



STP Procedure Approval

Implementation of Increased Controls

TI-001

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NOTE

The STP Director's Secretary is responsible for the maintenance of this master copy document as part of the STP Procedure Manual. Any changes to the procedure will be the responsibility of the STP Procedure Contact.

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I. INTRODUCTION

This document describes the process used by the U.S. Nuclear Regulatory Commission (NRC) to monitor and evaluate actions taken by NRC Regional and Agreement State materials programs to implement the increased controls for licensees authorized to possess sources containing quantities of concern.

II. OBJECTIVES

- A. To ensure the timely implementation of increased controls by licensees under the jurisdiction of NRC Regional and Agreement State materials programs.
- B. To monitor and evaluate actions by NRC Regional and Agreement State materials programs to implement the increased controls.
- C. To provide guidelines that will be followed by NRC staff when significant delays and/or weaknesses in NRC Regional or Agreement State materials programs are identified in regard to the implementation of increased controls.
- D. To outline processes for Agreement State programs to request NRC assistance in the implementation of increased controls.

III. BACKGROUND

In an effort to increase the control of certain radioactive materials, the Commission approved an approach to implement increased controls for NRC and Agreement State licensees authorized to possess radioactive materials in quantities of concern. The increased controls for certain licensees are mandated under the NRC's statutory authority to protect public health and safety. The implementation of the increased controls will be carried out by NRC Regional and Agreement State materials programs for their licensees as an immediate mandatory matter of compatibility.

The Commission has placed a high level of importance on the activities encompassing implementation of the increased controls. Therefore, the status of actions in relation to the increased controls will be periodically monitored and evaluated. The status of the actions in Agreement States and NRC Regional materials programs will be monitored and evaluated through routine interactions. Information obtained during Integrated Materials

Performance Evaluation Program (IMPEP) reviews and periodic meetings with Agreement States will be used as supplemental information in evaluating the status of actions related to the increased controls.

In accordance with the Transition Plan approved by the Commission, the NRC and Agreement States were expected to have legally-binding requirements or Orders in place for affected licensees no later than December 2, 2005. All initial inspections of affected licensees are expected to be completed within three years after implementation of the increased controls. The initial set of licensees are expected to have implemented the requirements of the increased controls within six months from the date of issuance of the legally-binding requirements or Orders. New applicants for a license or existing licensees seeking possession of radioactive materials in quantities of concern are required to have increased controls implemented by June 2, 2006, or by the first day that actual possession quantities are at or above the established limits of concern, whichever is later. NRC Regional Offices and the Agreement States are expected to have completed the initial inspections of all higher risk licensees within the first year after implementation, based on the prioritization methodology developed by the NRC.

IV. RESPONSIBILITIES

A. Management Review Board (MRB):

1. Evaluates the status of the implementation of increased controls in NRC Regional and Agreement State materials programs based on information obtained during IMPEP reviews, periodic meetings, or other interactions as supplied by the NRC's Office of State and Tribal Programs (STP); and,
2. Recommends to the Commission whether emergency suspension, technical assistance, or another form of increased oversight is warranted in cases where timeliness issues or performance weaknesses exist.
3. See STP Procedure SA-106, *The Management Review Board (MRB)* for more information on the membership and responsibilities of the MRB.

B. Director, STP:

Assigns a point of contact in STP to accumulate responses to status update requests from Agreement States at the four distinct monitoring periods. That individual will incorporate the gathered information and present it in a report to the MRB for its consideration.

- C. Director, Office of Nuclear Materials Safety and Safeguards (NMSS):
1. Assigns a point of contact in NMSS to track issuance of increased control requirements to and inspections of licensees subject to increased controls in NRC Regions at the four distinct monitoring periods. The point of contact should provide the tracking information to the STP point of contact when the reports to the MRB are being assembled.
 2. Works directly with NRC Regional management to address any timeliness concerns or performance weaknesses identified through the monitoring process.
- D. Deputy Director, STP:
- Signs out the report to the MRB on status of implementation of increased controls, as described above.

V. GUIDANCE

- A. Monitoring of Implementation of Increased Controls
1. STP and NMSS will formally monitor the status of the completion of activities in regard to the increased controls in the NRC Regional and Agreement State materials programs through IMPEP, periodic meetings, and other interactions. The information will be collected at four distinct periods during the initial implementation phase. RCPD-05-014, titled "High Priority: Implementation of Increased Controls" and dated September 2, 2005, informed the Agreement State radiation control program directors that both NRC and the Agreement States will need to issue legally binding requirements or Orders by December 2, 2005 to implement the increased controls. The period of issuance was September 2, 2005, to December 2, 2005.
 - a. During the period of issuance of legally-binding requirements or orders and immediately following, STP and NMSS will determine or verify the status of the issuance to affected licensees. The status will be verified through telephonic contact and/or written correspondence.

