

ORIGINAL

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

Title: BRIEFING ON INTEGRATED MATERIALS
PERFORMANCE EVALUATION PROGRAM -
PUBLIC MEETING

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(202) 842-0034

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1 UNITED STATES OF AMERICA
2 NUCLEAR REGULATORY COMMISSION

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4 BRIEFING ON INTEGRATED MATERIALS
5 PERFORMANCE EVALUATION PROGRAM

6 ***

7 PUBLIC MEETING

8 ***

9 Nuclear Regulatory Commission
10 Building One, Room 1F-16
11 One White Flint North
12 11555 Rockville Pike
13 Rockville, Maryland

14
15 Friday, January 31, 1997
16

17 The Commission met in open session, pursuant to
18 notice, at 10:04 a.m., the Honorable SHIRLEY A. JACKSON,
19 Chairman of the Commission, presiding.

20 COMMISSIONERS PRESENT:

21 SHIRLEY A. JACKSON, Chairman of the Commission
22 KENNETH C. ROGERS, Member of the Commission
23 GRETA J. DICUS, Member of the Commission
24 NILS J. DIAZ, Member of the Commission
25 EDWARD McGAFFIGAN, JR., Member of the Commission

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STAFF AND PRESENTERS SEATED AT THE COMMISSION TABLE:

JOHN C. HOYLE, Secretary

KAREN D. CYR, General Counsel

HUGH THOMPSON, JR., Acting EDO, and Chair,
Management Review Board

DR. CARL PAPERIELLO, Director, NMSS

DR. DONALD COOL, Director, Division of Industrial
and Medical Nuclear Safety, NMSS

RICHARD BANGART, Director, OSP

KATHLEEN SCHNEIDER, Sr. Program Manager, OSP

BRUCE MALLET, Director, Division of Nuclear
Materials Safety, Region II

ROLAND FLETCHER, Manager, Rad Health Program,
Maryland Department of the Environment

JAMES McNEES, Director, Rad Materials Inspection,
Alabama State Department of Public Health

RICHARD RATLIFF, Chief, Bureau of Radiation
Control, Texas Department of Health

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P R O C E E D I N G S

[10:04 a.m.]

CHAIRMAN JACKSON: Good morning, ladies and gentlemen. Today the Staff and representatives from agreement states will brief the Commission on the Integrated Materials Performance Evaluation Program, or IMPEP.

IMPEP was initiated in part in response to comments from Congress and the General Accounting Office several years ago that criticized NRC's program to assure a national uniform level of protection of public health and safety in the nuclear materials area.

Since 1994 the Staff has initiated, piloted and refined a program to evaluate agreement states and regional materials programs in a common manner.

On June 27th of 1995 the Commission approved the Staff's proposal to implement and expand IMPEP. The Staff has gained considerable experience since then and the purpose of today's briefing is to provide the Commission with a status update.

I understand that this morning we will hear from the two headquarters offices that implement IMPEP -- the regional perspective and the agreement state perspective.

We appreciate the attendance of the agreement state representatives and look forward to hearing your views on IMPEP.

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1 We also look forward to hearing from the Staff,
2 both from Headquarters and the regions.

3 Since 1995 agreement states have been represented
4 on the review teams and have provided a liaison to
5 Management Review Board meetings. I am interested in
6 hearing the Staff's experience in coordinating more closely
7 with and being evaluated by agreement state personnel.

8 In November the Staff documented the status of the
9 IMPEP program in a paper, SECY 96-234, which is publicly
10 available. I understand that copies of the Staff's and the
11 agreement states' viewgraphs are available at the entrances
12 to the meeting.

13 Unless there are any comments from the
14 Commissioners, Mr. Thompson, please proceed.

15 MR. THOMPSON: Thank you, Chairman Jackson and
16 Commissioners.

17 I am pleased to be here this morning. In fact,
18 actually we have four members of the Management Review Board
19 at the table here, so we might be having one of our meetings
20 right here today.

21 CHAIRMAN JACKSON: Well, we have been through some
22 of that.

23 MR. THOMPSON: It is a pleasure to be here and
24 brief the Commission on the IMPEP program.

25 As you know, we briefed the Commission in March of

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1 1995 and with the Commission's approval began the
2 implementation of the Integrated Materials Performance
3 Evaluation, IMPEP --

4 CHAIRMAN JACKSON: Has it been since March, 1995?

5 MR. THOMPSON: I believe, so and it's when the
6 briefing was but time flies when you are having fun.

7 CHAIRMAN JACKSON: Yes.

8 MR. THOMPSON: As Chair of the Management Review
9 Board, I believe that this program has proven effective both
10 in terms of evaluating the adequacy and compatibility of
11 material programs both in NRC and in the agreement states
12 during the past year and improving the technical and
13 programmatic exchange of information between NRC and the
14 agreement states.

15 I think this latter point is a very important
16 point because one of the things that I always found very
17 useful at the end of the meetings, I would ask the
18 participants both who participated in the review of the
19 agreement states what was their observations, lessons
20 learned, and even the NRC Staff's -- we would bring in the
21 Office of Research, NMSS. We really do get a broadening of
22 the program internally within NRC as well as within the
23 agreement states, and I must admit that it's even delightful
24 to have the Office of General Counsel represented --

25 [Laughter.]

1 CHAIRMAN JACKSON: Delightful?

2 MR. THOMPSON: Delightful. I mean -- no, but it
3 is one of the few places that I know that we really come
4 together as an agency looking at an important program and I
5 know the Commission has been encouraging us to do that and
6 this is one of the programs that really has, I think,
7 achieved that, and credit should be given to GAO for pushing
8 us in this direction.

9 I wasn't really happy about it to start off with,
10 but I must commend the Staff for taking that challenge and
11 moving forward and today we have two panels, as you
12 mentioned, the reviewers and the reviewers, and we will hear
13 from both.

14 CHAIRMAN JACKSON: And some mixture of the two.

15 MR. THOMPSON: And some mixture of the two --
16 that's true -- with Roland Fletcher. He's been on both
17 sides of this approach there, but on my left though is
18 Kathleen Schneider, from the Office of State Programs, who
19 was instrumental in doing much of the early work, both in
20 the agreement state programs in the previous program as well
21 as with the new program, and has been a team leader; Don
22 Cool, who is the Director of the Division of Industrial and
23 Medical Nuclear Safety, who will do most of the Staff's
24 presentation; and the two gentlemen on my right, Carl
25 Paperiello and Dick Bangart, who are members of the Board

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1 and I wouldn't --

2 MS. CYR: -- you can consult me twice --

3 [Laughter.]

4 MR. THOMPSON: But there's no damning at all in
5 this case, but with no other things I would like to turn the
6 briefing over to Carl -- I mean Don.

7 [Laughter.]

8 MR. THOMPSON: They look so much alike --

9 CHAIRMAN JACKSON: It must be the glasses.

10 MR. THOMPSON: It's my tie that's making my vision
11 go wrong today or something.

12 DR. COOL: Good morning.

13 CHAIRMAN JACKSON: Good morning.

14 DR. COOL: If I can go ahead and have the first
15 slide -- as you indicated we will have two panels here.

16 [Slide.]

17 DR. COOL: What we intend to do here in the next
18 few minutes is to walk you quickly through some of the
19 background, a lot of which we have already touched on, some
20 of the indicators in process, because a number of you were
21 not here at the time that we last were up here, which wasn't
22 that close to two years ago -- it doesn't seem like that
23 long --

24 CHAIRMAN JACKSON: Actually, no one was here in --

25 [Laughter.]

1 CHAIRMAN JACKSON: -- except Commissioner
2 Rogers --it was a comma and not a period, the point being
3 that you can be robust in how you kind of give your
4 perspectives.

5 DR. COOL: Right, and some of our results and
6 schedules. If we can go ahead and go to the next slide on
7 the background, as we have already indicated, we established
8 this program --

9 [Slide.]

10 CHAIRMAN JACKSON: Can you speak a little more
11 into the --

12 DR. COOL: Let me see if I can get this a little
13 bit closer. There we go. I keep forgetting and Chip
14 reminded me all through public meetings years ago that I
15 need to swallow the microphone, so we will attempt to do
16 that, and put it here a little bit closer.

17 We developed the program in response to some
18 outside inputs to be sure, but also in response to some of
19 the things that we have been observing, so it was in a sense
20 quite timely to try and get some measure of consistency in
21 how we were looking at our own regional programs, how we
22 were looking at the agreement state programs.

23 It was a move to try and move towards performance,
24 try and look at the particular areas that really needed to
25 be focused upon, try to get some rigor in that particular

1 program.

2 We went through a series of steps in '94 and '95
3 in terms of initial pilots, some initial development of
4 criteria, subjecting those to comments, for which there was
5 a great deal of comment and input, some wonderful
6 discussions at some of the all agreement state meetings and
7 CRCPD meetings about the indicators, what should be in and
8 what should be out.

9 We had some very vocal viewpoints on that and it
10 directly influenced the way the common indicators are, as
11 you see them today, implemented then.

12 Go ahead and go to the next slide.

13 [Slide.]

14 DR. COOL: Following the Commission's approval in
15 1995 they issued the Management Directive 5.6 under which we
16 are conducting the program, laid out the common performance
17 criteria which were part of that directive.

18 Some of the key elements in this process and
19 activities, there is state participation on the teams and on
20 the Management Review Boards; the teams themselves are
21 interdisciplinary teams -- depending on the size of the
22 program it may be two or three individuals for some of the
23 states, usually four or five for the larger states and for
24 the regions drawn from a variety of perspectives -- some
25 inspection backgrounds, some licensing background, some of

1 the folks who have more details in terms of some of the
2 implementation budgetary resources, some of those sorts of
3 things.

4 The focus is on the program performance -- where
5 is it going, how is it going well, are they looking at the
6 right sorts of things, are they implementing the directives
7 and requirements that are out there and available.

8 It's also provided an opportunity to go through a
9 much more rigorous documentation process. That is in the
10 development of a report, a review of the report by the group
11 that was reviewed, both the regions or the states, and
12 coming together and providing that for the Management Review
13 Board that then examines it, has made modifications on
14 occasions to the final outcome and the final review process.

15 Staff also began the development of a series of
16 noncommon indicators, noncommon indicators being those
17 particular program areas that do not cross the board through
18 all the regions and all of the states. For example, low
19 level waste, where there are several states that are
20 pursuant low level waste programs and other states are not.

21 Again, similarly in the sealed source and device
22 area, where some of the states are doing sealed source
23 device reviews as part of their agreement, some of the
24 states have not chosen to take that particular authority so
25 we use those in those areas where that program is actually

1 operating with the states.

2 Drafts were provided, comments received from the
3 states on those particular program areas, and have been
4 implemented on the first round as we went through the FY '96
5 cycle.

6 The noncommons, both for the states and for the
7 regions, are a year, probably two years, behind the common
8 indicators in terms of having tested them, working through
9 them, refining them, what my friends in the computer
10 industry talk about as "hardening" -- getting them refined
11 down, getting them locked down in a way that everyone has
12 agreed to over a course of time, so they are not to the same
13 degree of rigor and are not in fact in the management
14 directive yet, although they will be and we will continue
15 that process.

16 CHAIRMAN JACKSON: Let me ask you this question.
17 Tell me a little more about what you think you have gained
18 from the unique perspectives that the agreement state
19 liaison have had -- I am going to ask them the comparable
20 question -- as part of the Management Review Board and have
21 they been effective advocates for states or programs from
22 their states that are different than ours but which achieve
23 good performance nonetheless?

24 What do you think we have gained from that?

25 MR. THOMPSON: Well, certainly from my perspective

1 they have been fully active participants, asking questions
2 such that help develop the significance of an issue or of a
3 finding or in certain areas we basically have had reasonably
4 good programs to review.

5 We have had one program that we will talk about a
6 little bit that was more difficult than others, but in each
7 program they tend to have areas for improvements or areas
8 that need further exploration of the table and having
9 members of the agreement states there.

10 They have asked excellent questions. They have
11 been bringing their perspective to the table as to what a
12 state may have to achieve in order to correct a deficiency
13 and it gives us some confidence that, you know, if we are
14 asking something that it can be accomplished in the
15 agreement state programs and in programs that are out there.

16 CHAIRMAN JACKSON: Have we taken anything that
17 they may have suggested and migrated it into our own
18 process?

19 MR. THOMPSON: I'll probably turn that over back
20 to Don or maybe Bruce and others can talk about it.

21 I can tell you that at each meeting that we have
22 we try to look for good practices and make that available to
23 all the agreement states and to the NRC regions so that
24 where we have a good tracking system, a good method for
25 documenting results, follow-up on enforcement actions, I

1 think almost in every case each state has had something that
2 has been highlighted as being good or one of the evaluators
3 will come back and say I really learned a lot here because I
4 liked that way they did "x" at, you know, in North Carolina
5 and then we want to use that back in improving the program
6 either in one of the regions or in one of the states that
7 were participating in it.

8 So, I don't know, Carl?

9 MR. PAPERIELLO: I can't add anything, no.

10 MR. THOMPSON: Okay.

11 DR. COOL: Certainly from the Staff's perspective,
12 there has been a great benefit. They have provided some
13 very good viewpoints, some ways that the individual reviewer
14 was doing things that was quite useful both to the other
15 team members doing the review and to the region, and those
16 are the ones that I can speak directly to in terms of the
17 way practices are being done.

