



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
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December 17, 2002

Roland G. Fletcher, Manager
Radiological Health Program
Air and Radiation Management Administration
Maryland Department of the Environment
1800 Washington Boulevard, Suite 705
Baltimore, MD 21230-1720

SUBJECT: PERIODIC MEETING SUMMARY FOR MARYLAND

Dear Mr. Fletcher:

A periodic meeting with Maryland was held on November 13, 2002. The purpose of the meeting was to review and discuss the status of the State's Agreement State Program. The NRC was represented by Osiris Siurano from the NRC's Office of State and Tribal Programs (STP) and me. Specific topics and issues of importance discussed at the meeting included the impact on licensing and inspection due to the loss of staff and the Program's progress on the recommendations from the follow up IMPEP review.

I have completed and enclosed a general meeting summary, including any specific actions that will be taken as a result of the meeting.

If you feel that our conclusions do not accurately summarize the meeting discussions, or have any additional remarks about the meeting in general, please contact me at (610) 337-5042 or by e-mail at adw@nrc.gov to discuss your concerns.

Thank you for your cooperation.

Sincerely,

Original signed by Duncan White

Duncan White, CHP
Regional State Agreements Officer
Division of Nuclear Materials Safety

Enclosure: As stated

cc: R. Bores, RI
O. Siurano, STP

R. Fletcher
Maryland Radiological Health Program

2

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AGREEMENT STATE PERIODIC MEETING SUMMARY FOR MARYLAND

DATE OF MEETING: November 13, 2002

ATTENDEES:

NRC

Duncan White, RI
Osiris Siurano, STP

STATE

Ann Marie DeBiase, Director
Roland Fletcher, Program Director
Alan Jacobson, Compliance Section Supervisor
Ray Manley, License and SS&D Section Supervisor

STATUS OF OPEN RECOMMENDATIONS FROM PREVIOUS REVIEW:

The proposed status of each recommendation in Section 4 of the 2001 Maryland final follow-up Integrated Materials Performance Evaluation Program (IMPEP) report is summarized below. The status of the remaining recommendations from the 1999 Maryland final IMPEP report was discussed during the follow-up review in 2001 and summarized in Appendix C.

Recommendation 6

The review team recommends that the State promptly review registration certificates MD-1003-D-101-G and MD-1003-D-102-G, taking into consideration the deficiencies listed in Appendix F (of the 1999 IMPEP report) for each registration certificate, and amend the registration certificates accordingly. (Section 4.2.1 of the 1999 report; Section 3.1 of follow-up review)

Current Status

After the 1999 IMPEP review, the Program issued an Order to the manufacturer to provide information necessary to address safety concerns identified in their two registration sheets. Since the 2001 follow-up review, the Program has closed this order. The manufacturer has requested that MD-1003-D-102-G be changed to inactive status. The Program is actively working on amending MD-1003-D-101-G to bring the sheet up to desired specifications. The Program anticipates that action on these sheets be completed by July 2003. It is recommended that this item be verified at the next IMPEP review.

Recommendation 7

The team recommends that the State, using NUREG-1556 guidance and following the description of a "concurrency review" in Management Directive 5.6, complete a secondary review of all registration certificates issued by the State to identify any missing information and with priority of the actions based on the risk associated with the device. (Section 4.2.1 of the 1999 report; Section 3.1 of follow-up review)

Current Status

The Program has completed a secondary review of approximately 50% of the Program's 45 registry sheets. The License and SSD Section Supervisor noted that one of the manufacturers (Thermometric) in the State will be moving its operations to California. Consequently, the Program will conduct a secondary review of the manufacturer's 18 registration sheets but as the last group of sheets to be done. The Program expects to complete these reviews by June 2003. License and SSD Section Supervisor noted that more time is being spent on SS&D reviews each month in that a different reviewer spends one full week a month on SS&D review exclusively. It was also noted that all sheet changes are being reviewed by the Department engineer used by the Program. The License and SSD Section Supervisor indicated that in the future, only those sheet changes requiring engineering evaluation will still be sent to him. It is recommended that this item be verified at the next IMPEP review.

Recommendation 9

The MRB recommends that the State respond to all of the review team's comments in Appendix F of the final report. (Section 4.2.4 of the 1999 report; Section 3.1 of follow-up review)

Current Status

The Program is responding to the comments in Appendix F of the 1999 final report as the secondary review discussed in Recommendation 7 is conducted. The Program expects to complete these reviews by June 2003. It is recommended that this item be verified at the next IMPEP review.

New recommendations from the follow-up review:

Follow-up Recommendation 1

The review team recommends that the Program establish a training policy that prior to gaining signature authority, all reviewers must meet a set of standards through experience, training, and/or formal education including, at a minimum, those listed in Management Directive 5.6. (Section 3.2)

Current Status

The Program has prepared a written policy that is currently being reviewed by the Program Manager. Final approved is expected shortly. It is recommended that this item be closed at the next IMPEP review.

