

March 15, 2013

MEMORANDUM TO: William M. Dean, Administrator  
Region I

FROM: Brian J. McDermott, Director **R/A**  
Division of Materials Safety and State Agreements  
Office of Federal and State Materials  
and Environmental Management Programs

SUBJECT: FEBRUARY 6, 2013, PERIODIC MEETING UNDER THE  
INTEGRATED MATERIALS PERFORMANCE EVALUATION  
PROGRAM

A periodic meeting with Region I was held on February 6, 2013. The purpose of the meeting was to review and discuss the status of the Region I Radioactive Materials Program. The Office of Federal and State Materials and Environmental Management Programs was represented by Michelle Beardsley and me. Specific topics and issues of importance discussed at the meeting included the status of operating plan and performance metrics, status of staffing and training, licensing and inspection activities, and a review of regional self-assessments.

No performance concerns with respect to the Integrated Materials Performance Evaluation Program criteria were identified. A summary of the meeting is enclosed. I appreciate the support and preparation for this periodic meeting from the Region I management and staff.

Enclosure:  
Periodic Meeting Summary for Region I

cc: Raymond Lorson, Director  
Division of Nuclear Materials Safety

ATTENDEES:

FSME	REGION I
Brian McDermott, Director Division of Materials Safety and State Agreements	Raymond Lorson, Director Division of Nuclear Materials Safety
Michelle Beardsley, Health Physicist Agreement State Programs Branch Division of Materials Safety and State Agreements	Daniel Collins, Deputy Director Division of Nuclear Materials Safety
	James Dwyer, Chief Medical Branch
	Marc Ferdas, Chief Decommissioning Branch
	Judy Joustra, Chief Commercial and R&D Branch
	David Lew, Deputy Regional Administrator Region I (exit meeting)

DISCUSSION:

The Region I radioactive materials program is administered by the Division of Nuclear Materials Safety (the Division). The Division is composed of four branches: the Commercial and Research and Development Branch, the Decommissioning Branch, the Medical Branch, and the Material Security and Industrial Branch.

The previous IMPEP review was conducted the week of April 26-30, 2010. The review team found Region I's performance to be satisfactory for all performance indicators reviewed. Accordingly, the review team recommended, and the MRB agreed, that the Region I program is adequate to protect public health and safety.

The following topics were discussed during this meeting:

1) 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.

2) 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.

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

There are no open recommendations from the previous IMPEP review.

4) Status of the Region's Program:

a) Staffing and training:

The attendees reviewed the Division's staffing plan, along with the status of inspector and license reviewer qualifications. The Division reports a total of 42.0 FTE for Fiscal Year (FY) 2013; 30.0 FTE are technical staff positions and 12.0 FTE are management/administrative staff. They report that 87% of the technical FTE are dedicated to safety and security activities and the remainder to Interim Spent Fuel Storage Installations (ISFSI) and decommissioning activities. Since the 2010 IMPEP review, the Division has been able to hire and/or replace staff to fill all vacated positions and are therefore, fully staffed. No concerns with staffing 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," along with DNMS Directive 0400/1, "DNMS Training and Qualification Program" that outlines the implementation of IMC 1246, for the inspection and licensing staff. Generally, staff receives qualification in all areas of the materials program. All staff is currently qualified, partially qualified or going through the process. No concerns with staff qualifications and training were identified.

b) Program reorganizations:

The Division acknowledged the challenges with meeting the Agency's supervisory ratio goal (i.e. 9.2 staff: 1 manager) with their current organizational structure of four branches. They noted that their proposed 2016 organizational plan contains three branches, with the potential to have a project manager dedicated to the implementation of the new 10 CFR Part 37 activities. The Region I staffing plan also includes a dedicated Licensing Assistance Team (LAT) to assist the technical staff with the administrative processing of documents.

c) Changes in program budget/funding:

No changes were noted, except that the funding of 1.0 FTE for the NUREG-1556 revision activities will be eliminated in FY2014.

d) Materials inspection and licensing programs:

Staff reviewed the quarterly Operating Plan (Op plan) metrics issued by FSME since the last IMPEP review. The Division noted that they review the status of inspection and licensing activities at a biweekly management meeting. The Division explained that while the Op plan report summaries indicate that there were no overdue inspections performed in FY 2010, 2011 and 2012, they identified six inspections that had been initiated and kept open (not closed) for an extended period due to technical or regulatory issues and are overdue. To prevent recurrence of this issue, the inspection tracking reports have been modified to improve visibility of these open inspections.

The Division has issued 81 new licenses since the last IMPEP review and all have been inspected on time. The Division has exceeded the criteria for inspecting reciprocity activities (i.e. at least 20% of candidate licensees) in each year since the last IMPEP review. The Division discussed the unique challenges associated with inspection activities in the Commonwealth of Puerto Rico including issues with travel, communication, regulatory culture and waste disposal.

The Division reported that 32 out of 1839 total licensing actions completed since the last IMPEP review (1.7%) were overdue. Some reasons for the overdue actions included higher complexity license activities, newer staff needing additional time for review, and some actions that required the submission of a Technical Assistance Request (TAR).

e) Response to incidents and allegations:

Attendees discussed the Division's program for incident response including the completeness and timeliness of NMED reporting. FSME staff provided to the Division a list of records dating back to 2011 categorized in NMED as "not complete" or "request for additional information". The Division committed to investigating these cases and supplying what is needed for closure. They requested assistance with some type of "tickler" report from the NMED contractor or inclusion of these cases in the quarterly operating plan data issued by FSME, for better management oversight of these cases to completion. FSME staff will take this item for action.

The Division provided a summary report of the annual Regional Enforcement and Allegations Self-Assessment and Lessons Learned audits performed since June 2010. The report showed that the Division took prompt and comprehensive actions on all findings.

5) Review of Regional self-assessments:

The Division provided their reports of self-assessments performed since the 2010 IMPEP review. These included an examination of: Financial Assurance documents, Licensing and Inspection Activities, Record Transfer for Material License Terminations, Response to Notices of Violations and NRC Acknowledgement and Changes in Next Inspection Date as a Result of Significant Licensing Actions. The self-assessments identified minor issues for which the Division implemented prompt and appropriate corrective actions.

6) New or potential FSME initiatives that may impact the Regions:

FSME discussed ongoing initiatives including their plan to focus resources on the completion of the NUREG-1556 guidance revisions, Part 37 implementation activities, use of new technology (one-time password devices) for ISMP (NSTS, WBL, and LVS), and the work with federal partners on the IAEA's draft Code of Conduct for scrap metals.

SUMMARY:

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

Schedule for the next IMPEP review:

Staff will recommend to the MRB that, in accordance with current IMPEP policy, the next IMPEP review of the Region I radioactive materials program be held in FY 2015.