18 Perspectives that we have learned in reviews of
19 the states have provided us several things, ways of doing
20 public interaction and getting feedback on customer service,
21 for example, extremely useful sorts of things that were
22 going on there.

23 From a more general perspective, I think it's fair
24 to say that virtually everybody who has been part of each
25 one of these reviews has walked away learning something.

1 To be very frank, my staff is not particularly
2 happy when I go out to one of the closeouts for the regions
3 because they know I am going to come back with something
4 that I am going to ask them to start doing because I found
5 something that will probably work better, something that
6 will help our own particular program. That has been a great
7 strength.

8 Just to finish up then --

9 COMMISSIONER McGAFFIGAN: Can I ask a question?

10 DR. COOL: Please, yes.

11 COMMISSIONER McGAFFIGAN: The issue of noncommon
12 performance indicators, you said you are running one to two
13 years behind the common performance indicators since the
14 common performance indicators one or two years ago you
15 locked those in.

16 That means very soon you are going to be able to
17 tell us what the noncommon performance indicators are? I am
18 just trying to be more precise on timing.

19 DR. COOL: Okay -- a two-part answer to your
20 question. We can tell you what the indicators that we are
21 looking at are now --

22 COMMISSIONER McGAFFIGAN: Right.

23 DR. COOL: -- we'll do that in about a slide.

24 My expectation is that when we are ready to do a
25 revision of the management directive, and there will be

1 several reasons for doing that when the adequacy and
2 compatibility statement is ready, that we will also be in a
3 position to write into that management directive the
4 noncommon indicators, particularly those that go along with
5 the state reviews that have already been subjected to a
6 round of state comments.

7 COMMISSIONER MCGAFFIGAN: And what would be the
8 role of the Commission in approving the revised management
9 directive?

10 Would it be submitted to the Commission as the
11 original directive was or what is your -- how does that
12 work?

13 DR. COOL: The previous directive, and somebody
14 may need to help correct me here, was approved by the EDO
15 and provided to the Commission with the Federal Register
16 notice.

17 The management procedures normally have the EDO
18 approving the directives. That doesn't mean that we can't
19 provide it to you as you wish.

20 COMMISSIONER MCGAFFIGAN: I understand the
21 procedure.

22 MR. THOMPSON: Yes, we typically keep the
23 Commission informed on any issues that they like to be
24 informed on, and it certainly would be provided to give
25 copies to the Commissions once we have reached the point --

1 and as we said, this will really be an integral part of an
2 issue that does require the Commission's approval on, the
3 adequacy and compatibility area.

4 MR. BANGART: I'd like to add, Hugh, that we are
5 further along in terms of experience with criteria for the
6 noncommon indicators for the ones that cover low-level waste
7 and sealed source and device reviews.

8 Those were drafted earlier in were part of this
9 interim program that has been conducted the last year.

10 CHAIRMAN JACKSON: For those that you haven't
11 drafted anything yet, what documents were you using?

12 MR. BANGART: They have all been drafted. They
13 have all been out to the agreement states for comments and
14 were in the --

15 CHAIRMAN JACKSON: Well, what about the ones for
16 the regions?

17 DR. COOL: For the regions in the fuel cycle area
18 it was the Fuel Cycle Program Plan, which fuel cycle has in
19 the SDMP area, decommissioning arena. They were using the
20 set of documents that go back to the SDMP program statement.

21 CHAIRMAN JACKSON: And those are the ones that are
22 then used as the basis for what you are going to be
23 drafting?

24 MR. BANGART: Yes, that's correct.

25 DR. COOL: And in the noncommon area what we have

1 attempted to do is to parallel for that particular program
2 element the same sorts of things that we do in common for
3 the general program, so look at the specific issues or
4 training or qualifications for that area, such as sealed
5 sources, device reviews in that particular area, so again
6 trying to look at the same sorts of things -- the quality,
7 the timeliness, and the training, but focused on that
8 particular program element.

9 COMMISSIONER MCGAFFIGAN: To go back to my
10 original question, when do you see the process getting to a
11 conclusion and this revised directive being issued?

12 DR. COOL: I would expect we would have the
13 revised directive this year once we're in a position to do
14 that.

15 I would also expect that we would probably be
16 looking on about an annual basis -- as we complete each
17 fiscal year looking and seeing whether there are things that
18 we have learned, things that have come out of the Management
19 Review Board meetings which would dictate to us that we want
20 to go back in and modify, adjust -- all those particular
21 exercises.

22 COMMISSIONER MCGAFFIGAN: So there will be annual
23 review process?

24 DR. COOL: I would think that in order to do this
25 job properly, we ought to always be checking to see if we

1 are still on track.

2 CHAIRMAN JACKSON: Well, I think an appropriate
3 way to address the Commissioner's concerns is if you could
4 lay out what your integrated schedule looks like relative to
5 the various pieces coming together.

6 MR. THOMPSON: Dick, you might be able to address
7 that.

8 MR. BANGART: Let me just add that the other major
9 revision to the management directive will be the change in
10 the way compatibility is determined so once the Commission
11 hopefully gives final approval to the new adequacy and
12 compatibility policy statement and the implementing
13 procedures --

14 CHAIRMAN JACKSON: Has that come here yet?

15 MR. BANGART: It is out for office concurrence as
16 of this morning.

17 CHAIRMAN JACKSON: Okay. That is what I am trying
18 to say is that's what we need to know is what -- how that is
19 coming and how the schedule is for that, because all these
20 other things hinge on that.

21 MR. THOMPSON: My sense is within the next couple
22 of months we should be -- is the timeframe we're looking at,
23 and I can send you a little --

24 CHAIRMAN JACKSON: For the revised adequacy and
25 compatibility policy statement or --

1 MR. BANGART: That will be Day Zero and then a
2 couple of months. Once it's approved, then we'll --

3 CHAIRMAN JACKSON: So if I ask you whether you can
4 get it to the Commission within the next month, is that an
5 issue?

6 MR. BANGART: It is --

7 CHAIRMAN JACKSON: This has to do with just the
8 adequacy and compatibility.

9 MR. BANGART: We are on a schedule now that would
10 get it to you within a month.

11 CHAIRMAN JACKSON: Okay.

12 MR. BANGART: We have asked for office concurrence
13 in two weeks and then that will be at EDO's on the 18th.

14 CHAIRMAN JACKSON: Because then everything else --
15 and then we need to understand how everything else is linked
16 to that.

17 Yes, Commissioner Dicus?

18 COMMISSIONER DICUS: The other question then, as I
19 understand it, is the policy statement of principles and
20 policy for agreement state programs has to be part of this
21 package as well, is that --

22 MR. BANGART: Yes, they are combined. They are
23 combined into one paper.

24 COMMISSIONER DICUS: With the adequacy and
25 compatibility?

1 MR. BANGART: Yes. Those policy statements and the
2 outstanding implementing procedures are all in the package
3 and it's about like that, unfortunately.

4 CHAIRMAN JACKSON: And we will review it in three
5 days.

6 [Laughter.]

7 CHAIRMAN JACKSON: Commissioner Diaz?

8 COMMISSIONER DIAZ: Yes. Has the issue of the low
9 risk, low complexity SDMP cites being addressed as who
10 should take responsibility for those and the issue being
11 discussed to see whether agreement states are willing or
12 have we made any recommendations or any discussions have
13 been made, and how to handle them if they are put on the
14 table?

15 MR. THOMPSON: The agreement state programs that
16 we reviewed are typically the ones for which they have the
17 oversight for, and then part of our review process we go and
18 select the parts that we review, so the parts that we select
19 for review are typically those that have more risk
20 significance and look at those.

21 I don't think we are looking at trying to change
22 the regulatory role and responsibility that is currently
23 involved either in agreement states or nonagreement states
24 at this time.

25 So we are just looking at the agreement state

1 program and the regional programs as they currently exist.

2 COMMISSIONER DIAZ: So how size with low risk
3 might fall in our field but actually might eventually want
4 to be in some other field. Have those been addressed in any
5 fashion? Because I think eventually that will become an
6 issue.

7 MR. THOMPSON: I think that's addressed, but
8 that's not addressed in this type of a program here. I
9 think to the extent that I think we looked at that as some
10 of the issues with the strategic type planning area and I
11 don't know that they quite raised up to the Commission's
12 level of review at this time yet but I think that is the
13 forum in which we are looking at what we would push that.

14 For example, I think the Commission is addressing
15 things in the nuclear medicine area and there is one where
16 we are looking at what focus we should have in a regulatory
17 perspective which would -- you know, we would give guidance
18 to the program reviews as to what part of the medical area
19 needs attention and what part needs less focus and less
20 attention on that.

21 COMMISSIONER DIAZ: This is the same type of
22 issue, essentially?

23 MR. THOMPSON: That's right. But the program we
24 have here today really looks at the program that exists and
25 the regulatory programs that are being carried out currently

1 by the states and by the regions.

2 DR. COOL: Okay, we can go on to the slide on
3 common indicators, just walk through these very quickly.

4 [Slide.]

5 DR. COOL: The five common performance indicators
6 that are looked at common to both the regions and the
7 states, the status of the inspection program, is it being
8 executed in a timely fashion, are there overdue inspections
9 that are outside of the window of opportunity? Are we
10 getting to people on the yearly basis for those that are
11 priority ones, are we getting to new licensees within the
12 first six months to make sure they, in fact, are
13 implementing the kinds of programs that are necessary, are
14 the reports getting issued in a timely fashion, are we
15 moving forward quickly in terms of the enforcement actions
16 or other things that come out of that, so there is not a
17 delay between findings that may be found and communicating
18 and taking actions associated with those?

19 The indicator related to technical staffing and
20 training, in terms of the overall level of staffing, the
21 right kind of staff availabilities, the right kind of mix,
22 the right kinds of qualifications. Are inspectors going
23 through the qualification process? Are license reviewers
24 going through the qualification process? Is there anything
25 that may pose a concern in terms of abnormal rates of

1 attrition or turnover within the programs?

2 Technical quality of the licensing activities,
3 where representative samples of actions are taken and
4 reviewed, looked at in terms of the findings that are found,
5 whether or not the safety issues have been properly
6 addressed, try to pull a representative sample across the
7 variety of different kinds of licensing actions, new
8 actions, amendments, renewals, terminations and a variety of
9 different kinds of program codes from simple types of
10 licensees to the more complex. Try to find one broad scope
11 of some of those activities, so we address a range of areas
12 there.

13 Technical quality of the inspections. Part of the
14 program provides for inspection accompaniments where folks
15 from some of the other regions or some of my staff, the
16 folks from the agreement states, will actually accompany the
17 inspectors of the regions or the states, see how they are
18 doing, what they are looking at, examine how they are
19 documenting those, how they are following up, are they
20 conducting inspections looking for the right kinds of
21 issues.

22 The last one, in terms of response to incidents
23 and allegations, in terms of the level of effort, were
24 appropriate kinds of actions taken to events that were
25 identified as reporting happening in a timely fashion, those

1 sorts of activities.

2 CHAIRMAN JACKSON: Let me ask you a couple of
3 questions on this particular slide. I will start from --
4 with respect to the last one, the response to incidents and
5 allegations.

6 Obviously we have and are devoting considerable
7 attention to this whole area of allegation management. Are
8 the agreement states' allegation programs similar to ours
9 and have agreement states made parallel improvements along
10 the lines that we have been moving or trying to move?

11 MR. THOMPSON: My sense is that each agreement
12 state that we have looked has a program that does respond to
13 allegations. They do not have programs as structured as
14 ours where they have allegation review boards. As I can
15 remember, obviously they don't have the power reactor
16 community to -- which has a large number of people involved
17 in them.

18 They typically have a much, much smaller number of
19 allegations. They do not have, in general, an investigative
20 office to follow up, though they do have other capabilities
21 at the states to follow up on issues, whether it's like the
22 state bureau of investigations or other investigative
23 support functions. But we do look to see if there was
24 timely feedback. They do, you know, try to track and
25 sometimes their programs, we identify areas for improvements

1 and identify areas that they could, you know, have proper
2 feedback and control.

3 So I think our program is probably much more
4 structured and robust than probably any agreement state
5 program would be but we do look to, say, the fundamental
6 aspects of them, that they are identified, tracked and
7 feedback is given as part of our review process.

8 MS. SCHNEIDER: You covered everything I was going
9 to jump in and say. But, like you said, we have made some
10 comments in the areas to enhance it and I think it is an
11 area where we are strengthening the states by this team
12 approach, bringing our expertise out to them.

13 CHAIRMAN JACKSON: Let me ask you this question.
14 I notice that you had a common performance indicator on
15 status of the materials inspection program and one on
16 technical quality of licensing. But you don't have one and
17 didn't adopt one, I guess, at the initiation of IMPEP on the
18 status of the licensing program, although backlogs are still
19 something that are still being grappled with and were
20 specifically mentioned in discussion of staffing,
21 specifically mentioned with respect to Nebraska.

22 So the question is, is a common indicator on the
23 status of licensing or licensing backlogs something that
24 needs to be looked at?

25 DR. COOL: A couple of comments on that.

1 When the original performance indicators were
2 being discussed, that was a specific topic of discussion
3 and, in fact, was probably one of the areas where there was
4 more discussion and comments with the states than perhaps
5 any of the others. The view taken by the staff in its
6 recommendation to the Commission back now several years ago
7 was that there was not nearly the nexus between the status
8 of the program and whether or not there were some backlogs
9 as there was in the inspection area and in response to the
10 comments from the states, who did not believe it should be
11 present, it was not included in the set of five indicators
12 at that time.

