

September 22, 2011

MEMORANDUM TO: Michael F. Weber
Deputy Executive Director for Materials, Waste,
Research, State, Tribal, and Compliance Programs

Bradley W. Jones, Assistant General Counsel
for Reactor and Materials Rulemaking
Office of the General Counsel

Cynthia Carpenter, Acting Director
Office of Federal and State Materials
and Environmental Management Programs

David Lew, Deputy Regional Administrator
Region I

FROM: Lisa Dimmick, Health Physicist */RA/*
Division of Materials Safety and State Agreements
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: MINUTES: SEPTEMBER 1, 2011
SPECIAL MANAGEMENT REVIEW BOARD (MRB) MEETING

Enclosed are the minutes of the Special MRB meeting held on September 1, 2011, to discuss the periodic meetings held with the Illinois and Nevada Agreement State Programs and NRC Region IV materials program. If you have comments or questions, please contact me at (301) 415-0694.

Enclosure: Cover Page and Minutes of the
Management Review Board Meeting

cc w/encl.: Melanie Rasmussen, Iowa
Organization of Agreement States
Liaison to the MRB

Management Review Board Members

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MINUTES: SPECIAL MANAGEMENT REVIEW BOARD MEETING OF September 1, 2011

The attendees were as follows:

In person at U.S. Nuclear Regulatory Commission (NRC) Headquarters in Rockville, Maryland:

Michael Weber, MRB Chair, DEDO
Cynthia Carpenter, MRB Member, FSME
Lisa Dimmick, FSME
Terrence Reis, FSME

Bradley Jones, MRB Member, OGC
Jim Luehman, FSME
Duncan White, FSME

By videoconference:

David Lew MRB Member, Region I
Pat Loudon, Region III
Randy Erickson, Region IV
Elmo Collins, Region IV

Jim Lynch, Region III
Roy Caniano, Region IV
Janine Katanic, FSME

By telephone:

Paul Eastvold, IL
Karen Beckley, NV
Melanie Rasmussen, MRB Member, Iowa

Gibb Vinson IL
Adrian Howe, NV

1. **Convention.** Ms. Lisa Dimmick convened the meeting at 1:00 p.m. She noted that this MRB meeting was open to the public; however, no members of the public participated in this meeting. She then transferred the lead to Mr. Michael Weber, Chair of the MRB. Introductions of the attendees were conducted.

2. **Periodic Meetings Discussions:**

Periodic Meeting with the NRC RIV materials program

Mr. Terry Reis led the discussion of the results of the periodic meeting held with the NRC RIV (ADAMS Accession Number: ML112260005). The meeting was held in Arlington, July 12 -13, 2011 and was accompanied by Lisa Dimmick. Mr. Reis indicated that the last Integrated Materials Performance Evaluation Program (IMPEP) review was conducted in 2009, and the review team found the RIV Program to be satisfactory for all performance indicators reviewed.

During the periodic meeting, the responsibilities, current initiatives, and staff structure of each of the three branches were discussed with the respective branch chiefs and Division management. NMSB-A largely conducts materials inspections and enforcement. NMSB-B primarily performs materials licensing activities, and RSFS conducts technical review and inspection of decommissioned sites and uranium recovery facilities.

From the periodic meeting, no performance concerns were identified. The RIV program is very strong and has excellent management support. Since the last IMPEP, the Division self-identified a number of challenges with enforcement cases. The Division

used a focused effort to reduce the enforcement case backlog to only a few at present.

The Division Director made some organizational adjustments in January 2011 following an assessment of staffing needs for the Division. There were three retirements since the last IMPEP. Otherwise staffing has been stable. The Division continues to cross train inspectors and license reviewers. Mr. Reis stated that no issues were identified with respect to operating or strategic plan metrics. Overall, inspection and license timeliness targets are being met. The oil spill in the Gulf of Mexico in 2010 impacted the Region's ability to meet the reciprocity inspection goal. In 2010, the region had to discontinue off shore inspections. The region has since established a path forward for the coordination necessary for the conduct of offshore radiography and well-logging inspections. As a correction to the periodic summary report, there is some concern that 2011 will end with a backlog of reciprocity inspections due for offshore facilities. Mr. Reis noted the region RIV self assessments are conducted and well documented. No concerns were identified. He also noted the Division has a strong cross training and staff development program. One initiative taken for staff development is the weekly training seminar on regulations. The Division Director indicated the seminars have been well attended.

