

March 15, 2000

Mr. Lawrence E. Nanney, Director
Division of Radiological Health
Department of Environment and Conservation
401 Church Street
L and C Annex, Third Floor
Nashville, TN 37243-1532

Dear Mr. Nanney:

Thank you for your letter of January 21, 2000 responding to my letter of January 7, 2000. In my letter I requested that you provide additional information so that NRC could complete its evaluation of the licensing process used in the amendment of the Manufacturing Sciences Corporation (MSC) license.

On review of my January 7, 2000 letter, I note that, although the letter could have been clearer in this respect, we had expected that you would provide a written response to each of the information items identified by the review team, as presented in Enclosure 2. In your response, you state a preference to address these items as part of the Tennessee Integrated Materials Performance Evaluation Program (IMPEP) review scheduled for August, 2000. We agree, and, as noted in my letter, the review of the MSC licensing action will be included as part of the IMPEP evaluation of the Common Performance Indicator, "Technical Quality of Licensing Actions." However, since the level of review needed to bring the evaluation of the MSC action to closure is significantly greater than that which can be easily accommodated during the routine scheduled IMPEP review time, we are requesting that a separate on-site review be conducted prior to the routine IMPEP review. We believe a small team of three persons can accomplish the review in several days. This would include discussions with key staff and review of the proprietary information in your files. The results from this separate review will be incorporated into the overall findings for the IMPEP review conducted in August. To facilitate the on-site review, I am requesting that you prepare responses to the information requests in Enclosure 2 to my January 7, 2000 letter and have this information available for the review team upon their arrival.

Dennis Sollenberger will be leading this team effort and will be contacting you to set the specific date for the on-site review. (We suggest this review be completed in early April). The review team also believes a site visit to the MSC facility should be conducted, prior to the meeting with your staff in Nashville, to gain a better understanding of the MSC licensing action.

If you have any questions regarding this letter or our January 7, 2000 letter, please contact me at 301-415-3340 or Dennis Sollenberger at 301-415-2819.

Sincerely,

/RA/

Paul H. Lohaus, Director
Office of State Programs

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