



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

July 5, 2016

MEMORANDUM TO: Scott W. Moore, Acting Director
Office of Nuclear Material Safety
and Safeguards

Joan W. Olmstead, Attorney General Counsel for
Reactor and Materials Rulemaking
Office of the General Counsel

Pamela J. Henderson, Deputy Director
Division of Material Safety, State, Tribal, and
Rulemaking Programs
Office of Nuclear Material Safety
and Safeguards

Kriss M. Kennedy, Deputy Regional Administrator
NRC Region IV

FROM: Lisa C. Dimmick, Senior Health Physicist /RA/
Agreement State Programs Branch
Division of Material Safety, State, Tribal,
and Rulemaking Programs
Office of Nuclear Material Safety and Safeguards

SUBJECT: MINUTES: MAY 24, 2016, TENNESSEE
MANAGEMENT REVIEW BOARD MEETING

Enclosed are the minutes of the Management Review Board (MRB) meeting held on May 24, 2016, for the Tennessee Agreement State program. If you have comments or questions, please contact me at (301) 415-0694.

Enclosure:
Tennessee MRB Meeting Minutes

cc: Sherrie Flaherty, MN
Organization of Agreement States
Liaison to the MRB

MINUTES: MANAGEMENT REVIEW BOARD MEETING OF TENNESSEE
MAY 24, 2016

The attendees were as follows:

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

Scott Moore, MRB Chair, NMSS
Joan Olmstead, MRB Member, OGC
Pam Henderson, MRB Member, NMSS

Lisa Dimmick, NMSS
Paul Michalak, NMSS
Duncan White, NMSS

By videoconference:

Kriss Kennedy, MRB Member, Region IV
Randy Erickson, Team Leader, Region IV
Binesh Tharakan, Region IV

Joseph Nick, Region I
Donna Janda, Team Member, Region I
Kathy Modes, Team Member, NMSS

By telephone:

Sherrie Flaherty, MRB Member, MN, OAS
James Pate, Team Member, LA
Debra Shults, TN
Ron Parsons, TN
Johnny Graves, TN

Nancy Stanley, Team Member, NJ
Ryan Craffey, Team Member, Region III
Anthony Hogan, TN
Steve Seeger, TN
Charlie Arnott, TN

- 1. Convention.** Ms. Lisa Dimmick convened the meeting at 1:00 p.m. (ET). She noted that this Management Review Board (MRB) meeting was open to the public. Ms. Dimmick then transferred the lead to Mr. Scott Moore, Chair of the MRB. Introductions of the attendees were conducted.
- 2. Tennessee IMPEP Review.** Mr. Randy Erickson, Team Leader, led the presentation of the Tennessee Integrated Materials Performance Evaluation Program (IMPEP) review results to the MRB. He summarized the review and the team's findings for the seven indicators reviewed. The on-site review was conducted by a review team composed of technical staff members from the NRC and the States Louisiana and New Jersey during the period of March 7-11, 2016. A draft report was issued to Tennessee for factual comment on April 11, 2016. Tennessee responded to the review team's findings by letter dated May 5, 2016. Mr. Erickson reported that the team found the Tennessee Agreement State Program (the Program) satisfactory for all seven performance indicators reviewed.

Common Performance Indicators. Ms. Donna Janda reviewed and presented the common performance indicator, *Technical Staffing and Training*. Her presentation corresponded to Section 3.1 of the proposed final IMPEP report. The Program has a total of 50 staff members, with 30 of those in the radioactive materials program. Over the review period, 17 staff left the program, 8 replacements were hired and the remaining 9 positions were still vacant at the time of the review. As vacancies occur, the Program is converting them from health physicist positions to either environmental consultant, environmental scientist, or environmental manager job titles. This change is designed to improve upward mobility for the staff. The Program noted that this position conversion process has in part contributed to some of the vacancies remaining vacant anywhere from 2 to 20 months; however, the review team did not identify any associated performance issues due to the vacancies. The MRB further discussed the Program's strategy for managing the staff turnover. With its strategy, the Program is able to

provide both managerial and technical career path development for staff. In the new system, 75 percent of staff in Program received promotions. The review team also found that the Program's training and qualification manual was compatible with NRC Inspection Manual Chapter (IMC) 1248, "Formal Qualifications Program for Federal and State Material and Environmental Management Programs."

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

Mr. Ryan Craffey reviewed and presented the common performance indicator, *Status of Materials Inspection Program*. His presentation corresponded to Section 3.2 of the proposed final IMPEP report. The Program performed 516 Priority 1, 2, 3, and initial inspections during the review period, of which only one inspection was conducted overdue. The review team sampled 45 inspection reports and found that in each instance, inspection findings were communicated to the licensee within 30 days after the inspection exit. The Program also completed more than 20 percent of candidate reciprocity inspections in each year of the review period.