13 In terms of the regional reviews, that is one of
14 the things that was specifically looked at under my
15 common -- noncommon indicator in terms of operating plan
16 performance because that's one of the things that are
17 specifically addressed between NMSS and the regions as part
18 of our operating plan. So we do that for the regions but we
19 have not done that for the states in view of the comments
20 and development.

21 The discussions associated with Nebraska and some
22 of the areas which were discussed which didn't have a home,
23 if you will, or didn't seem to have quite a particular home
24 brought the issue to light, certainly perhaps warrant some
25 additional discussion but there was a rather strong,

1 consistent sentiment at that time not to include these --

2 CHAIRMAN JACKSON: I am not asking you so much
3 from the historical perspective but on a go-forward basis in
4 terms of the fact that it did come up in terms of the review
5 of an agreement state program where there was a question
6 about potential placement on probation. And all I am really
7 asking, is it something in light of your experience you
8 think needs to be revisited. That's number one. And,
9 number two, is it in any sense incorporated into other
10 common performance indicators?

11 MR. THOMPSON: I'll respond and then I'll let Dick
12 respond.

13 One of the things that's great about the IMPEP
14 program is that you are free to follow where the path leads
15 you. For instance, in looking at staffing and
16 qualifications, when they started looking at that area where
17 they had key missing staff members we looked at what the
18 results of that was and in fact the team originally made a
19 recommendation with respect to that particular criterion was
20 that it was an unsatisfactory criterion. We had some
21 debates and we can discuss those a little bit later.

22 We certainly can re-look at that issue but right
23 now I don't think by not having it as a criterion prohibits
24 us from looking at areas where lack of staffing may have
25 contributed to the issue. And so I felt the board had full

1 knowledge of what the status of that program was at that
2 time and, in fact, before we actually made our preliminary
3 conclusions had a status of where it was at the date that
4 the board met.

5 CHAIRMAN JACKSON: Let me rephrase the question.
6 Are licensing backlogs in general an issue?

7 MR. THOMPSON: In fact, I think Nebraska, if my
8 memory's correct, was the first state that we found where it
9 was truly a real issue. We had had some other states in
10 previous reviews that it had been an issue but that's my
11 memory. Dick, I don't know if you can --

12 MR. BANGART: Kathy, I would generally agree with
13 that statement.

14 MS. SCHNEIDER: Yes. Most of the time you are not
15 going to find the backlog in licensing. But you will find
16 it if you have vacancies in staff, I'll speak historically,
17 they're going to let the licensing go first and redirect the
18 resources to the inspections.

19 CHAIRMAN JACKSON: So it shows up when you look at
20 the staffing issues?

21 MS. SCHNEIDER: Correct.

22 CHAIRMAN JACKSON: All right.

23 MR. BANGART: I would like to follow up. The
24 point that Hugh made about being able to look wherever you
25 need to look and especially to identify root causes, the

1 Nebraska MRB did reveal that there is no "management
2 effectiveness" kind of category anywhere there. That is a
3 broad brush kind of issue.

4 We need that and we've talked within our office
5 about either Management Directive 5.6 or in our own internal
6 office guidance, we need to deal with management
7 effectiveness. Don said that there is an argument to be
8 made, at least, that there is a weak nexus between health
9 and safety and backlogs but it can be part of management
10 effectiveness. What we plan to do is deal with any broad
11 brush issues like that in a summary section of the report
12 where, in Nebraska, we had symptoms of management weakness
13 spread throughout the report and in multiple places we
14 covered the same thing.

15 So we will focus that now in a summary section
16 that will give a broad brush treatment as to the overall
17 management effectiveness of the program.

18 CHAIRMAN JACKSON: I want to ask you one last
19 general question but I will make one little comment. We did
20 have an earlier Commission meeting where we talked about
21 issues having to do with general licenses versus specific
22 licenses.

23 MR. BANGART: Yes, yes.

24 CHAIRMAN JACKSON: Keeping up with certain kinds
25 of sources and a need to assure ourselves that we had an

1 ability. And that does propagate to the licensing regime
2 and therefore, to the extent that we believe that our
3 ability to understand where things are with respect to that
4 class of materials licensees has a health and safety
5 implication, then one can't exactly throw out and say that
6 licensing backlogs, without having parsed what that backlog
7 means, has no health and safety significance.

8 MR. BANGART: I agree.

9 CHAIRMAN JACKSON: My last comment is,
10 apparently -- a question -- the teams and the Management
11 Review Board decisions are based largely on the qualitative
12 evaluation of performance. Are there any quantifiable
13 indicators or is the nature of what you're reviewing such
14 that that has no particular place?

15 DR. COOL: The final writeups of the report are,
16 in fact, qualitative dealing with the performance indicators
17 themselves. There is a great deal of quantitative data
18 underneath that originally examined, in terms of inspection
19 frequencies, inspection findings, numbers of events. We go
20 in and look at the nuclear materials event database, see
21 what is available there, use that, in essence, to help guide
22 us in going and selecting events to follow up inspections
23 that we might want to check back on, licenses that we may
24 want to examine.

25 So while the final report comes out in a

1 qualitative area, the staff utilizes a number of
2 quantitative data points underneath it in guiding its review
3 and in looking at some of those particular issues.

4 CHAIRMAN JACKSON: Does having the qualitative
5 nature ever cause you to be challenged in your results?

6 DR. COOL: It has not to date.

7 CHAIRMAN JACKSON: She shook her head.

8 MS. SCHNEIDER: No. I was -- I would say
9 during -- during the pilot we did have some discussion with
10 some of the states, both Utah and Illinois, as we were
11 further refining it, and that's why I shook my head one way.

12 CHAIRMAN JACKSON: All right. Thank you.

13 [Slide.]

14 DR. COOL: The next slide dealt with the noncommon
15 performance indicators and I think, perhaps, as a result of
16 discussions, we have already touched on most of those. We
17 look at the operating plan and the utilization and the
18 resources and the regional activities, fuel cycle activities
19 and will be working now, as the last bullet notes, in terms
20 of reviewing the SDMP program which is unique to the
21 regions.

22 In the states, the areas of regulation, legal
23 authority, sealed source and devices, low-level waste and
24 uranium recovery, some of those come from the older criteria
25 which the Commission asked us to continue with. A couple of

1 those, sealed source and low-level have, in fact, been
2 drafted, commented upon and tested in some of the reviews
3 because some of the states reviewed this year had those
4 programs.

5 The uranium recovery one has been drafted,
6 commented but not yet subjected to a test in the field with
7 a review because none of the states which were reviewed in
8 FY '96 had a uranium recovery program, so it is a little bit
9 farther behind.

10 As I already indicated, that will need to be
11 brought up to speed as we actually have a test of the system
12 see what works. One of the things that we will need to go
13 back and look at is whether there is some overlap between
14 those things in the noncomment and things which are in the
15 comment. Whether or not you in fact deal with, say,
16 training for all the program area or whether you talk about
17 the training in SSDs separately from the training associated
18 with routine licensing to try and minimize the number of
19 cross-connections, overlaps that come out there.

20 In terms of the implementation --

21 CHAIRMAN JACKSON: When you talk about refinement
22 of noncommon indicators, what kind of refinements do you
23 think are needed or what do you mean by that?

24 MS. SCHNEIDER: Some of the comments we got on the
25 low-level waste and the sealed source and devices is we

1 weren't clear as to exactly what type of statistics we would
2 want them to maintain on their program. A little bit more
3 clear guidance on training. Again, so that's the type of
4 refinements we're talking about.

5 CHAIRMAN JACKSON: Thank you.

6 DR. COOL: Implementation results, which is the
7 next slide.

8 [Slide.]

9 DR. COOL: We laid out a schedule for the reviews
10 of all of the states in the regions. That review was laid
11 out, assuming a two- to four-year cycle based upon the
12 previous reviews for the states, the previous review
13 conducted under the old cycle. All of them are laid out
14 under a schedule which has every one reviewed under the
15 IMPEP criteria by the end of FY '99. We do between nine and
16 12 reviews per year, two regions each year, and then seven,
17 nine, 10 states depending on the cycle. There are 12
18 reviews scheduled in FY '97, three of which have already had
19 their teams on site and for which the documents are in
20 various stages of review, comment by the particular state to
21 move forward.

22 We reviewed nine programs in '96. Those were laid
23 out there; I don't need to go particularly further with
24 that. Seven of those nine have completed the process.
25 Nebraska has completed the management review board and that

1 report and minutes will be in the EDO's office next week.
2 The report for Maryland is with Maryland for review and
3 comment back prior to a draft final being prepared for the
4 management review board and --

5 CHAIRMAN JACKSON: Before you go --

6 DR. COOL: Roland is probably going to address
7 that.

8 CHAIRMAN JACKSON: Now, I know that there is a
9 delay of at least two-and-a-half months and sometimes longer
10 between the on-site review and the management review board
11 meeting and the question is, is the finding of adequacy and
12 compatibility applicable to the date of the on-site review
13 or of the date of the management review board meeting or the
14 whole period in between? Because I am going to ask you this
15 specifically relative to Nebraska in terms of what you take
16 into account and how much -- what goes on in the interim
17 plays into the ultimate decision and therefore how timely in
18 some sense is the final decision and what's the linkage.

19 MR. THOMPSON: The management review board uses
20 all the information that is currently available to it at the
21 date it meets to make that decision. Therefore, if the
22 issue were no staffing and they had now hired up and
23 staffing, we would make our finding as of the day that they
24 reflected. If they had staffing of 10 people and they all
25 left, we would find that the problem would be a staffing

1 problem, although it may have been fine two months before.

2 So that is one of the reasons we actually have the
3 state participate and being present to respond to questions
4 and to issues at the meeting so that we have a current
5 status that when we make our judgment, it is the judgment as
6 of the facts that are before us that day.

7 CHAIRMAN JACKSON: All of this is documented in
8 the record that that's the basis for the decision one way or
9 the other?

10 MR. THOMPSON: That's correct. That is, and
11 that's the --

12 CHAIRMAN JACKSON: Is there a reason why the
13 management review board meetings are so distant from when
14 the on-site reviews actually occur?

15 MR. THOMPSON: Well, the process that was put in
16 place essentially allowed for the states to have an
17 opportunity to respond and I think that's invaluable.

18 CHAIRMAN JACKSON: Okay, and to remediate?

19 MR. THOMPSON: If they are very smart, they will
20 remediate. It wasn't intended to be --

21 CHAIRMAN JACKSON: To be a remediation?

22 MR. THOMPSON: To be a remediation. Quite
23 frankly, I would like to have no state have to have a
24 remediation period.

25 Some states are able to aggressively respond. We

1 have had some states that would drag the response period out
2 and that was an uncomfortable situation where it says, you
3 know, well, we've had our review; how come we can't get the
4 states to come in to hold the meeting.

5 Most of the state we are dealing with right now
6 are responsive in a timely fashion and on only a few
7 occasions do I think we end up with an -- with an unusually
8 long time before the --

9 CHAIRMAN JACKSON: Do you negotiate when the
10 management review board meeting is relative to the end of
11 the on-site review?

12 MR. THOMPSON: I usually rely on my staff to set
13 that up. Kathleen?

14 MS. SCHNEIDER: What we've been trying to do is we
15 do have a goal of trying to get the draft report out in 30
16 days. Then if we give the state two weeks to respond, then
17 we try and have it within two weeks after that.

18 I do have -- you know, ideal conditions, we should
19 be able to do everything in 90 days to the final report and
20 maybe Mr. Bangart would like to address this a little bit
21 too. But we have not been able to get -- we have found that
22 we have needed to do some refinements in that process
23 because we haven't been able to make it on time all the
24 time. Dick?

25 MR. BANGART: We do track each of the reviews and

1 how we're progressing in terms of issuing the draft report
2 and the final report holding the MRB and unfortunately the
3 delays that are longer than we would like are occurring more
4 frequently than we would like.

5 CHAIRMAN JACKSON: Right.

6 MR. BANGART: So we have under evaluation right
7 now initiatives that we can put in place that we think will
8 make the process move more quickly and that starts at the
9 front end from making sure all the team members have a
10 laptop PC with them so they can work in the evenings.
11 Another practical consideration like having a meeting room
12 at the hotel so it is easy for the team to get together and
13 discuss. Having the team leaders making sure that each of
14 their team members have time available so that they can
15 devote the necessary time for prep, conduct the review and
16 document the followup. And the extreme, I think,
17 alternative on the other end is have the team stay together
18 until all the pieces are submitted to the team leader for
19 incorporating into the report.

20 So as we consider those, those will be documented
21 at least for the agreement state reviews in our internal
22 guidance. So we expect that the timeliness is going to
23 improve.

