

February 13, 2002

MEMORANDUM TO: Management Review Board Members:
Paul H. Lohaus, STP
Donald A. Cool, NMSS
Karen D. Cyr, OGC
/RA/

FROM: Lance J. Rakovan, Health Physicist
Office of State and Tribal Programs

SUBJECT: FINAL MINUTES: NEW HAMPSHIRE MRB MEETING

Attached are the final minutes of the Management Review Board (MRB) meeting held on October 26, 2001. If you have comments or questions, please contact me at 415-2589.

Attachment:
As stated

cc: William Sinclair, UT
John Wallace, NH
Diane Tefft, NH

Management Review Board Members

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STP-AG-18

MINUTES: MANAGEMENT REVIEW BOARD MEETING OF OCTOBER 26, 2001

These minutes are presented in the same general order as the items were discussed in the meeting. The attendees were as follows:

Paul Lohaus, MRB Chair, EDO
Donald Cool, MRB Member, NMSS
Brenda Usilton, STP
Lance Rakovan, STP

Frederick Combs, MRB Member, STP
Karen Cyr, MRB Member, OGC
Kathleen Schneider, STP

By video conference:

Richard Woodruff, Team Leader, RII

Duncan White, Team Member, RI

By teleconference:

William Sinclair, OAS Liaison, UT
John Wallace, NH
Veronica Malmberg, NH
Dennis O'Dowd, NH
Twila Kenna, NH

James Peterson, Team Member, SC
Diane Tefft, NH
Stephen Foster, NH
Susan O'Connor, NH
George Pangburn, RI

1. **Convention.** Paul Lohaus, Chair of the Management Review Board (MRB) convened the meeting at 1:00 p.m. Introductions of the attendees were conducted.
2. **The New Hampshire Review.** Mr. Richard Woodruff, RII, led the Integrated Materials Performance Evaluation Program (IMPEP) team for the New Hampshire review.

Mr. Woodruff summarized the review and noted the findings. Preliminary work included a review of New Hampshire's response to the IMPEP questionnaire. The onsite review was conducted June 25-29, 2001. The onsite review included an entrance interview, detailed audits of a representative sample of completed licensing actions and inspections, and follow-up discussions with staff and management. Following the review, the team issued a draft report on July 27, 2001; received New Hampshire's comment letter dated August 23, 2001; and submitted a proposed final report to the MRB on August 29, 2001. Originally, the MRB meeting was scheduled for September 11, 2001 with Mr. Wallace, Ms. Dunn, Ms. Tefft, and Mr. Sinclair in attendance. That meeting was interrupted by national events and rescheduled for October 26, 2001. No decisions were made prior to the cancellation of the original meeting nor will any minutes of that meeting be prepared. It was decided to start this meeting from the beginning. Based on the team's identification of the root cause for the program's performance, the team presented the findings for the common performance indicator, Technical Staffing and Training, last.

Mr. Woodruff commented on the status of recommendations made in previous reviews. He noted that two of the recommendations were closed by the review team and that the subject matter from the two remaining recommendations were incorporated into recommendations during this review. The MRB directed that additional language in Section 2.0 be added to the report to indicate that both routine and significant items of non-compliance are being followed up at the next inspection.

Common and Non-Common Performance Indicators. Mr. Peterson reviewed the common performance indicator, Status of the Materials Inspection Program. His presentation corresponded to Section 3.1 of the IMPEP report. The review team found New Hampshire's performance with respect to this indicator "unsatisfactory," and made two recommendations. The MRB and Mr. Peterson discussed the recommendation involving extending the inspection frequency for certain licensees. Mr. O'Dowd commented that the State uses the NRC guidance for extending inspections, but that policy is not in writing. The MRB and Ms. Tefft discussed the State's policy of transferring technical staff between the x-ray and materials program on a bimonthly basis. Ms. Tefft stated that the policy is effective for them. She noted that the two positions currently open would not be subjected to this policy. One position will be full-time x-ray and one full-time radioactive materials. After a brief discussion on scheduling core inspections, the MRB agreed that New Hampshire's performance met the standard for a "unsatisfactory" rating for this indicator.

Mr. Peterson also reviewed the common performance indicator, Technical Quality of Inspections. His presentation corresponded to Section 3.2 of the report. The team found that New Hampshire's performance was "satisfactory" for this indicator and made no recommendations. The MRB agreed that New Hampshire's performance met the standard for a "satisfactory" rating for this indicator.

Mr. White presented the findings regarding the common performance indicator, Technical Quality of Licensing Actions. He summarized the findings in Section 3.4 of the report. The team found New Hampshire's performance to be "satisfactory" for this indicator and made no recommendations. The MRB, Mr. White, and the State discussed the oversight of the licensees with overdue inspections and license renewals in backlog. The MRB and Mr. White discussed the nature of prescriptive requests for additional information from licensees as discussed in Section 3.4. The MRB directed that the sentence involving prescriptive requests be removed from the report. The MRB agreed that New Hampshire's performance met the standard for a "satisfactory" rating for this indicator.