- b. Upon one year after implementation, STP and NMSS will establish the status of the completion of initial inspections of all higher risk licensees as identified through the program's established prioritization methodology.
 - c. Upon two years after implementation, STP and NMSS will determine the progress of the completion of initial inspections through IMPEP reviews, periodic meetings, and/or telephonic contact to determine the program's ability to complete all initial inspections within three years after implementation.
 - d. Upon three years after implementation, STP and NMSS will establish the status of the completion of all initial inspections through IMPEP reviews, periodic meetings, and/or telephonic contact.
 - 2. Throughout the entire implementation period, STP and NMSS will perform real-time monitoring of the status of the implementation of increased controls. STP and NMSS may request periodic status updates to early identify any potential problems in advance of the four distinct monitoring periods. If the real-time monitoring identifies timeliness issues or performance weaknesses, that information will be circulated to the MRB and a special session of the MRB will be convened, if necessary. NMSS will work directly with NRC Regional management to resolve timeliness concerns or performance weaknesses prior to convening the MRB.
- B. Evaluation of Implementation of Increased Controls
 - 1. The MRB will convene to discuss the status of the implementation of increased controls based on the information provided by STP and NMSS. If necessary, the MRB will meet after each of the distinct monitoring periods described above.
 - 2. The MRB will evaluate the status of implementation of increased controls and make a determination if action is necessary to ensure the completion of implementation within the expected time frames.
 - 3. Special sessions of the MRB may be convened to discuss timeliness issues or performance weaknesses identified outside of the distinct monitoring

periods described above.

4. An Organization of Agreement States (OAS) Liaison will be invited to participate in all sessions of the MRB in regard to increased controls. The designated OAS Liaison will not be allowed to participate in the deliberation of the MRB for matters in regard to his/her own State. If during an MRB meeting, the MRB desires to go into an executive session, every effort will be made to include the OAS Liaison.

C. Identification of Delays in Implementation or Program Weaknesses

1. If the information gathered through IMPEP reviews, periodic meetings, or other interactions with an Agreement State indicates that the State may require additional time to complete the initial implementation phase or if program weaknesses are identified, the NRC will consider initiating a step-wise progression of action. NMSS will also use the step-wise progression to address timeliness concerns or performance weaknesses identified in the NRC Regional materials programs. The step-wise progression is as follows:
 - a. For Agreement States, the Director, STP, calls the Radiation Control Program Director (RCPD) to discuss the extenuating circumstances that may be affecting the program's ability to implement the increased controls in a timely manner and to discuss options such as requesting technical assistance from the NRC. For NRC Regional materials programs, the Director of the NMSS's Division of Industrial and Medical Nuclear Safety will discuss extenuating circumstances with the program.
 - b. A special session of the MRB may be convened to discuss the status of the implementation of increased controls in a specific NRC Regional or Agreement State materials program. The MRB may decide on a course of action consistent with what is necessary to ensure the timely implementation of increased controls.
 - c. The Chair of the MRB calls the RCPD or the Director, NMSS, calls the Regional Director, Division of Nuclear Materials Safety, to discuss extenuating circumstances that may be affecting the program's ability to implement the increased controls in a timely manner, to describe the process for requesting technical assistance

from the NRC, and to inform the program of the NRC's consideration of other actions to ensure and facilitate timely implementation.

- d. For Agreement States, the Chair of the MRB sends a letter of support to a State official above the RCPD, but below the governor, to request that additional resources be allocated to the actions required by the Transition Plan, if additional resources are needed. For NRC Regional materials programs, the Chair of the MRB will contact the Regional Administrator via telephone or written correspondence to discuss the extenuating circumstances that may be affecting the program's ability to implement the increased controls in a timely manner.
- e. For Agreement States, NRC Chairman sends a letter of support to the State governor to request that additional resources be allocated to the Agreement State program to ensure the timely implementation of increased controls and the continued protection of public health and safety, if additional resources are needed.
- f. For Agreement States, the Commission exercises their authority granted in Section 274j(2) of the Atomic Energy Act and invokes an emergency suspension. During an emergency suspension, the NRC would reassert regulatory authority over licensees affected by the increased controls. The suspension would remain in place until the initial implementation of increased controls is complete or the Commission has reason to believe that the Agreement State will be able to complete all required actions within the established timeframes.
- g. For paragraphs a.-e. of this section, the NRC Regional or Agreement State materials program may propose an action plan in addressing timeliness concerns. If the action plan to correct the timeliness concerns is adequate, the next step in the progression will be delayed or additional action will not be initiated to allow time for the action plan to be implemented and executed. If the action plan is unsuccessful in addressing the timeliness concerns, the step-wise progression will be re-initiated.