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

Mr. Craffey reviewed and presented the common performance indicator, *Technical Quality of Inspections*. His presentation corresponded to Section 3.3 of the proposed final IMPEP report. The review team evaluated the inspection documentation for 45 inspections conducted by 19 current and former inspectors over the review period, and accompanied 10 program inspectors to evaluate their work. The team found each of the inspectors to be well trained, prepared for their inspections and thorough in their reviews. The inspections were adequate to assess radiological health, safety and security

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

Ms. Nancy Stanley and Ms. Kathy Modes reviewed and presented the common performance indicator, *Technical Quality of Licensing Actions*. Their presentation corresponded to Section 3.4 of the proposed final IMPEP report. The team looked at 30 licensing actions (5 new applications, 12 amendments, 7 renewals, and 6 terminations) that were performed during the review period, for four of the Program's materials license reviewers and covered a sampling of the higher priority categories of license types such as waste processing, broad scope medical, broad scope academic, medical diagnostic and therapy, commercial manufacturing and distribution, industrial radiography, research and development, nuclear pharmacy, fixed and portable gauges, self-shielded irradiators, and service providers. Tennessee is unique in that they have 14 waste processor licenses. The team identified some issues with the waste process licensing. The team recommended, and the MRB agreed, that Program review all waste processor licenses to ensure standard license conditions are appropriately applied and consistently used, and to continue to develop the licensing guidance for the unique activities associated with waste processors. The MRB discussed if the finding for *Technical Quality of Licensing Actions* should be satisfactory, but needs improvement over a satisfactory finding since issues with the use of standard license conditions and the

development of licensing guidance were noted in the 2008 and 2012 IMPEP reviews. The Program indicated that each waste processor is unique and has specific needs such that standard licensing conditions cannot be used uniformly across this class of licensees. The Program also explained that it has dedicated staff for licensing and inspection oversight of the waste processors, and the Program routinely goes onsite. The Program indicated that it is supportive of the review team's recommendation to verify the use standard license conditions and to finalize the guidance for the complex class of licensees.

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

Mr. Erickson reviewed and presented the findings regarding the common performance indicator, *Technical Quality of Incident and Allegation Activities*. His presentation corresponded to Section 3.5 of the proposed final IMPEP report. The review team evaluated 18 of 78 materials incidents reported by Program. The documentation for each was found to be comprehensive and complete. The review team also reviewed the casework for 8 radioactive materials allegations received directly by the Program during the review period. None were referred by NRC. The team found that the Program took prompt and appropriate action in response to the concerns raised. Tennessee's open records laws often make it difficult for the Program to protect alleged's identities, so they have come up with alternate methods where they can notify alleged's of outcomes while still protecting their identities.

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

- 3. Non-Common Performance Indicators.** Ms. Janda reviewed and presented the non-common performance indicator, *Compatibility Requirements*. Her presentation corresponded to Section 4.1 of the proposed final IMPEP report. No legislation affecting the radiation control program was passed during the review period. The State's administrative rulemaking process takes approximately 12 months from drafting to finalizing a rule. During the review period, the Program submitted one final regulation amendment and six proposed regulation amendments to the NRC for a compatibility review. Three of these proposed amendments are now final regulations. During the onsite review, Tennessee submitted these three final regulation amendments to NRC for review. The remaining three amendments will be published for final comment in March 2016. Once these regulations are final, Tennessee will submit them to NRC for review. Two amendments were currently overdue at the time of the review. The Program indicated to the MRB that the two regulation packages would be final by September 2016

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

Mr. James Pate reviewed and presented the non-common performance indicator, *Sealed Source and Device (SS&D) Evaluation Program*. His presentation corresponded to Section 4.2 of the proposed final IMPEP report. The review team found that the Program currently has four fully qualified SS&D reviewers. A fifth reviewer is in the

qualification process and is currently qualified for device reviews but not for source reviews. The SS&D training program is compatible with the training requirements identified in Appendix D to IMC 1248. Over the review period, the SS&D program issued 20 actions of which 3 were new applications and 17 were amendments to existing device sheets. The review team evaluated 17 of these actions and found that in each instance SS&D reviewers evaluated the cases against all applicable guidance and standards. The work performed by the SS&D reviewers was found to be comprehensive and of high quality. There was one event reported to the Program during the review period involving a leaking line source used the calibration of PET/CT devices was. A total of three of these sources have been manufactured with this being the only leaking source to date. The Program is evaluating the incident for generic implications and the event is still under investigation. The MRB inquired about the status of the investigation and the Program indicated that only three sources were manufactured and all three were recalled.

The review team found Tennessee's performance with respect to this indicator to be "satisfactory." The MRB agreed that Tennessee's performance met the criteria for a "satisfactory" rating for this indicator.

MRB Consultation/Comments on Issuance of Report. The review team recommended, and the MRB agreed, that the Tennessee Agreement State Program be found adequate to protect public health and safety and compatible with the NRC's program. The review team recommended, and the MRB agreed, the next IMPEP review take place in approximately 5 years with a periodic meeting mid-cycle. The Program received a 1 year extension of the next review because this was Tennessee's second consecutive IMPEP review with all indicators found satisfactory. The final report may be found in the NRC's Agencywide Documents Access and Management System using the Accession Number ML16153A003.

4. **Precedents/Lessons Learned.** None applicable to this review
5. **Adjournment.** The meeting was adjourned at approximately 3:15 p.m. (ET)