24 CHAIRMAN JACKSON: Karen?

25 MS. CYR: If I could just make a comment as an MRB

1 member, I view this process in the sense as sort of an
2 incentive process. I mean, I think there is an enormous
3 amount of communication that goes on between the team
4 reviewers as they are doing the review and as the findings
5 are being prepared and they provide that to the state. So
6 that, yes, I think there is an opportunity for states to
7 remediate and come -- but I think that's valuable. I mean,
8 I think there is communication going on all the time and
9 they come to the board to provide the current status of
10 their program and if there have been deficiencies identified
11 in most case, every case we've had, they've taken steps to
12 try to do that. But I think that's a value of the process.
13 I mean, I don't --

14 CHAIRMAN JACKSON: We are not going to get into a
15 debate about what the value of the process is. The real
16 problem has to do with one of timeliness. Timeliness of
17 what the particular snapshot is, you know, we're getting
18 information, what does it mean as well as timeliness of
19 response by those who are being evaluated to whatever the
20 findings are at that time. If you have something that is a
21 negotiated kind of ending date, then you can negotiate and
22 the question becomes not that you don't want people to
23 remediate but people also have to be motivated to know that
24 there is going to be some ultimate decision and that, in
25 itself, can be a motivation to do what has to be done

1 consistent with whatever constraints they are operating
2 under in the given situation or state or whatever the case
3 may be.

4 So I don't think we're here debating or arguing
5 the issue of whether it's a good thing. The real issue has
6 to do with the timeliness with which things get closed out
7 and what the meaning of the given snapshot is at a
8 particular point in time as far as any information the
9 Commission might get about what you're saying about a given
10 program. And that's all, you know, I think we are
11 discussing this morning.

12 MR. THOMPSON: We certainly are sensitive -- one
13 of the real efforts was to try to move in a timely fashion
14 with timely feedback to the states, timely feedback to the
15 regions and I know, in particular, they appreciate a timely
16 feedback from the results and likewise we like to have a
17 timely resolution of the process and I will continue to work
18 with Dick to make sure that those things that we can do to
19 improve the timeliness of the process are focused on.

20 CHAIRMAN JACKSON: Thank you.

21 COMMISSIONER McGAFFIGAN: Can I ask before we
22 leave this slide or can we get slide 7 back up or do you
23 want to go ahead?

24 COMMISSIONER DICUS: Are you changing subjects?

25 COMMISSIONER McGAFFIGAN: I'm going to change

1 subjects.

2 COMMISSIONER DICUS: Okay.

3 I am okay with what you're doing but I have a
4 question with regard to what, in a situation, this would be
5 either for agreement state or a regional office. You go in
6 and in the review a really serious acute health and safety
7 issue exists where a program, be it one of ours or an
8 agreement state has a serious problem and it is an acute
9 health and safety issue. Do we wait 90 days or 120 days to
10 do something? I think that gets at the heart of what we
11 need to do.

12 MR. THOMPSON: We obviously don't wait on one of
13 those. In particular, what we will do, in the past we have
14 actually provided technical assistance to an agreement state
15 program where we would do their inspections, we would do
16 their licensing. The same way if we have a problem with the
17 regions, we have often had support from another region to
18 support a particular region, so if there is an immediate
19 problem, we will respond to it as soon as we are aware of
20 it.

21 CHAIRMAN JACKSON: That is built into the process?
22 Okay. That's enough.

23 MR. THOMPSON: I'm not sure -- I'm not sure --

24 CHAIRMAN JACKSON: Don't keep talking; we agree.
25 We're fine. We have the answer.

1 MR. THOMPSON: It's built into my process.

2 COMMISSIONER McGAFFIGAN: On the chart that we
3 were on, the last bullet was regions found to be
4 satisfactory and therefore adequate to protect public health
5 and safety.

6 As I understand it, there are three grades you can
7 get. You can get satisfactory, satisfactory with
8 improvement and unsatisfactory. Were the regions found
9 satisfactory across the board or satisfactory with
10 recommendations for improvement?

11 DR. COOL: They were found satisfactory on all the
12 indicators for all the regions thus far.

13 COMMISSIONER McGAFFIGAN: If you are in a
14 situation where it was satisfactory with recommendations for
15 improvement, are you still adequate to public health and
16 safety? Is it only when you get into the unsatisfactory
17 category that issues get raised as to whether you are
18 adequate for public health and safety? I am just trying to
19 understand what the grades mean.

20 MR. THOMPSON: Essentially, we would have to
21 have -- I think for a not adequate to protect public health
22 and safety on our own program, a programmatic breakdown
23 whereas we were, you know, not looking at an area and that
24 would have to be fairly substantial.

25 There are lots of things you will find

1 satisfactory with recommendations for improvement. Though
2 the program is fine, it may not be operating as quickly or
3 it may not be operating as quickly or it may not be -- the
4 staffing level may not be as high as you would like it
5 because our -- it is slightly different with the regions.
6 We are kind of in touch with the regions on a real time
7 process and if there is a real issue, Carl or I will be
8 working with the regional administrator to address a health
9 and safety problem immediately.

10 COMMISSIONER McGAFFIGAN: What does it mean for
11 the states, then? What do these grades mean for the state
12 program? I know we are going to get to Nebraska in a minute
13 but if a state program were -- obviously if it is
14 satisfactory across the board it is in great shape but how
15 many satisfactories with need for improvement or
16 unsatisfactories do we need in order to trigger a probation
17 or some action?

18 MR. THOMPSON: Well, we haven't specifically
19 crossed that bridge with this program. There were two
20 programs in an earlier state or earlier time that probably
21 met that area. One was Idaho in which we took the program
22 back and the other one was Iowa which, really, we ended up
23 doing all the inspections and the licensing reviews for that
24 program. Those would be the types of situations where we
25 would expect to be sufficiently proactive in the activities

1 in order to ensure that a safe program exists.

2 I don't think you will find this program coming in
3 with something that is inadequate to protect public health
4 and safety. We will be in touch with the Commission well
5 before that ever occurs.

6 COMMISSIONER MCGAFFIGAN: Okay.

7 MR. BANGART: If it were to happen, though, if an
8 agreement state had an overall rating of unsatisfactory,
9 that would equate to not adequately protecting public health
10 and safety.

11 COMMISSIONER MCGAFFIGAN: It's sort of like -- I'm
12 trying to analogize to the reactor area. Our lowest
13 category in the SALP scores is, as I recall, adequate or
14 something like that and then the testimony we've had in
15 previous Commission meetings is, if it ain't adequate, it's
16 shut down.

17 MR. THOMPSON: That's right. We would take
18 action.

19 Now, you know, there is a formal process to go
20 through and there may be some -- there may be some day -- I
21 keep seeing the agreement state programs in an improving
22 trend. Nebraska was a test for us and we can discuss that a
23 little bit later on, I think. That was one of the reasons
24 we wanted to have this meeting after we had kind of taken a
25 hard one to see where we would end up on it.

1 But, in essence, right now, you really don't give
2 a program to the state unless you have some confidence that
3 it is adequate to protect the public health and safety to
4 start off with and then you stay in contact with them so
5 that there is a reasonable expectation that you are not
6 going to find one unsatisfactory. It really, you know, the
7 two that we had in the past with respect to Iowa and Idaho,
8 we had lots of dialogues in particular with the Commission
9 early on with those or supported the state with our own
10 inspection efforts.

11 MS. SCHNEIDER: If I could offer one thing, we do
12 have a process. We have both in the law -- Karen, correct
13 me if I'm wrong -- that if there is a problem, we can do an
14 emergency suspension. If the public health and safety has
15 been compromised.

16 MR. THOMPSON: And even for a specific facility.

17 MS. SCHNEIDER: Right.

18 MR. THOMPSON: I think there was a state --

19 MS. SCHNEIDER: Yes, there was, back in '78, '79.

20 MR. THOMPSON: That triggered that change in the
21 law so we could come in and if the state were not taking
22 sufficient action and we had a public health and safety
23 concern, that we could come in and take over the response
24 for that particular incident.

25 MS. SCHNEIDER: Right, and we have a procedure to

1 do that, too, in place.

2 CHAIRMAN JACKSON: Okay.

3 [Slide.]

4 DR. COOL: All right, the next slide which you
5 have, which is slide eight, talks about frequencies and
6 reviews. We do the regions on a two-year cycle, pick up two
7 each year back and forth, irrespective of the fact that they
8 have had all satisfactory performance, we use this as our
9 opportunity to examine all the areas within the NMSS
10 program.

11 For the states, the team recommends to the MRB an
12 interval based upon the findings. The MRB can adjust that
13 based upon things which they may observe as a result of that
14 process. Normally two to four. In the case of Nebraska,
15 which we will deal with in a moment, it is going to be less
16 than that. There have been several that have been in the
17 two to three range and several where the recommendation has
18 been for a four-year review.

19 A number of comments as we have gone through this
20 process and interacted with the states in the Management
21 Review Board meetings was that while the formal length of
22 review going out three, four years in recognition of good
23 performance was an appropriate thing, that there was a
24 concern expressed about a lack of contact that might result
25 if you don't show back up for three or four years.

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1 Thus, the proposal that the Staff plans to move
2 forward with is to do in a annual get-together the regional
3 liaison officer, staff person within OSP, meeting with the
4 state representative, reviewing where the program is going,
5 follow-ups to any of the things that may have been
6 discussed, changes and trends, new authorities that may have
7 been looked at, other issues that may be coming along,
8 issues which might warrant going back and looking at whether
9 the next scheduling is still appropriate or otherwise,
10 and/or influencing the composition of the team that might be
11 considered when you get to that point.

12 For example, if someone relinquished sealed source
13 device authority then someone of my folks that are part of
14 the sealed source group wouldn't be part of that team, so
15 that we can make ongoing adjustments to that program.

16 COMMISSIONER DICUS: I have a couple of questions
17 and comments regarding the annual one-day meetings.

18 In one of the documents, I think here in the
19 policy issue statement, and you have talked about who would
20 participate in that annual visit with the state, and if it's
21 an agreement state it would tend to be the state agreements
22 officer.

23 The issue I want to surface, because I think it's
24 one that is a little bit troublesome with the states, and I
25 think we need to consider it on our FTE situation with the

1 agency, is that the director of a state agreement program is
2 generally a Civil Service position but there is also a
3 position in the state called the state liaison officer,
4 which is a position as we all know appointed by the Governor
5 of the state.

6 Now in many of the agreement states the director
7 of the state program and the state liaison person out of the
8 Governor's office are one and the same people. In many
9 states they are different in agreement states or non-
10 agreement states alike.

11 The state agreements officer of course has
12 generally always dealt strictly with the agreement state and
13 then the regional liaison person has dealt with the
14 Governor-appointed liaison person within the state.

15 Again, sometimes it's the same, sometimes they are
16 not, but they focus on different issues. They may focus on
17 the same issues sometimes but sometimes not.

18 The point I want to bring up on these annual
19 meetings that are going to occur is that in Region I we have
20 six agreement states now, including Massachusetts in that
21 number, and they have -- we have a regional liaison officer
22 and a regional agreements officer, I believe -- so we have
23 two FTEs.

24 Is that correct, I think?

25 DR. COOL: I'll turn to Dick for that.

1 COMMISSIONER DICUS: Okay. In Region II we have
2 eight agreement states, and I think the same staffing.

3 In Region III there are two agreement states and
4 there's one FTE doing half and half in the two.

5 In Region IV there are 14 agreement states, and we
6 have one agreement state officer but I think two liaison
7 officers if we include the staff, and the state agreements
8 officer is at the field office in California.

9 So the question or the point I am trying to get
10 around to is ensuring that there is some sort of equity
11 across the regions if we are going to do these annual
12 reviews given the state we have got a Region IV with 14
13 agreement states in it as opposed to a region that only has,
14 say, two agreement states, and how you see this coming out.

15 I think what is happening is that the roles
16 between the -- the regional agreement state officer and the
17 regional liaison officer are simply being meshed and the
18 distinction between the two are going away and I would like
19 a little feedback on, from anyone, what you see, any
20 problems with this, including the fact that these can be
21 different people at the state level, they can be the same
22 people at the state level, and they may be dealing with
23 entirely different issues.

24 I would like some feedback.

25 MR. THOMPSON: I'll respond first and then I'll

1 let Dick.

2 We looked at, early-on, areas where we thought we
3 could achieve effectiveness and efficiency in the NRC
4 programs in light of decreasing resources that were
5 available.

6 My discussions with regional administrators in all
7 the regions were that this was an area they believed that
8 they would be able to have, over time be able to combine
9 those responsibilities into a single point of contact with a
10 backup within the materials programs in the regions and be
11 able to effectively carry that, those programs out with
12 support from the NRC Office of State Programs and from
13 Headquarters.

14 That process is one that's evolutionary and it's
15 evolving fairly slowly but that was the approach, and we
16 were sensitive to this issue, to make sure -- because
17 sometimes there were different skill levels involved in the
18 individuals and the questions that were being asked.

19 Some of them required a fairly technical response
20 with the agreement states where the state liaison was a bit
21 more --

22 COMMISSIONER DICUS: On policy.

23 MR. THOMPSON: -- on policy area, but Dick, do you
24 want to provide any additional thoughts on that?

25 MR. BANGART: Just a small comment.

1 The long-term goal is to have a state programs
2 representation in the regional office, as you suggested by
3 the meshing comment, and so we hope to have people with
4 backgrounds and skills that will allow them to deal both
5 with policy-related issues, reactor-related issues, which
6 often are discussed with the state liaison officer as well
7 as agreement state materials program issues, so the goal in
8 the Region IV situation is that there would be three FTE but
9 that FTE, those three persons, would be able to deal with
10 any and all issues where we interact with states in Region
11 IV and we think that that would be a sufficient amount of
12 resource to carry out that function.

