

September 5, 2014

MEMORANDUM TO: Those on the Attached List

FROM: Laura A. Dudes, Director **/RA PHenderson for/**
Division of Materials Safety and State Agreements
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: INSPECTION PROCEDURE 87121: "INDUSTRIAL
RADIOGRAPHY PROGRAMS"

On June 28, 2012, the Office of Inspector General (OIG) issued an Audit Report on the U.S. Nuclear Regulatory Commission's (NRC's) oversight of Industrial Radiography (OIG-12-A-15). The objective of the audit was to determine the adequacy of NRC's processes for overseeing licensee activities addressing the safety and control of radiography sources. OIG identified eight areas in licensing and inspections that could be improved. As of today, two recommendations have been closed. The remaining six open recommendations involve the revision of NUREG-1556 Volumes 2 and 20, and Inspection Procedure (IP) 87121, "Industrial Radiography Programs." Links to the documents related to the Audit Report OIG-12-A-15 are listed below.

Link to the Audit Report OIG-12-A-15 dated June 28, 2012:

<http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2012/oig-12-a-15.pdf>

Link to the Status of the Recommendations, Memorandum dated February 24, 2014:

<http://pbadupws.nrc.gov/docs/ML1405/ML14055A471.pdf>

Enclosed for your review and comment is the revised draft of IP 87121, "Industrial Radiography Programs." The update to IP 87121 addresses four of the recommendations listed in the Audit Report OIG-12-A-15 and reflects the current regulation requirements of 10 CFR Part 37. The recommendations and the update to address the recommendations are listed below.

- Recommendation 2: Revise NRC inspection guidance to define the NRC radiography licensees' location(s) that must be inspected each inspection cycle.
- Recommendation 3: Revise NRC inspection guidance to include a reliable methodology to select NRC radiography licensee field stations for inspection.

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To address Recommendations 2 and 3, IP 87121 was revised to indicate that the inspector should consider the following criteria when selecting inspection locations:

- (1) risk significance of the operations performed at the location,
- (2) work location of the radiation safety officer (RSO), in order to assess the RSO's oversight of the radiation safety program, and
- (3) field office locations that have not been inspected within the last five inspections using risk significance of operations at field office.

IP 87121 also was revised to indicate that the inspector should coordinate and interface with the licensee's primary RSO as part of every inspection.

- Recommendation 4: Revise NRC inspection guidance to require inspectors to take additional steps to arrange a temporary job site inspection for an NRC licensee that has not had a temporary job site inspection for a defined minimum number of consecutive inspections.

In order to address Recommendations 4, IP 87121 was revised to indicate that the inspector should take additional steps to arrange an inspection at a temporary job site for licensees whose primary operations are conducted at these sites and have not had sites inspected for the last three consecutive routine inspections.

- Recommendation 8: Revise NRC inspection guidance to include guidance for inspectors conducting inspections when the NRC licensee's facility is located in an Agreement State.

To address Recommendations 8, IP 87121 was revised to clarify that in the case that a licensee's main office is located in an Agreement State jurisdiction; the inspection may include the main office location to inspect its oversight of field office activities.

Although this guidance is for use by the NRC inspectors, it may be used by Agreement States, to perform inspections of licensees with industrial radiography programs. Comments on the guidance are being sought separately from the Agreement States and in parallel to this request. Written comments, from designated staff members, should be submitted to the contact listed below within 30 days from the date of this letter.

The NRC staff will address comments, prepare a final document, and issue the revised IP 87121.

Enclosure:
Draft Inspection Procedure 87121

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