D. Letters of Support for Implementation of Increased Controls

1. Letter of support to a State's governor will be sent in accordance with applicable guidance in STP Procedure SA-106, *The Management Review Board (MRB)*, STP Procedure SA-116, *Periodic Meetings with Agreement States Between IMPEP Reviews*, STP Procedure SA-117, *Agreement State Project Officers (ASPOs)*, and STP Procedure SA-122, *Heightened Oversight and Monitoring*. See Appendix A of this Temporary Procedure for a sample letter to the governor.
2. The letter to the governor will request an action plan from the State within 15 days of the date of the letter. STP will evaluate the State's action plan and supply any necessary information to the MRB or the Commission to determine if additional action should be considered.

E. Invocation of an Emergency Suspension

1. During an emergency suspension, the NRC would only reassert regulatory authority over licensees affected by the increased controls. The NRC may reassert authority over one or more licensees or categories of licensees, as deemed necessary. The process of the emergency suspension will be in accordance with STP Procedure SA-112, *Emergency Suspension of a Section 274b Agreement*.
2. The emergency suspension will remain in place until the initial implementation of increased controls is complete or the Commission has reason to believe that the Agreement State will be able to complete all required actions within the established timeframes.
3. Following cessation of the emergency suspension, the MRB may convene to determine if additional oversight of the Agreement State is needed to ensure progress is being made to complete or maintain the implementation of increased controls without causing degradation in other portions of the program. The MRB may consider placing the Agreement State on Probation, Heightened Oversight, or Monitoring. The additional oversight will be in accordance with STP Procedure SA-113, *Placing an Agreement State on Probation*, and STP Procedure SA-122, *Heightened Oversight and Monitoring*, respectively.

F. Requesting NRC Technical Assistance

1. Agreement States should make their best possible effort to determine

occasions when milestones will not be met in a timely manner and notify the NRC. If an Agreement State identifies that milestones will not be met in a timely manner, the Agreement State should contact the NRC to discuss options for technical assistance.

2. Technical assistance requests will be filed in accordance with NRC Management Directive 5.7, *Technical Assistance to Agreement States*.

VI. APPENDICES

- A. Sample Letter to Governor of [State] Regarding Increased Controls

VII. REFERENCES

1. Management Directive 5.7, *Technical Assistance to Agreement States*.
2. RCPD-05-014, "High Priority: Implementation of Increased Controls," dated September 2, 2005.
3. STP Procedure SA-106, *The Management Review Board (MRB)*.
4. STP Procedure SA-112, *Emergency Suspension of a Section 274b Agreement*.
5. STP Procedure SA-113, *Placing an Agreement State on Probation*.
6. STP Procedure SA-116, *Periodic Meetings with Agreement States Between IMPEP Reviews*.
7. STP Procedure SA-117, *Agreement State Project Officers (ASPOs)*.
8. STP Procedure SA-122, *Heightened Oversight and Monitoring*.

Appendix A

OFFICE OF STATE AND TRIBAL PROGRAMS STATE AGREEMENT PROCEDURES TEMPORARY INSTRUCTION 001

Sample Letter to Governor of [State] Regarding Increased Controls

The Honorable [Name]:
Governor of [State]
City, State, zip code

Dear Governor [name]:

In a letter dated September 2, 2005, I informed you that the U.S. Nuclear Regulatory Commission (NRC) approved the implementation of increased controls for certain radioactive material licensees. When implemented by licensees, these controls, which supplement existing regulatory requirements, will provide both the NRC and the Agreement States reasonable assurance that our common objectives of enhancing controls over certain radioactive sources and protecting public health and safety continue to be met.

[State]'s radiation control program has committed to implement the increased controls for affected radioactive materials licensees in your State under the authority of your Section 274b (of the Atomic Energy Act) Agreement with the NRC. Implementation of these controls is a matter of great importance to the NRC and to the Nation. The NRC has established timeframes for each of the phases of the implementation of increased controls and expects all actions to be completed in a timely manner.

Based on information gathered from your State through routine interactions, [State] appears to have not met one or more of the established timeframes. [Discuss specific action(s) that was not met in the established timeframe].

I request that [State] submit an action plan within 15 days from the date of this letter, detailing how the State will work to meet the established timeframes. This information in addition to the information gathered from [State] through routine interactions with the NRC will be used by a Management Review Board (MRB), composed of NRC managers and an Agreement State program manager who serves as a liaison to the MRB, to determine the appropriate actions that need to be taken by the State and/or the NRC to ensure timely completion of the implementation of increased controls. Based on the recommendation of the MRB, the NRC will continue to work with the State to help ensure full implementation of the increased control requirements. While the likelihood is low, the NRC may deem it necessary to invoke an emergency suspension under the authority granted to them in Section 274j(2) of the Atomic Energy Act. This suspension may affect all or part of your Section 274b Agreement.

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I appreciate your attention to this matter and your continued support in the collective effort to protect the Nation's public health and safety.

Sincerely,

Nils J. Diaz

cc: [SLO]
[RCPD]