13 In the interim period now, there is additional
14 support coming from our office to fill that loss of the one
15 RSAO position.

16 CHAIRMAN JACKSON: I think we have to move along
17 here -- even though I am at fault, basically.

18 [Slide.]

19 DR. COOL: Okay. The next slide, slide 9, was in
20 fact -- we now come to the point -- we have talked about it
21 two or three times -- where we'll get to Nebraska, just as a
22 very quick synopsis of the process, and then Mr. Thompson
23 will talk about the MRB.

24 The team was out in July, late July timeframe. At
25 that time there were several indicators that were found

1 satisfactory. There were several indicators which had
2 recommendations. There was one indicator at that time where
3 the team's finding at that point was an unsatisfactory
4 finding. There was a relatively long period of time where
5 the state was responding back and in fact responded back in
6 several piece, more than one piece of correspondence.

7 The Management Review Board met on January 22nd
8 and was represented both by the Governor-appointed director
9 of the program as well as the individual who was actually
10 running the program.

11 A couple of the issues associated with regulations
12 and with staffing which, getting to the point you were
13 making a little while ago, the snapshot during the week the
14 team was there -- some significant weaknesses, some
15 regulations which were not in place, and some significant
16 staffing issues.

17 During that intervening period we were caught up
18 to date. Staff was hired and hired up. The regulations
19 were brought up to date and brought into line, such that by
20 the time we got to the Management Review Board meeting in
21 the regulations are they were all up to date, completely
22 caught up.

23 CHAIRMAN JACKSON: So you are saying that the
24 Management Review Board's decision was based on substantive
25 performance in the interim and not planning relative to

1 that?

2 MR. THOMPSON: That is correct. In fact, we
3 explicitly, even in the staffing level, assured ourselves
4 and asked questions did the new staff they have, were they
5 qualified.

6 One of the areas that we looked at was the quality
7 of their licensing review and the quality of inspections.

8 They had not, even with their lower staff, had a
9 failure in doing quality health and safety reviews and
10 quality inspections.

11 So by the time they had their rules and
12 regulations up to date and in place and had their staffing,
13 I think there was one person left who was being hired, but
14 essentially they were at full staffing, they clearly -- and
15 also had addressed the management issue, which Dick had
16 pointed out, that our performance indicators don't capture
17 very well, but it was one where we were comfortable, as
18 comfortable is maybe not quite the right word, but it was
19 our judgment that in fact the program was not satisfactory
20 with room, still recommendations for improvements as
21 identified, but they had completed the inspections that were
22 the ones that were overdue -- you know, the inspections that
23 had been done that hired consultants in there to complete
24 some of their inspection reports, so I was confident at the
25 time that I made my support for a finding of satisfactory it

1 was based on the significant improvements as well as the
2 promises.

3 They put a plan in but they had made significant
4 accomplishments between the time that the team had done
5 their review and the time the Review Board met.

6 CHAIRMAN JACKSON: What was the unsatisfactory?

7 MR. THOMPSON: There were two originally. One was
8 technical staffing and training and the second one was the
9 legislative and regulations.

10 The legislative and regulations one was fairly
11 clear -- you know, either you have the regulations in place
12 or you don't -- it's one of those. You can actually
13 implement programs by orders or something that we have given
14 credit for if you only have one licensee, do you have to,
15 you know, go through a whole process to have an acceptable
16 program.

17 The staffing and training one was much more
18 systemic in the program that had led to a number of
19 licensing delays that they had and a number of the programs
20 of almost a year, for which they did not have a manager of
21 the program in place, that they had people acting, and as a
22 result of that their program wasn't being managed and it was
23 drifting along, even though the people who actually went out
24 and did the inspections and did the licensing reviews when
25 they did them they did them well.

1 Their ability to reorganize, to get their program
2 focused, and which they did, within the state and their
3 commitment by the Governor, I believe it was Governor
4 Nelson, and to his desire to have present at the Board
5 meeting was the director of the Department of Regulations
6 and she was able to relate not only her personal commitment
7 at the cabinet level but the Governor's commitment to this
8 program, that it was going to continue to have --

9 CHAIRMAN JACKSON: What was it they were
10 committing to that related to the problems you had
11 identified?

12 MR. THOMPSON: Ensuring that that program got
13 adequate management attention, that it didn't drift.

14 They actually have taken that program out of, I
15 think, part of the Health Services area and put it in a
16 Division of Regulation and Licensing, which is what the
17 responsibilities of this program were directed at.

18 So that was their mission now was the regulation
19 and licensing and with that focus and with the cabinet-
20 level support to keep it focused in that way as well as the
21 improvements that they had made and the fact that they did
22 not have a defective or significant problems in the
23 technical quality of the work was the basis, that at least I
24 was using to judge and you have got three other members here
25 if you wish --

1 CHAIRMAN JACKSON: So you are saying that relative
2 to the two unsatisfactory categories they had actually made
3 measurable progress? They had addressed the technical
4 staffing issue. They had trained the people?

5 MR. THOMPSON: That's correct.

6 CHAIRMAN JACKSON: And that they had adopted the
7 relevant regulations?

8 MR. THOMPSON: That's correct.

9 CHAIRMAN JACKSON: And then over-arching this was
10 the commitment by this high level state official that the
11 program would no longer be treated as an orphan?

12 MR. THOMPSON: Correct.

13 CHAIRMAN JACKSON: So the promise wasn't having to
14 do with the specific unsatisfactory category, it had to do
15 with giving it continued attention --

16 MR. THOMPSON: Continued attention.

17 CHAIRMAN JACKSON: -- but the unsatisfactory
18 issued had been --

19 MR. THOMPSON: -- had been fixed.

20 CHAIRMAN JACKSON: Okay.

21 COMMISSIONER McGAFFIGAN: Did they jump all the
22 way from unsatisfactory to totally satisfactory or did they
23 jump to satisfactory with improvement?

24 MR. THOMPSON: It's really satisfactory with
25 improvements.

1 COMMISSIONER McGAFFIGAN: Out of the seven
2 categories, as I understand it, two were unsatisfactory,
3 four satisfactory with need for improvement, one
4 satisfactory without, and it looks like four grades in that
5 six-month period, four grades moved up at least. Am I
6 correct -- the team comparing to the MRB.

7 MS. SCHNEIDER: Compared, there was a change in
8 the regulations from unsatisfactory to satisfactory.

9 COMMISSIONER McGAFFIGAN: Totally satisfactory?

10 MS. SCHNEIDER: Right. The only other change was
11 the other unsatisfactory was then changed to satisfactory
12 with recommendations.

13 All the other findings for the indicators stayed
14 the same and then the overall team finding was satisfactory
15 with recommendations.

16 COMMISSIONER McGAFFIGAN: That stayed the same --

17 MS. SCHNEIDER: I mean adequate with
18 recommendations for improvement.

19 COMMISSIONER McGAFFIGAN: Do we have -- the
20 November memo to the Commission said that there were -- in
21 the five common performance indicators, four were
22 satisfactory with recommendations for improvement, one was
23 unsatisfactory. In the noncommon there was one
24 unsatisfactory and one satisfactory.

25 MS. SCHNEIDER: By now it is five satisfactory

1 with recommendations in the common and in the two noncommon
2 they're satisfactory.

3 COMMISSIONER MCGAFFIGAN: So that's slightly
4 different from the slide but --

5 MS. SCHNEIDER: Excuse me, I'm sorry. It's my
6 mistake. I am trying to do it here.

7 Licensing quality, so it is four out of the five.

8 COMMISSIONER MCGAFFIGAN: With recommendations.

9 MS. SCHNEIDER: With recommendations.

10 COMMISSIONER MCGAFFIGAN: Four out of the five --

11 MS. SCHNEIDER: Common indicators.

12 COMMISSIONER MCGAFFIGAN: Right and they all
13 stayed the same and the two unsatisfactories did jump all
14 the way to satisfactory?

15 MS. SCHNEIDER: No. One of the -- the training
16 and staffing is a common indicator and that went from --

17 COMMISSIONER MCGAFFIGAN: Unsatisfactory --

18 MS. SCHNEIDER: -- unsatisfactory to satisfactory
19 with recommendations.

20 COMMISSIONER MCGAFFIGAN: Right, and then the four
21 that were satisfactory with recommendations, did one of
22 those improve?

23 MS. SCHNEIDER: No, they stayed the same.

24 MR. BANGART: Let me -- I guess the original
25 licensing quality was always fully satisfactory.

1 MS. SCHNEIDER: Correct.

2 MR. BANGART: From the outset -- so of the
3 remaining four common the only one that changed, as she
4 indicated, was for training and staffing from unsat to sat
5 with recommendations.

6 COMMISSIONER McGAFFIGAN: So the November memo
7 then is the place that's wrong? It said --

8 MS. SCHNEIDER: Right.

9 COMMISSIONER McGAFFIGAN: Okay.

10 CHAIRMAN JACKSON: Maybe you need to correct that
11 for the record.

12 MS. SCHNEIDER: Okay.

13 COMMISSIONER McGAFFIGAN: The reason -- it is
14 obvious in terms of the recommendation to go back in just a
15 few months and look at them again that while they are not on
16 probation they are not exactly in totally good graces
17 either.

18 We are going to be from Missouri in terms of the
19 promises that were made to you, is that correct?

20 MR. THOMPSON: That's correct. Typically we have
21 a two to four year timeframe and our objective was to say
22 programs that really look solid and sound we may review only
23 once every four years, others that are, you know, fairly
24 steady, three years, once -- and this one, since they did
25 have and had had this experience in the history --

1 COMMISSIONER McGAFFIGAN: There is a history here
2 too.

3 MR. THOMPSON: There is a history here and we were
4 not unaware of the history and that is why the Board
5 recommended going back in a period of a year to 18 months to
6 do a follow-up review process.

7 COMMISSIONER McGAFFIGAN: And that is a year to 18
8 months from last July, as opposed to from --

9 MS. SCHNEIDER: Correct.

10 MR. THOMPSON: Correct.

11 CHAIRMAN JACKSON: But by not putting Nebraska on
12 probation, I mean given what you said and given the history,
13 have we in any sense changed the threshold in terms of how
14 we are then able to deal with other states?

15 MR. THOMPSON: I don't believe there was any
16 intent to change the threshold. I can't say that there --
17 obviously what other states may look at, it says, gee, we
18 can, if we can get our program all fixed by the time we meet
19 with the MRB they are prepared and will look at a team's
20 report and change a recommendation.

21 I would also say that the team at this particular
22 meeting withheld their final recommendation to the Board
23 until after they had the presentation from the state and the
24 team did recommend that they make a modification and not
25 place the program on probation.

1 CHAIRMAN JACKSON: Going back to Commissioner
2 McGaffigan's comments, in terms of being from Missouri, how
3 much are we relying on promissory notes versus actual
4 progress?

5 MR. BANGART: As I tried to indicate earlier, my
6 decision was based on the accomplishments that they had
7 made with the program that they had modified. I was
8 confident that program was satisfactory and with
9 recommendations inadequate to protect public health and
10 safety.

11 If they had not been able to staff, if they had
12 not had the leadership, if they had not been able to put
13 regulations in place, there would be no question they would
14 be on probation in my mind.

15 MR. THOMPSON: The other piece that is missing
16 here in the discussion is that there is ongoing
17 communication between both the Regional State Agreements
18 Officer and staff in my office with all the agreement states
19 throughout the year. We knew that they had lost staff
20 because the Regional State Agreements Officer told us that
21 six months ago. He has since retired. What we didn't know,
22 they hadn't restaffed the ones they had lost and we didn't
23 know the extent to which there was lack of day-to-day
24 management being exercised.

25 But we do have that to rely on as well and if we

1 learn of something occurring that is different from what we
2 believe to understand will happen, then we can refocus on
3 whether we need to go back out sooner or not, even before
4 the one year, 18 months.

5 CHAIRMAN JACKSON: Okay.

6 MR. THOMPSON: We wanted to have Nebraska behind
7 us so that we could -- it was a test of the bd and the
8 system. We could have come and briefed the Commission
9 before Nebraska and it wouldn't have been as tested and you
10 may not --

11 CHAIRMAN JACKSON: And we won't have been as
12 testy.

13 [Laughter.]

14 MR. THOMPSON: I'll put that back in my -- Don?

15 DR. COOL: Moving through the last couple of
16 things that we were going to cover, slide 10 dealing with
17 the ongoing implementation.

18 [Slide.]

19 DR. COOL: We have issued a good practice report
20 for the previous year. Our expectation is we will issue one
21 of those each year once the reviews that were conducted in
22 the physical year are completed.

23 CHAIRMAN JACKSON: Stop.

24 Kudos to you for that one.

25 DR. COOL: Thank you.

1 We found it very useful. It was asked for; we
2 agreed.

3 What we want to look at is some of the things that
4 people have talked about of particular areas of lessons
5 learned, the sort of other side of the coin. You know,
6 pitfalls to watch out for. We have discussed ways to do
7 that. Whether we can include some of those within the
8 report, do a separate report. In the interim and anyway,
9 these are public documents. The regional reviews are
10 provided to all the regions. The OSP reviews are on the
11 home page and available so that everyone can see all of the
12 detail that you get in there.

13 We have already talked about the management
14 directive so in the interest of trying to help us move
15 along, unless there are questions, jump to the resources.