The NRC RIV program meets the criteria for a one year extension for its next IMPEP. Staff recommended and the MRB agreed that the next IMPEP for RIV take place in March 2014.

Periodic Meeting with the Illinois Agreement State Program

Mr. Jim Lynch led the discussion of the results of the periodic meeting held with the Illinois Emergency Management Agency (ADAMS Accession Number: ML11195A276). The meeting was held in Springfield on June 15, 2011. The meeting was accompanied by Anne Boland and Lisa Dimmick. Mr. Lynch stated that the last IMPEP review was conducted in May 2009. All performance indicators reviewed were found satisfactory. The MRB agreed that the Illinois Agreement State Program be found adequate to protect public health and safety, and compatible with NRC's program.

During the periodic meeting, Mr. Lynch stated that staff found the Illinois Program had made progress on the one recommendation made during the previous IMPEP review in that they have refined their inspection documentation process to include use of a NRC-591 type form. This has helped provide inspection documentation to licensees in a timely fashion. In addition, inspection documentation is tracked in monthly. Mr. Lynch noted the strength of the program lies with experienced and competent staff which has been fairly stable over the years. There are currently three vacancies. These vacancies have produced a greater workload on management and inspection staff. However, the Bureau is maintaining inspections, licensing actions, and regulations as no concerns were identified in these program areas. The Bureau anticipates filling the vacancies shortly.

The Bureau is sensitive to incidents and allegations. In addition to sixteen reportable incidents since the last IMPEP, two abnormal occurrences were identified. The Bureau continues to respond to landfill and scrap dealer alarm trips. Based on past experience with waste alarms, the Bureau continues to dispatch staff for an onsite investigation.

The Bureau is supported by the Environmental Safety Bureau for waste alarm response. Staff also discussed the current decommissioning status of Zion nuclear plant, Chicago Magnesium, and Tronox.

Staff recommended and the MRB agreed that the next IMPEP review take place in 2013 as scheduled.

Periodic Meeting with the Nevada Agreement State Program

Mr. Randy Erickson led the discussion of the results of the periodic meeting held with the Nevada Department of Health (ADAMS Accession Number: ML112301058). The meeting was held on June 29, 2011 in Carson City and was accompanied by Janine Katanic. Mr. Erickson stated that the last IMPEP review was conducted in June 2009. The program was found satisfactory for five of the performance indicators and satisfactory but needs improvement for one, Compatibility Requirements. Overall the Nevada program was found adequate to protect public health and safety and compatible. Two new recommendations were made and two recommendations from the previous IMPEP were kept open. At the time of the Periodic meeting, staff found that progress was made on all recommendations. Current status is as follows:

- A procedure to address licensee termination was developed and implemented. Staff was subsequently trained.
- The development of a replacement licensing and inspection database continues as a work in progress.
- The state has been submitting proposed rules. In lieu of final rules, the state will submit adopted rules. The State's regulatory process is that final regulations are adopted, but these regulations may not be codified for several months or years. The NRC can accept adopted rules as final because they are enforceable.
- The State has enhanced their regulatory development program to improve the timely submission of regulations.

Mr. Erickson noted Program staff is highly motivated and coordinates well with other local, state and federal government agencies especially regarding radiological incidents, joint inspections, and reciprocity for candidates with pending enforcement actions. Since the last IMPEP, the Program lost three staff. The vacancies were subsequently filled. The new hires have either been trained or training is underway despite the fact the State cannot travel on weekends making it difficult to attend many NRC training courses.

The program has a dedicated fee fund. However there has been no fee increases since 2007 while costs continue to rise. Staff have also taken pay cuts in salary and benefits. There were no noted concerns with performance. The Program reported that inspections are being performed three months in advance of when they are due; the licensing backlog is nearly eliminated; and regulation packages are being sent to NRC in a timely manner.

Staff recommended and the MRB agreed that the next IMPEP review take place in 2013 as scheduled.

Comments. Mr. Weber restated the MRB's decisions to maintain the next IMPEP reviews as currently scheduled Fiscal Year 2014 for NRC RIV and 2013 for Illinois and Nevada.

3. **Precedents/Lessons Learned.** IMPEP project management pointed out that Periodic Meeting summary reports are in final form, therefore any corrections or clarifications requested by the MRB will be noted in the meeting minutes.
4. **Adjournment.** The meeting was adjourned at 2:50 p.m.