

December 16, 2009

MEMORANDUM TO: Mark A. Satorius, Administrator  
Region III

FROM: Robert J. Lewis, Director */RA/*  
Division of Materials Safety and State Agreements  
Office of Federal and State Materials  
and Environmental Management Programs

SUBJECT: NOVEMBER 9-10, 2009 PERIODIC MEETING UNDER THE  
INTEGRATED MATERIALS PERFORMANCE EVALUATION  
PROGRAM (IMPEP)

A periodic meeting with Region III was held on November 9-10, 2009. The purpose of the meeting was to review and discuss the status of the Region III radioactive materials program. The Office of Federal and State Materials and Environmental Management Programs (FSME) was represented by me and Shirley Xu. Specific topics and issues of importance discussed at the meeting included status of operating plan and performance metrics, status of staffing and training, licensing and inspection program changes since the last IMPEP, and a review of regional self assessments. I have enclosed a meeting summary.

Enclosure:  
Periodic Meeting Summary for Region III

cc w/ encl: Steven A. Reynolds, Director  
Division of Nuclear Materials Safety

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Division of Nuclear Materials Safety

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OFC	FSME/MSSA					
NAME	RJLewis:knm1					
DATE	12/16/09					

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PERIODIC MEETING SUMMARY FOR THE REGION III  
RADIOACTIVE MATERIALS PROGRAM

MEETING DATE: November 9–10, 2009

ATTENDEES:	<u>FSME</u> Robert Lewis Shirley Xu	<u>Region III</u> Steven Reynolds Patrick Loudon Mark Satorius (entrance and exit only) Cynthia Pederson (entrance only) Christine Lipa Tamara Bloomer Patricia Pelke James Lynch James Clay
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DISCUSSION:

The Region III radioactive materials program is administered by the Division of Nuclear Materials Safety (the Division). The Division is composed of three branches: the Materials control, ISFSI, and Decommissioning Branch, the Materials Inspection Branch, and the Materials Licensing Branch.

The previous IMPEP review was conducted the week of August 27, 2007. The review the team found Region III's performance to be satisfactory for all performance indicators reviewed. Accordingly, the review team recommended, and the MRB agreed, that the Region III program is adequate to protect public health and safety.

Status of operating plan metrics:

No issues were identified with respect to operating plan metrics. Specific areas relating to the status of operating plan metrics are discussed under other headings in this summary.

Review of strategic plan metrics and an assessment of the quality of the data contained in the monthly reports on material statistics:

No issues were identified with respect to strategic plan metrics. The quality of data contained in the monthly reports has been adequate.

Status of the Region's actions to address all open IMPEP review findings and/or open recommendations:

There are no open recommendations from previous IMPEP reviews.

Enclosure

Staffing and training:

The attendees reviewed the Division's staffing plan, along with status of inspector and license reviewer qualifications. The Division has had a relatively stable and full staffing since the last IMPEP. The attendees verified that the Division has sufficient technical expertise in two topical areas new to the program in recent years: accelerator produced radioactive materials and gamma knife radiosurgery. No concerns with staffing levels were identified.

The Division uses the qualification program outlined in Inspection Manual Chapter (IMC) 1246, "Formal Qualification Programs in the Nuclear Material Safety and Safeguards Program Area," for the inspection and licensing staff. Generally, staff gets qualified across all areas of the materials program. For example, 8 of the licensing staff are inspector qualified. During the review period, no staff completed the IMC1246 qualification program, but 3 staff members that are new to the program since the 2007 IMPEP and 2 are cross-qualifying under IMC 1246. Both sets of staff are undergoing the program. The Division is also providing extensive training to a supervisor that is new to the program. Division management was clearly committed to staff training. No concerns with qualifications and training were identified.

Program reorganizations:

The Division has not reorganized since the last IMPEP review.

Changes in program budget/funding:

The regions materials program budget of 26.2 FTE has increased by approximately 2 FTE since the 2007 IMPEP to reflect increased materials security work and regional contributions to necessary program infrastructure investments.

Materials inspection program:

For 2009 the Division had 3 overdue inspections of the 360 inspections performed. This equates to less than 2 percent of the inspections being performed overdue, which exceeds NRC's performance goal of 98 percent and meets the IMPEP criteria for a "satisfactory" rating for this indicator. The number of inspections in the grace period (due date plus 25 percent) has risen steadily throughout 2009 due to significant reactive inspection effort and inspection assists. However, the Division management plans to complete 525 inspections in 2010 which would reduce this rising backlog.

In 2009, over 99% of inspection reports had been issued within 30 days of the exit meeting, which exceeds the goal of 90%. In terms of the operating plans, the attendees discussed possible differences between the Division and FSME involving tracking time from the exit (30 days for an inspection or 45 days for a team inspection). Division and FSME management will discuss this issue further at the next Regional Counterpart Meeting.

The Division's operational management information documents required annual accompaniments of qualified inspectors by supervisors. In three cases the

documentation of the accompaniments was not complete for 2008 and 2009, although the actual accompaniments were believed to have occurred. The Division agreed to review the documentation prior to the next IMPEP review.

The participants discussed the Division's broad scope inspection initiative, in which inspection time on-site for broad scope licensees is broken into several visits over the course of the inspection interval. Compliance with IMC2800 is achieved, perhaps more effectively, for approximately equivalent level of effort. The Division offered to discuss further with the program office.

#### Materials Licensing Program

Materials licensing casework for new, amended, and renewal applications all complied with NRC operating plan and IMPEP performance indicator timeliness targets. Major materials licensees are assigned a project manager for effective communications. No concerns with the licensing program were identified.

#### Response to incidents and allegations:

Response to incidents and allegations was not discussed in detail, as FSME and the Division coordinate closely on these areas daily. The attendees discussed incremental improvements to the daily events call.

#### Review of Regional self-assessments:

Regional self-assessments were provided prior to the review. Audit topics cover several mandatory areas, plus additional topics selected by a consensus of management. No concerns with self assessments were identified.

#### New or potential FSME initiatives that may impact the Regions:

Discussions on ongoing initiatives included security inspections, pre-licensing visits, processing of NRC Inspection Form 591, and working group participation. The Division has begun re-inspection of irradiator and manufacturer and distributor security orders consistent with recent inspection guidance. There is only one affected facility in NRC territories in Region III. The Division will rely upon some Agreement States to conduct additional inspections under 274i Agreements. The Division is complying with pre-licensing guidance for site visits and background checks. The Division has instituted a system to track and document these activities, beyond the requirements of the guidance. Form 591 are signed by supervisors and closed when entered into Agencywide Document Access and Management System (ADAMS).

#### CONCLUSIONS:

No performance concerns with respect to the IMPEP criteria were identified.

Schedule for the next IMPEP review:

The next IMPEP review of the Region III radioactive materials program should be held in FY 2011, as currently scheduled.

Action items:

None.