16 When we originally came to the Commission, we
17 provided you with an estimate that was about a half and
18 FTE's worth of effort to conduct a review. That has
19 actually panned out very well. There are variations, of
20 course, but on the average that has actually panned out very
21 well. About an FTE's worth of that effort coming from the
22 folks from the states who have participated on the teams,
23 the other portion of it being staff within NMSS, state
24 programs and the regions and going through that process. We
25 have budgeted that for future years and are continuing to

1 move forward with that.

2 In terms of the annual meetings that we have
3 talked about, and Dick could certainly address this further,
4 state programs believes that they can accommodate that
5 within the budget and the effort they devoted to the liaison
6 officers and the activities.

7 Moving then on to our conclusion, back to what we
8 said in the beginning, this has proven to be a very
9 effective process for us. Good learning experiences from
10 all concerned. The reviewees, the reviewers, those of us
11 who come out as managers to take a look at the program
12 finding good ideas, things that are going on has allowed us
13 to look on a consistent basis.

14 Has been used as a mechanism by those reviewed --
15 here I will speak for the regions and not necessarily for
16 the states -- to look at themselves in a consistent fashion.
17 That is one of the things that we have not tried to pick up
18 here using a similar process, to look at ourselves in the
19 same manner and get some measure of consistency and improve
20 our performance. We are already on track and have already
21 been out to three reviews, have 12 reviews planned for FY
22 '97 and to move forward with the program.

23 MR. THOMPSON: That completes our presentations.
24 If you wanted to go to the panel and we will stand by?

25 CHAIRMAN JACKSON: We will see. Commissioner

1 Rogers, do you have a question?

2 COMMISSIONER ROGERS: I don't have a question; I
3 just had one comment. That is that on your slide four when
4 you were describing how you got started on this, that you
5 assembled the impact teams and conducted training and I
6 don't think we have time to talk about it but it seems quite
7 apparent the training seemed to work very well and certainly
8 this program has gone very well and I just suggest that
9 however you did it, take note of and see where we might be
10 able to use it in the future.

11 DR. COOL: We brought everyone in, sat them down
12 for a full day, walked through the process, the criteria,
13 the underlying philosophy, metrics, culture, whatever sorts
14 of things you would like to do. We have had the state
15 people participate with that this year. We did 38, nine of
16 them from the state. And interestingly enough, we also had
17 a couple of folks from FDA come over and observe and
18 participate in that process. My understanding is that FDA
19 is considering a similar kind of process and approach in
20 looking at some of their activities, some of the mammography
21 reviews that they are conducting with the states. It's been
22 very useful. Those also get everybody around the big table
23 in the auditorium with a lot of exchange.

24 CHAIRMAN JACKSON: I think we need to move along.
25 Commissioner Dicus?

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1 COMMISSIONER DICUS: No questions.

2 CHAIRMAN JACKSON: Commissioner Diaz?

3 COMMISSIONER DIAZ: Yes.

4 I just want to make a comment that, you know, the
5 impact seems to be such an effective mechanism that I think
6 we should -- I mean, it is a win-win situation for the NRC
7 and the regions and so forth, that we should encourage you
8 and the regions to communicate, you know, as widely as
9 possible the results and we need all the good press we can
10 get and therefore sometimes even the good practices report,
11 I think that is certainly something that should be widely
12 distributed and used.

13 CHAIRMAN JACKSON: Commissioner McGaffigan?

14 COMMISSIONER MCGAFFIGAN: Thank you, no questions.

15 CHAIRMAN JACKSON: Thank you very much.

16 Are we hearing specifically from the regions?

17 MR. THOMPSON: Bruce Mallet will be here
18 representing the regional review as well as the --

19 CHAIRMAN JACKSON: The agreement states. Very
20 good.

21 We should try to move along, even though it is
22 totally our fault. Commissioner Dicus is going to have to
23 leave in about 15 minutes or so, so we want to try to cover
24 as much as we can before then.

25 MR. MALLET: Well, good morning, Chairman and the

1 other Commissioners. It is a pleasure to be here today.

2 I am Bruce Mallet; I am from Region II. I am the
3 Director of the Division of Nuclear Materials Safety. My
4 comments today are based upon assessments that we did in
5 Region -- all the regions in 1995, 1996. I did receive
6 input from my counterparts in the other regions. Some have
7 accused me of getting co-bagholders. I received input to
8 give you a complete picture.

9 [Slide.]

10 MR. MALLET: If you turn to the first slide, I
11 broke the comments up into three areas. Strengths, areas
12 that we thought were improvement and challenges to the
13 program. I won't in the interest of time go through all the
14 strengths but I would highlight a few of them to point out
15 answers to questions you had earlier.

16 If you look at the first one on level of
17 expertise, I believe Chairman you asked what we gained from
18 the process. As far as the individuals participating in
19 both the agreement states and regions, we gained what I
20 believe are three things. Expertise and experience from all
21 different levels. It really was helpful to have that broad
22 wealth of knowledge.

23 I believe you also gained what I call a fresh
24 look, insights. An example, an individual from the state of
25 Georgia was on our team. We thought that we had everything

1 well done but this individual pointed out that we were not
2 documenting our basis for decisions very well. A whole new
3 area that we hadn't thought to look at. We wouldn't have
4 had that insight without that.

5 On timely issuance, I recognize you talk about
6 timeliness of the review board so let me clarify this
7 comment. We thought it was a strength on the issuance of
8 the reports in draft form. They call came out to the
9 regions within about four to six weeks after the review. It
10 was very timely to get that turnaround. In past reviews we
11 have had, it's been several months to a year before you get
12 the draft report back.

13 On the Management Review Board, I would highlight
14 there we felt the strength was decisions are made at the
15 review board to make corrections. In the past, when you
16 didn't have that appear process or that discussion, you
17 didn't get the senior managers involved in correcting it
18 right away if it was a problem.

19 On the sharing of good practices, I would add
20 something in addition to what we discussed that's going on.
21 I don't know if you're aware of it. When you're not on the
22 list of good practices as a region, you are looking for new
23 areas to improve so you can be put on the list.

24 [Laughter.]

25 MR. MALLET: So it's an insight I don't believe we

1 figured on or planned on but you are gaining that out of the
2 process.

3 I would also say on causes of the programs being
4 evaluated themselves, you have caused the regions, and I
5 believe the agreement states would probably support that, to
6 do our own self-assessments and that's what we're after in
7 the process. I think all the regions now are looking ahead
8 before the team finds the problem.

9 In areas for improvement, we talked about sharing
10 of good practices. It is also important to share the
11 corrective actions from the various regions and how they
12 have solved the problem. Right now, we are doing a good job
13 of getting the reports out and sharing amongst the regions.
14 I am not so sure we are sharing with the agreement states
15 what are the findings and we propose that would be an area
16 for improvement as well as how they fixed the problem would
17 be an important item to have.

18 As far as we talked about reviews in agreement
19 states, the second bullet there, we believe that we would
20 support an ongoing review between the three to four years of
21 the IMPEP reviews as issues come up and the states having a
22 mechanism to go out and take a look to see if they are
23 consistent.

24 The third bullet for areas for improvement has
25 caused a lot of discussion. Let me clarify that bullet. It

1 says, Maintain the level of rigor in the creation and use of
2 the noncommon indicators. It is not the indicator; it is
3 the criteria that supports that indicator or the measure.
4 To support the same level of rigor that we had in the
5 development of the common indicator criteria or
6 measurements. And we discussed that earlier. Unless there
7 is a question, I won't go into that in any more detail.

8 I will mention one other comment. During the 1994
9 and 1995 reviews, the criteria had gone out to the regions
10 for comments but it was being developed during the review
11 process. It is hoped during the next set of reviews the
12 criteria will be set and you won't have a development during
13 the process. That will help establish that criteria.

14 I would move now to challenges. It is very
15 important in the program. I think Commissioner Rogers
16 mentioned earlier about the training. I will go to the
17 second one first, that we maintain a cadre of experienced
18 team members. As you develop, this program goes on. We've
19 seen it before in the agency. We tend to slide back and not
20 train as well and not keep the staff --

21 CHAIRMAN JACKSON: I thought you said the training
22 is conducted every year and the team members participate in
23 several reviews a year.

24 MR. MALLET: It is. And our comment is not an
25 area for improvement; it is an area of challenge to maintain

1 in the program that we continue doing that and we don't back
2 down from that.

3 CHAIRMAN JACKSON: Okay.

4 MR. MALLET: And keep the same level of experience
5 and expertise.

6 If I can flip to the first one, as in any program
7 where you do assessments, we believe you ought to continue
8 to evaluate the adequacy of those indicators.

9 CHAIRMAN JACKSON: Are you referring to both the
10 noncommon --

11 MR. MALLET: Both the noncommon and common. And
12 we need to not assume that we've solved the problem; we need
13 to keep looking at them each year to make sure they're
14 correct to get us the adequate assessment of the program,
15 what we're looking for.

16 CHAIRMAN JACKSON: Not only just what's in them
17 but if there are others that might be needed?

18 MR. MALLET: That's correct, make sure they are
19 adequately assessing that performance.

20 That concludes my comments, unless there are any
21 remarks or comments from you?

22 No?

23 MR. RATLIFF: Chairman Jackson and Commissioners,
24 I think in the interests of time, you know, I am Richard
25 Ratliff, past Chairman of the Organization of Agreement

1 States with the Texas Program, Roland Fletcher who is the
2 chairman elect who is going to talk about two aspects,
3 actually be in on the management review board as a state
4 member and a state having been reviewed and then James
5 McNees on the far right from Alabama who will talk about
6 being on an IMPEP team.

7 I had some prepared remarks and I think just to
8 cut it short I'm going to give them to the state program
9 staff and let them give them to you rather than taking the
10 time here but just some real good observations I've seen, I
11 think it was back in 1993 when we first heard the acronym
12 IMPEP and we were all trying to figure out what it was. We
13 were in Tucson or Phoenix, Arizona.

14 There was a lot of change since that time period.
15 Initially, some of the noncommon indicators were things like
16 the number of incidents that the state has and the states
17 made a good point that it is not the number it is how you
18 handle a response to them. I think NRC did a good job.

19 We worked well in paring this down to things that
20 we all agreed the bottom line is protection of public health
21 and safety. The IMPEP program I think has worked well.
22 Many of the states were real apprehensive when it first
23 started. They normally would have two people come to the
24 review. When they saw this team, I think they rally felt,
25 what are we going to do.

1 But I think they soon learned that they were
2 looking more at performance and looking at sharing
3 information. That is really what had happened when we first
4 started out as agreement states. When we had our program
5 reviews, they were more share information because the
6 authority had been relinquished to the states and it was
7 mainly just to check and see and share information on how to
8 do things better and I think this really helps. You have to
9 make sure that we are doing our jobs but that sharing of
10 information is really one of the most important areas.

11 CHAIRMAN JACKSON: It helps you.

12 MR. RATLIFF: As we have had people who have been
13 on the teams from the states, the comments that I get is it
14 helps them from several directions because they have really
15 been able to work with other NRC folks and let them realize
16 that the state people really are qualified, that they deal
17 with not only radioactive materials but NORM and NARM and X-
18 ray and so many areas that they really do have expertise
19 usually in licensing and inspection and incident response,
20 so they have a wide variety of expertise. So this has
21 helped, I think, to let the state people come to the table
22 with equal credentials and I think it has really worked
23 well.

24 But we have learned, from other states, from NRC
25 regions. I think that is one of the things we found that is

1 good. When we go to different programs you are always going
2 to find something that they're doing better and that really
3 helps you in your program, even though you are committing
4 this FTE from the states, I think this has been a good
5 endeavor.

6 We have a few concerns but they are not major.
7 You know, timeliness was always the question. When we were
8 regulatory agencies, when we expect timely responses from
9 our licensees that have problems, they have to know that
10 they have problems. The close-outs are good and almost all
11 of the draft IMPEP reports come quickly. But there has been
12 a tendency, like was mentioned earlier, that they are
13 getting a little longer and you really need to have that
14 quick turnaround so that the states, if they are given two
15 weeks, like we heard earlier, that would be difficult. And
16 you have to plan around what's happening.

17 We do nuclear power plant emergency response
18 exercises, we do the large X-ray programs. And so I think
19 that two-week time period has to really be based on what
20 other activities does the state have going on. But I think
21 timeliness really is important and if there is an issue that
22 really impacts health and safety, I concur with the previous
23 panel. It has to be something that's addressed right away
24 and really -- and it very seldom happens but when it does,
25 it has to be taken care of.

1 The noncommon performance indicators, I think, are
2 going to be an evolving issue and I hope we can have the
3 same communication we have had on the others as we try to wk
4 through what is required. The decommissioning issue came up
5 and it's getting more and more resolved because most of the
6 states have real detailed programs in their license reviews
7 and they terminate to look and make sure the sites are
8 clean. I think we have always done that and so it is not as
9 big of an issue but we need to make sure that, as we get
10 into waste, uranium, sealed source and devices that we have
11 equal coverage.

12 CHAIRMAN JACKSON: Do you think that
13 decommissioning should be folded into the common indicators
14 for licensing and inspection?

15 MR. RATLIFF: Yes, I do, because that is a common
16 indicator that the states look at and we have -- I think,
17 historically, the states, because we are closer to the
18 situation and even more accountable to our governing bodies,
19 we have looked and we have closed out facilities and we have
20 made sure that they were clean. Some states have developed
21 rules that even give guidelines so the licensees know going
22 in how clean is clean. So I think that that should be
23 common and it will help in the long term.

