for incidents, reciprocities, licensing actions, and inspection activities. The Section Chief related that she reviews all inspection reports and enforcement letters. The Section has one member that has participated on several IMPEPs, and the Section Chief related that the experience gained during those IMPEPs would be helpful to the State in upcoming IMPEPs. We discussed the value of self audits and assessments.

Status of Allegations Previously Referred

The NRC allegation program was discussed in general with the State representatives. The Section Chief related that North Carolina had experienced an increased number of allegations, that allegations were processed on a case-by-case basis, and that follow-ups were conducted as needed. A review of the allegations referred to the State by the NRC Region II office indicated that there was only one referral to the State since the September, 2000 IMPEP. The Section Chief related that a separate file is maintained on each allegation, the allegation is tracked, and the issues are closed out with documentation and notification to the allegor as appropriate. The documentation in the NRC referred allegation file was confirmed.

Nuclear Material Events Database (NMED) Reporting

A general discussion was held with the representatives concerning the NMED reporting system. Prior to this meeting, the RSAO reviewed the event reports that had been placed in the NMED system, and noted that only 15 events had been documented in the NMED since the September 2000 IMPEP. The Section Chief related that reports formerly were entered on a quarterly basis rather than a monthly basis, and acknowledged that the State would adopt the monthly reporting frequency for reporting events except for significant events that are reported as they occur. This is not considered an issue at this time. The State has been very responsive and cooperative in providing event information and as requested from NRC, and has taken the initiative in reporting information to other States and jurisdictions when appropriate.

Compatibility of State Regulations

The compatibility policy was discussed in general with the State representatives, including STP's procedures for reviewing proposed State regulations. Regulation amendments needed for adequacy and compatibility were discussed as taken from the State Regulation Status data sheet. North Carolina currently has a regulation amendment in for review, but the compatibility review has not been completed. The RSAO confirmed that the program is receiving NRC regulation changes as published and distributed.

Schedule for the Next IMPEP Review

The State was informed that the next North Carolina review is currently scheduled for FY 2004, and that the State should consider the continued use of the IMPEP indicator criteria as a mechanism for self evaluation prior to the IMPEP.

CONCLUSION:

The North Carolina program has good managers, equipment, and trained, experienced staff. Based upon this meeting and discussions with the program staff, the program should have the resources to remain adequate to protect public health and safety, and compatible under the IMPEP criteria.

ACTION ITEM:

A letter from STP concerning the compatibility review of the proposed regulation amendment dated October 15, 2001, is pending.