Follow-up Recommendation 2

The team recommends that the Program establish a policy that a qualified individual perform an engineering review for all incidents and product failures involving Maryland vendors. (Section 3.3)

Current Status

The Program has prepared a written policy that is currently being reviewed by the Program Manager. Final approval is expected shortly. The Program has used the draft policy in the evaluation of two recent events involving an in state manufacturer. It is recommended that this item be closed at the next IMPEP review.

GENERAL DISCUSSION:

Two individuals retired from the Program this year which has had an impact on the Program. Neither position (Branch Chief and inspector) can be filled at this time due to a State hiring freeze. The State is currently using the hiring freeze as a way to close the budget deficit. The Director indicated that an exception request has been filed to fill the positions, but due to the change in administration in January 2003, there has been no action taken on the request to date. The duties of the Branch Chief are being done by the two Section Supervisors. With the retirement of the inspector, the Program had two vacant inspector positions. The Compliance Section Supervisor indicated that the Program is currently up to date on core inspections, but anticipates that some core inspections may become overdue next year. An individual (Mary Lally) from the Radiation Machines branch has been recently transferred to the Radioactive Materials branch and is currently being trained to be an inspector. The Compliance Section Supervisor indicated that it will take about 6 months to have a productive inspector.

The Program feels that despite the retirements, the program is in fairly good shape with its source of funding secure. The Director indicated the Program has the money for the positions, but will need the exception request approved in order to fill the vacancies. Despite the 30% reduction in the program, the program has been able to significantly reduce its licensing backlog. There are currently nine renewals more than seven months old (the oldest renewal has been in-house for 15 months) and a total of 41 renewals under review. In comparison, at the time of the last full IMPEP review in 1999, there were more than 50 pending license renewals at least one year old. The Program also indicated that it continues to prioritize responses to incidents and allegations.

Subsequent to the meeting, the Program informed the Regional States Agreement Officer (RSAO) that its remaining full time inspector (Bob Nelson), an Army reservist, had been called to active duty. In response to the temporary loss of an inspector, the Program shifted an individual (Nate Owrutsky) from the licensing section to the inspection section. This individual is a qualified inspector. As a result of these shifts in personnel and the decision to prioritize inspections and responses to incidents and allegations, the Program anticipates that the licensing backlog will increase and timetables to complete the various SS&D reviews will be extended.

The Program indicated that there have been no legislative changes or new responsibilities for the Program since the follow-up IMPEP review.

The Program continues to expend significant resources on the litigation and decommissioning options for Neutron Products, Inc. (NPI). NPI is currently prohibited from receiving any sources under its teletherapy service license or manufacturing license. No waste has been shipped from the site. The NRC discussed the current status of the Permagrain Products, an NRC licensee who entered into an agreement with NPI to take sources in the event that NPI went into bankruptcy. Subsequent to the meeting, the RSAO informed the Program on December 6 that Permagrain Products was in severe financial condition and that bankruptcy was a probability. The Program also discussed the status of enforcement and criminal actions against a former State and NRC licensee (Accurate Technologies) as a result of a radiation overexposure to a radiographer in Baltimore in September 2001. The Section supervisors felt that valuable experience was gained as a result of the Program's investigation and that the NRC and the Program coordinated well on this incident. At the request of the Program, copies of the settlement agreement between the NRC and the licensee and the NRC inspection report related to this matter were provided to Compliance Supervisor a few days after the meeting.

The NRC staff discussed the status of program activities in Region I and headquarters. Specific items discussed included new personnel, IMPEP lessons learned working group, implementation of Part 35, status of NRC security reorganization, changes in inspection frequencies, inter compensatory measures for various classes of NRC licensees, and the coordination and communication of security related matters. The Program has expectations that the IMPEP indicator for SS&D will become more performance based with the revision to Management Directive 5.6 by the working group.

No allegations were referred to the Program by the NRC since the last periodic meeting.

The status of regulations required for compatibility were discussed. The NRC has reviewed the final regulations for Supplement 7 and the draft regulations for Supplement 8. The Program anticipates that by the time of the next IMPEP review in July 2003, the State will have adopted Supplement 8 regulations in final. Supplement 8 includes NRC amendments required for compatibility through 2002.

The Program indicated that they are up to date with the reporting and updating of events in NMED. The Program raised some issues regarding the use of NMED including 1) the scope of INEL's responsibility to ask the States technical questions about specific events; 2) getting inquiries from INEL if no response within 30 days of open items; 3) the ability of the States to query open items; and 4) that the software for entering data is not user friendly (i.e., data needs to be sent to INEL before proceeding to the next step). NRC staff indicated that other States have raised similar issues and that NMSS is looking into the matter.

NEXT IMPEP REVIEW:

The next IMPEP for the Maryland program is scheduled for July 2003. The NRC staff indicated that inspector accompaniments would have to be completed prior to the on-site review. A consensus was reached that the accompaniment of Program inspectors at a large broad scope license would be most advantageous.