Mr. Woodruff presented findings regarding the final common performance indicator, Response to Incidents and Allegations. As discussed in Section 3.5 of the report, the team found New Hampshire's performance relative to this indicator to be "satisfactory" and made no recommendations. The MRB agreed that New Hampshire's performance met the standard for a "satisfactory" rating for this indicator.

Mr. White led the discussion of the non-common performance indicator, Legislation and Program Elements Required for Compatibility, which is summarized in Section 4.1 of the report. The team found New Hampshire's performance "unsatisfactory" for this indicator and made one recommendation involving adopting overdue regulations. The MRB, Mr. White, and the State discussed the use of legally binding requirements as opposed to formal regulation adoption. The MRB agreed that New Hampshire's performance for this indicator met the standard for a "unsatisfactory" rating.

Mr. Woodruff presented the findings regarding the common performance indicator, Technical Staffing and Training. His presentation corresponded to Section 3.3 of the

IMPEP report. The team found that New Hampshire's performance with respect to this indicator was "satisfactory with recommendations for improvement," and made three recommendations. The MRB and the review team noted that staffing issues appear to be the root cause of many of the State's deficiencies. Ms. Tefft remarked that the State recognizes the problems and that they are planning several initiatives to help alleviate these issues including expanding the health physicist series, increasing fees, and creating a part-time word processor position. Mr. Wallace noted that the hiring freeze at the time of the review has been lifted and that the State takes their responsibilities seriously. The MRB and the State discussed steps to get fully staffed. The MRB agreed that New Hampshire's performance met the standard for a "satisfactory with recommendations for improvement" rating for this indicator.

MRB Consultation/Comments on Issuance of Report. Mr. Woodruff concluded, based on the discussion and direction of the MRB, that New Hampshire's program was rated "satisfactory" with respect to the indicators, Technical Quality of Inspections, Technical Quality of Licensing Actions, and Response to Incidents and Allegations; "satisfactory with recommendations for improvement" for the indicator, Technical Staffing and Training; and "unsatisfactory" for the indicators Status of the Materials Inspection Program and Legislation and Program Elements Required for Compatibility. Accordingly, the review team recommended and the MRB concurred in finding the New Hampshire Agreement State Program to be adequate, but needs improvement and not compatible with NRC's program.

The review team recommended and the MRB concurred that a program of Heightened Oversight be implemented to assess the progress of the State in implementing corrective actions discussed at the MRB meeting. The MRB requested the State prepare and submit a program improvement plan which addresses the recommendations in the final report. The MRB also requested that the State submit bi-monthly status reports and participate in bi-monthly conference calls to discuss the progress to date on the State's action plan. Due to the events of September 11, 2001, the MRB directed that the follow-up review be conducted approximately one year from the date of the October 26, 2001 MRB meeting. Ms. Schneider noted that the follow-up review would focus only on those indicators that received a "satisfactory with recommendations for improvement" or "unsatisfactory" rating.

Comments. Mr. Lohaus thanked Mr. Peterson for his participation in IMPEP and noted that this would be his final review as an IMPEP team member. Mr. Peterson said that he was glad to be part of the program.

Ms. Tefft noted that the review team did a great job and thanked NRC staff for their aid in helping the New Hampshire staff on September 11, 2001.

3. **Approval of Past MRB Meeting Minutes.** The minutes from the Mississippi MRB meeting were approved.
4. **Status of Current and Upcoming Reviews.** Ms. Schneider briefly reported on the status of the current and upcoming IMPEP reviews and reports. She noted that the events of September 11, 2001 have affected several IMPEP reviews and other projects.

The Texas review was completed the week of August 27, 2001. The draft report for the Texas review was issued one month late. The MRB meeting has been scheduled for December 10, 2001. The review of NRC's sealed source and device evaluation program conducted by the Organization of Agreement States (OAS) was conducted the week of September 11, 2001. The draft report is currently overdue. Ms. Schneider stated that STP staff is working with the team leader, who works for the California program and who has been involved in California's response activities, to issue the draft report. The Nevada review was conducted the week of September 11, 2001 and was also impacted. Ms. Schneider and the team leader are working to issue the draft report. The schedule for the IMPEP Lessons Learned Working Group has been affected by the events of September 11, 2001 as well. Ms. Schneider noted that the working group is attempting to revise its schedule, and that the IMPEP training scheduled for January may be impacted as well.

Ms. Schneider also commented on the status of several other reviews. The Maryland review has been rescheduled for November 13-16, 2001 due to a team member's illness during the original week of the review. STP has drafted a proposal for conducting the upcoming New York review that will reduce the resources necessary. A memorandum to the MRB detailing the proposal will be forthcoming. Ms. Schneider commented that the Tennessee follow-up review was conducted the week of October 22-26, 2001 and the MRB meeting would be scheduled for this review.

5. **Adjournment.** The meeting was adjourned at approximately 3:10 p.m.