24 Several of the states made the comment to me, and
25 in pretext I think we would agree, that if you have low-

1 level waste and/or uranium and/or sealed source and device,
2 it is better to come all at once, though, within a month
3 period and do all the review because one thing I think that
4 always gets lost and it came out a little earlier is that
5 the agreement was signed by the governor of the state and,
6 for years, I have pushed the idea that there should be a
7 close-out with the governor's office. If not, at least with
8 the liaison that the governor appoints so that there should
9 never be a point where a governor would all of a sudden get
10 notified that your state is not doing well. I think they
11 should know when we are doing good and then when we are
12 having problems so that could be factored in.

13 CHAIRMAN JACKSON: So are you saying that the low-
14 level waste and uranium programs are or are not being
15 conducted, reviews being conducted at the same time or a
16 different time?

17 MR. RATLIFF: I think we are at a point where it
18 is just starting. I know California had its review and the
19 waste was not as detailed. In Texas, our review is
20 scheduled for June and all of the programs will be done in
21 June, which is good. I think that is the way to go because
22 that way, when you come out with your final draft report, it
23 is a draft report on the compatibility of the state of
24 Texas, not the Department of Health or the Department of
25 Natural Resources. So you really, I think, need to make

1 sure that coordination is done.

2 So far it has worked well but we want to just
3 emphasize that. And then, before I turn it over to the
4 other guys here, I really think acknowledging that the
5 states really are helping, that we do sacrifice a lot of
6 other things to put people on the review teams and the MRB
7 and that we really do need the training and without those
8 resources you might see a problem with us being able to
9 continue.

10 Any other questions, or we can let the other folks
11 talk and we can do questions at the end.

12 CHAIRMAN JACKSON: Commissioner Diaz?

13 COMMISSIONER DIAZ: Why don't we do it at the end.

14 CHAIRMAN JACKSON: Okay.

15 MR. FLETCHER: Chairman Jackson, Commissioners, I
16 am Roland Fletcher. I am the Radiological Health Program
17 Director for the state of Maryland. I feel very fortunate
18 to have had the opportunity to participate in an IMPEP
19 review for the state of Maryland and also participate on two
20 MRBs. I like to think that it's because of, you know, my
21 qualifications, et cetera, et cetera. But it occurs to me
22 that every now and then my physical location might have
23 something to do with it.

24 [Laughter.]

25 CHAIRMAN JACKSON: Well, you see, that's a

1 qualification.

2 MR. FLETCHER: I would like to touch upon a few of
3 the aspects of our review. First of all, I would like to
4 echo what everyone has said and that is that the team
5 approach is extremely beneficial. It gives the opportunity
6 that your program is really being looked at in toto, not
7 just concentrations but you get a full program review
8 perspective and you have various levels of review and I
9 believe it is more thorough and more complete. So the team
10 approach, I think, is the way to go and it has worked out
11 well.

12 I also feel that the IMPEP creates less of the
13 licensee inspection approach. No matter how you do a
14 program evaluation, if you are coming from one level to
15 another level, there is going to be something of an IG type,
16 you know, get ready, clean up, dust off everything and watch
17 out for the white gloves. But the team approach that is
18 being implemented, I believe, takes some of that away and
19 the evaluation of the programs, not only how you are
20 implementing how you are implementing the programs according
21 to established rules and regulations but new ideas that you
22 have presented, new approaches that you have undertaken --

23 CHAIRMAN JACKSON: Do you think it strengthens the
24 willingness to self-assess?

25 MR. FLETCHER: I believe so. I really do. I

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1 believe that individual states will -- I think someone
2 mentioned that they love to be in this good practices, you
3 know, publications and many states are doing innovative
4 things that sometimes don't come out in the standard report
5 and I think the team approach gives that opportunity.

6 CHAIRMAN JACKSON: Before you go on, I am going to
7 give Commissioner Dicus the chance to see if there are any
8 particular questions or comments she wants to raise.

9 COMMISSIONER DICUS: No. I want to apologize
10 first to both sides of the table and certainly to the staff.
11 I think this is the first time I have had to leave a
12 briefing early and it would be this one.

13 I do very much apologize to each of you but I have
14 a killer schedule this week and I have to be someplace else
15 at noon. I'm not going to make that now.

16 But thank you all. I really appreciate what the
17 staff has done and appreciate what the agreement states have
18 done in implementing this and I think it is being extremely
19 effective and very helpful.

20 Thank you.

21 MR. FLETCHER: And I also because of the approach
22 feel that it is less of a let's find something wrong
23 approach. I have been through program reviews where it
24 appeared -- maybe of course, you know, we're somewhat
25 paranoid sometimes -- but it appeared as though the goal was

1 to find something wrong.

2 This was not the impression that I got through
3 this approach. There was more discussion. There was more
4 interaction and, as I said, more analysis of positive
5 things.

6 The agreement state team participant is an
7 excellent addition, and it does two things. Every program
8 director and program staff have pride in their program.
9 There is a little extra boost of knowing that another
10 agreement state is looking at your program that goes even
11 beyond following everything that's there.

12 You want to make sure that the things that you
13 have done in your program, the agreement state participant
14 looks at it and says ah, yes, that's good, I like that, or
15 we are doing similar things.

16 There is a certain level of comraderie there that
17 hasn't existed before and I think, you know, that is very
18 beneficial.

19 CHAIRMAN JACKSON: But then if we go to put you on
20 probation you are going to be more angry then?

21 MR. FLETCHER: Well --

22 [Laughter.]

23 MR. FLETCHER: I want to talk about it. I was on
24 the MRB for Nebraska and I want to talk about that.

25 [Laughter.]

1 MR. FLETCHER: I think the exit briefing therefore
2 becomes more credible because I believe my staff really felt
3 as though we had worked together through that program
4 evaluation, and it was a more positive response from them
5 than any of the previous ones that we had been through so
6 once again I think this is a very positive approach and we
7 should continue it.

8 As far as the MRB is concerned, I participated in
9 two, Georgia and Nebraska, and I wanted to say that I felt
10 that my participation, particularly on the Nebraska MRB, I
11 had an appreciation of what that state had to go through to
12 get from the exit briefing to the MRB, I mean perhaps more
13 so than anyone else sitting on the MRB because there are
14 demands on the state that are beyond the demands that are
15 NRC-specific and what has had to have happened is that a
16 great deal of emphasis, a great deal of priority and a great
17 deal of resources had to be brought to bear in spite of,
18 unfortunately, falling behind perhaps in some other areas,
19 because that is almost inevitably what has to happen, in
20 order re-address the things that were brought out in this
21 program.

22 I am happy to see that they were able to do that
23 and I am also happy that in the MRB process we can take into
24 account the efforts that that state takes to address the
25 things brought up in the exit briefing and give them, you

1 know, give them recognition that they are heading in the
2 right direction.

3 The NRC -- the IMPEP-NRC Staff, we interface with
4 each other pretty regularly, but the Governor, the Secretary
5 of your Department doesn't have that interface, and unless
6 there is some continuing encouragement when they devote the
7 resources to taking care of a problem, there's got to be
8 that continuing encouragement so that that program director
9 can continue to move in the direction that you need, so I
10 think being able to reassess what has happened between the
11 exit briefing and the MRB is very beneficial to the very
12 levels of program performance that you are looking for.

13 CHAIRMAN JACKSON: Okay, that's it? Mr. McNees.

14 MR. McNEES: Yes, ma'am. Chairman Jackson,
15 Commissioners, I am Jim McNees with the state of Alabama
16 where I am in charge of Radioactive Materials Compliance.

17 Having been outspoken in my beliefs for the past
18 20 years I was a little surprised when I was selected to be
19 a part of this --

20 [Laughter.]

21 MR. McNEES: I am thankful for the opportunity and
22 it really turned out to be a wonderful experience. I am
23 thankful to the NRC for paying for the travel. I am also
24 thankful to the state for giving me three plus weeks of work
25 time to devote to it and if anybody was going to be on a

1 team it will take at least three weeks of your time and a
2 critical time is when you first return home from the review
3 that you can avoid the pressing business long enough to get
4 your portions of the report finished.

5 I participated in one review and I believe that
6 the function of the team leader is really a key to the
7 success of the state person as well all the other team
8 members, having an organized and specific task for you to do
9 and evening discussions that we had reviewing what the team
10 had accomplished and what we were going to accomplish the
11 next day.

12 Also a key to the success was the IMPEP book of
13 standards or the criteria. They are a significant step
14 forward. The set up expectations of the regulatory agency.
15 It's a set of expectations where any regulatory agency could
16 use it for a self-review to see how they are standing at any
17 time.

18 As a member of the team, I received more than I
19 contributed. I learned a lot from looking at how the state
20 of Kentucky did things and ways that they did things that we
21 could take back and improve for ourselves.

22 I also learned from the other team members in the
23 discussions we had of how various problems were solved, how
24 various corrective actions were taken, and from their input,
25 so it was a very positive experience to be the member of the

1 team.

2 The IMPEP program itself eliminates a past
3 animosity that the states had because in many of the states
4 you would hear comments of they should take care of all
5 their own inspections or their own inspections before they
6 come criticize us. They should take care of their backlog
7 before they criticize us.

8 One of the most positive things of IMPEP is that
9 it sweeps everybody's door-step with the same broom, and I
10 think that is a very positive thing.

11 In looking to the future, two concerns we need to
12 think about. One is timeliness. The effectiveness of the
13 program is enhanced by having the report, draft report, back
14 in timely fashion, the report out in timely fashion, the
15 answers back in timely fashion.

16 Also, the success of the program has a lot to do
17 with the purpose of the team. In addition to evaluating the
18 regulatory indices, the purpose of the team I was on was to
19 help that body or that regulatory entity do a better job.
20 That was the underlying philosophy of everybody that was on
21 the team. We are here to help them to do a better job and we
22 need to make sure that that stays the purpose in all future
23 teams and all future reviews.

24 CHAIRMAN JACKSON: Okay, thank you. Anything
25 else?

1 [No response.]

2 CHAIRMAN JACKSON: Let me ask you this question,
3 those of you from agreement states.

4 Have agreement states personnel, either the
5 liaison or -- on the MRB or the team members discuss their
6 experiences with other agreement states, in a broader based
7 way, not one on one, such as the OAS meetings or CRCPD
8 meetings, and then that leads to the second question -- do
9 states that are not participating on the teams or on the MRB
10 know that NRC -- know that NRC -- is evaluating its own
11 regions in all agreement states in the same manner, using as
12 much as possible the same common indicators?

13 MR. RATLIFF: Yes. In fact, at our agreement
14 states meeting last September we not only had presentations
15 by Kathy Schneider, NRC, but the states themselves, to give
16 their experiences, what they had found, and from the people
17 who were on the review teams.

18 I think some states would love to put someone out
19 there but if you are a state like North Dakota with three or
20 four people, that one person for three weeks really is a
21 large part of their resources, and they would love to get
22 the experience.

23 The whole idea of what is going on and how it is
24 helping I think has been transmitted to the states. All the
25 states agree.

1 Some states are actually anxious for their IMPEP
2 review, you can believe it and in fact what Jim said is real
3 true. What we did in Texas was took the IMPEP tools and
4 dedicated four staff for two weeks to do our own internal
5 IMPEP review to see how we would do before you all came to
6 look at us, and I think that is important.

7 The states really should evaluate themselves
8 whether they do a full-blown evaluation or not.

9 One thing I forgot to mention earlier, Madam
10 Chairman, was that different reviewers for each IMPEP review
11 is going to help. You know, it was nice to have the same
12 face come back every time from the region but I think this
13 is going to benefit us long-term in having different people
14 from different NRC programs and different states. It's
15 really going to improve so you don't get into the thing
16 where they always miss this area. That's a real benefit.

17 CHAIRMAN JACKSON: Okay. Thank you.

18 MR. FLETCHER: One point that I wanted to
19 elaborate on is that various states would love to be able to
20 participate in having a representative on the team, but as
21 Richard pointed out, states are constrained as far as their
22 numbers, their resources, and right now I have discussed
23 with my state and with various other states we encountered
24 in meetings the desire to learn, to see what variations
25 there are from state to state -- not severe, perhaps, but

1 different approaches to, you know, to sometimes troubling
2 problems that don't elevate themselves to an IMPEP review
3 report may still be something that an individual on another
4 staff has come up with a procedure to handle, so for the
5 most part people would like to have that opportunity.

6 CHAIRMAN JACKSON: Commissioner McGaffigan, do you
7 have any comment along that line?

8 [No response.]

9 CHAIRMAN JACKSON: Commissioner Rogers.

10 COMMISSIONER ROGERS: Well, we have spent a lot of
11 time here today and I don't want to prolong it, but I do
12 want to say that I see the changes that have taken place in
13 the last few years through the development of this program.
14 It's really dramatic.

15 We didn't hear words like we're hearing here today
16 from agreement states and others. I think that everyone
17 that's been involved with the development of this program
18 really needs to be complimented because I think it is really
19 a superb achievement.

20 CHAIRMAN JACKSON: Commissioner Diaz?

21 COMMISSIONER DIAZ: I couldn't agree more with
22 Commissioner Rogers. I really think this like I said before
23 is a win-win situation. I think it is obvious why.
24 Regulators with common goals are formed into teams which
25 share common views, common goals and they try to do a better

1 job.

2 Really there's substantial benefits to the
3 approach. I am almost sorry we cannot do this with
4 reactors.

5 [Laughter.]

6 COMMISSIONER DIAZ: I do believe there's always --
7 there's this question of funding and I'd like to say that
8 maybe we should apply some creative thinking and maybe even
9 honest creative accounting to try to solve that issue when
10 it is necessary, but again I commend you.

11 CHAIRMAN JACKSON: Be careful talking about them,
12 Commissioner.

13 [Laughter.]

14 CHAIRMAN JACKSON: Commissioner McGaffigan?

15 [No response.]

16 CHAIRMAN JACKSON: Let me ask you one kind of
17 overarching question and this is really directed probably
18 more to the Staff but to anyone, and this is on behalf of
19 Commissioner Dicus, but I think it's an excellent
20 overarching question.

21 That is, based upon the IMPEP results to date, if
22 we had a GAO audit and report, would that report find the
23 issues previously raised to have been resolved?

24 MR. MALLET: I thought you wanted me to answer it.

25 MR. THOMPSON: I would like for you to answer it,

1 but, no, I believe they would.

2 Obviously they were focusing on having a
3 consistency between the agreement states, a consistency
4 between the performance. They might like more quantitative
5 numbers. I mean they will always be pushing us to improve,
6 but I think the things that we have heard here today about
7 the communication that goes on, it's almost an intangible
8 benefit and whether the GAO would have even recognized that
9 that would be a significant part of this product in our
10 response when they made those recommendations, I don't think
11 that was part of it, so I would hope they would think that
12 their expectations have been surpassed.

13 CHAIRMAN JACKSON: It's a serious question in
14 terms of, you know, I mean since that was a big spur one
15 does not like to come under the GAO spotlight, but your
16 judgment is that from your understanding and experience that
17 the issues would have been felt to have been resolved?

18 MR. THOMPSON: That's my judgment.

19 MR. MALLET: I would add something to that. What
20 the GAO report said was a couple things. Hugh mentioned one
21 of them -- consistency.

22 But driving towards the common goal -- in the past
23 we were reviewing the agreement states with different
24 criteria and different goals than we were reviewing the
25 regions and I believe the GAO now would come out and say,

1 yes, you are on the same criteria. You are talking about
2 the same common goals now. I think that is a big plus.

3 CHAIRMAN JACKSON: Very good. Well, thank you.

4 The Commission would like to thank the Staff and
5 the representatives from the agreement states for a very
6 thorough briefing. We particularly appreciate the
7 participation of the agreement states as well as the folks
8 from our regions to get those perspectives as we strive to
9 have a national and a uniform level of protection for the
10 public, for workers as well as the environment in the
11 nuclear materials programs, as evidenced today and as the
12 various Commissioners have attested to.

13 I am not going to re-preach. Obviously IMPEP has
14 matured significantly since its inception in 1994 and that
15 is a fairly short period of time and it's good to see NRC's
16 material staff and the agreement states staff working
17 together more closely in evaluating materials programs,
18 because both Federal and State regulatory bodies stand to
19 benefit from this interaction.

20 IMPEP provides a structured, systematic
21 approach -- you know, there are always things that can be
22 improved -- but it does provide that for evaluating the
23 regions and agreement states an approach that was obviously
24 lacking a few years ago, and so real progress has been
25 demonstrated and you know that consistency is very important

1 in terms of regulatory effectiveness.

2 But the year and a half of experience also has
3 shown us that there are areas for improvement.

4 The Staff is aware, and you have spoken to the
5 fact that the noncommon indicators need to be refined, and
6 both the regional and agreement states' representative have
7 also addressed this concern.

8 The Management Review Board's decision-making
9 process -- I think it's useful to self-assess -- in my
10 view -- and you have actually assured us this is the case
11 but it is the kind of thing that should be continually self
12 assessed -- that the Review Board's findings should be based
13 on, you know, being from Missouri, that they should focus
14 closely on performance as opposed to plans or promises for
15 future improvement.

16 I think we should leave open and see what the
17 Commission wants to say on this issue of the relative
18 timeframe between the onsite review conclusion and the
19 Management Review Board's decisions, and so again the
20 Commission thanks you and thanks all of you for your very
21 diligent efforts and progress in an area that is important,
22 and so unless there are any further comments we stand
23 adjourned.

24 [Whereupon, at 11:57 a.m., the briefing was
25 adjourned.]

CERTIFICATE

This is to certify that the attached description of a meeting of the U.S. Nuclear Regulatory Commission entitled:

TITLE OF MEETING: BRIEFING ON INTEGRATED MATERIALS
PERFORMANCE EVALUATION PROGRAM -
PUBLIC MEETING

PLACE OF MEETING: Rockville, Maryland

DATE OF MEETING: Friday, January 31, 1997

was held as herein appears, is a true and accurate record of the meeting, and that this is the original transcript thereof taken stenographically by me, thereafter reduced to typewriting by me or under the direction of the court reporting company

Transcriber: Reenie Graham

Reporter: Mark Mahoney



Nuclear Regulatory Commission

STATUS REPORT ON IMPLEMENTATION OF INTEGRATED MATERIALS PERFORMANCE EVALUATION PROGRAM (IMPEP)

Presented to

THE COMMISSION, JANUARY 31, 1997

Donald A. Cool, Director

*Division of Industrial and Medical Nuclear Safety
Office of Nuclear Material Safety and Safeguards*

*Kathleen Schneider, Senior Project Manager
Office of State Programs*



Nuclear Regulatory Commission

Purpose:

- **To provide the Commission with a status report on IMPEP, and to recommend continued program implementation.**
- **To share the perspectives of Regional and Agreement State participants, and managers of programs recently reviewed.**



Nuclear Regulatory Commission

Background:

- **IMPEP was developed to establish common performance indicators to obtain comparable information to evaluate Agreement States and NRC regional materials programs.**
 - **GAO/Congressional interest.**
 - **SECY 94-011 documented the proposed program, and staff adjusted the common performance indicators and standards based on several rounds of Regional and Agreement State comments.**
 - **In 1994, Commission gave conditional approval for pilot application in two Regions and three volunteer Agreement States (IL, NH, and UT)**
 - **SECY 95-047 reported on pilot program results, and Commission approved expanded implementation of IMPEP on an interim basis in FY 1996.**
-



Nuclear Regulatory Commission

Update on Actions Taken Since SECY 95-047:

- **Staff issued Directive 5.6, which describes IMPEP program in detail; 5 common performance indicators, IMPEP process and its review criteria.**

Key Elements Include:

- **State participation on teams and as liaisons to Management Review Boards (MRBs), comments on draft reports, and attendance at MRBs**
- **Greater review focus on program performance and root causes**
- **Clearer documentation of the IMPEP process, and report issuance**
- **Staff began development of non-common performance indicators (LLW, sealed source and device reviews, uranium recovery).**
- **IMPEP teams were assembled, and training conducted 11/95 and 12/96.**



Nuclear Regulatory Commission

Common Performance Indicators:

- **Status of Materials Inspection Program**
- **Technical Staffing and Training**
- **Technical Quality of Licensing**
- **Technical Quality of Inspections**
- **Response to Incidents and Allegations**



Nuclear Regulatory Commission

Non-common Performance Indicators:

- **For Regions: Operating Plan Performance, Utilization of Resources, Fuel Cycle Activities.**
 - **For States: Regulations, Legal Authority, Sealed Source and Device Reviews, Low Level Waste Disposal, Uranium Recovery.**
 - **Licensing terminations & decommissioning will be considered a subset of the routine licensing and inspection programs and reviewed under the common indicators.**
 - **Non-common indicators will continue to be refined based on experience gained during FY 96 review cycle.**
 - **Non-common indicator will be developed for regions' management of, and resource expenditures for, SDMP.**
-



Nuclear Regulatory Commission

Implementation and Results:

- **Tentative schedule for initial reviews for all Agreement States and regions established.**
- **9 programs reviewed in FY 1996 (Region I, Region II, NC, GA, ND, IA, KY, MD, NE).**
- **Process completed for 7 of the 9 reviews, with MD and NE still in progress.**
 - **Agreement States found to be "adequate" and "compatible."**
 - **Regions found to be "satisfactory" for all common and non-common indicators, and therefore "adequate" to protect public health and safety.**



Nuclear Regulatory Commission

Frequency of Reviews:

- **MRB determines interval for review**
 - **For Regions: Normally scheduled for 2 year intervals.**
 - **For States: Team recommends interval (normally 2 to 4 years)**

Reviews supplemented by annual one-day meetings to help parties remain knowledgeable about each other's program changes and plan for next IMPEP review.



Nuclear Regulatory Commission

Nebraska:

- **MRB met on January 22, 1997, to review the proposed final report.**
 - **The Nebraska Program was found to be adequate, but needs improvement and compatible.**
 - **3 indicators "satisfactory"**
 - **4 indicators "satisfactory with recommendations for improvement."**
 - **Next IMPEP review will be conducted in Fall 1997.**



Nuclear Regulatory Commission

Ongoing Implementation:

- **Good Practices report issued in July 1996, provided forum for sharing IMPEP findings on innovative regulatory techniques and list of contacts. Staff intends to issue this report annually.**
- **IMPEP (Management Directive 5.6) procedures will be updated again when the Policy Statements on Adequacy and Compatibility, and Statement of Principles and Policy for Agreement State Program are issued in final.**



Nuclear Regulatory Commission

Resources:

- **Interim phase has been conducted within budget levels (about 0.5 FTE per review), or about 4.5 FTE per year (includes 1 FTE from the Agreement States).**
- **Agreement State annual meetings could be accommodated within base budget.**



Nuclear Regulatory Commission

Conclusions:

- **IMPEP has proven to be a very effective process.**
- **Staff proposes continued use of IMPEP as its mechanism for reviewing Regions and Agreement States.**



Nuclear Regulatory Commission

**REGIONAL PERSPECTIVE ON INTEGRATED
MATERIALS PERFORMANCE EVALUATION PROGRAM
(IMPEP)**

**Bruce Mallett, Director
Division of Nuclear Materials Safety
RII**



Nuclear Regulatory Commission

Strengths Observed in the Program

- **Level of expertise and type of representation on teams.**
- **Focus on performance during review and in results documentation.**
- **Fostering consistent goals for programs.**
- **Timely issuance of written reports/findings.**
- **Management Review of Process - MRB.**
- **Sharing of "Good Practices."**
- **Causes programs being evaluated to increase self-assessment.**



Nuclear Regulatory Commission

Areas for Improvement in the Program

- **Sharing corrective actions among programs.**
- **Support ongoing review of Agreement State Programs.**
- **Maintaining the level of rigor in the creation and use of non-common indicators.**



Nuclear Regulatory Commission

Challenges for Program

- **Continue to evaluate adequacy of indicators.**
- **Maintain cadre of experienced team members.**

**Organization of Agreement States
NRC Commission Briefing
IMPEP Impressions
January 1997**

- I. Richard Ratliff - Texas
OAS Past Chairman - General Overview**
- II. Roland Fletcher - Maryland, OAS Chairman Elect**
 - Agreement State that has been reviewed under IMPEP
 - MRB - Agreement State representative prospective
- III. James McNees - Alabama, Agreement State participant
on IMPEP Review Team**
- IV. Questions**

OAS General Overview of IMPEP

I. Pilot Test States and First 12 Agreement State IMPEP Review Comments

- A. Reviews thorough and more performance oriented**
- B. More interaction between Agreement State staff and IMPEP Review Teams**
- C. Agreement States welcome the addition of an Agreement State person on the IMPEP Review Teams and on MRB**
- D. Initial draft reports were timely; it is hoped that NRC will continue timely feedback from IMPEP Reviews.**

II. Concerns

- A. Non-common performance indicators**
 - 1. Need to have decommissioning as a common performance indicator**
 - 2. Need to do all program areas at the same time (i.e. LLW and uranium programs)**
- B. Four year review cycle needs to be supplemented by self evaluations and NRC check lists at least every two years**
- C. NRC needs to acknowledge the Agreement State contribution of staff resources to IMPEP Teams and MRB in its decisions on future of funding Agreement State training.**

ORGANIZATION OF AGREEMENT STATES
NRC COMMISSION BRIEFING--IMPEP Impressions
31 January 1997

◆ AGREEMENT STATE & MRB PERSPECTIVES ◆

Roland G. Fletcher

- 1. MARYLAND IMPEP REVIEW {September 23-27, 1996}**
 - A. Team approach very beneficial.**
 - B. Less of a "licensee inspection" atmosphere.**
 - C. More discussion, interaction and analysis of positive program aspects.**
 - D. Agreement State participant on team certainly broadens evaluation capability.**
 - E. Much more credible exit briefing with senior management.**
- 2. MRB - GEORGIA AND NEBRASKA**
 - A. Agreement State member adds a degree of understanding of competing program priorities.**
 - B. Organizational location and status of program affects IMPEP outcome.**
 - C. Continuous consideration of positive actions strengthens IMPEP process and allows for changes in findings.**

Being a State Member of an IMPEP Review Team

- Thankful for the Opportunity
 - NRC for the travel expenses
 - State for 3 + weeks of work time
- Team Leader made success easy
- Objective Standards made review effective
- I received more than I contributed.
 - From the State of Kentucky
 - From other team members
- IMPEP eliminates major source of past animosity.