

May 20, 2002

MEMORANDUM TO: Management Review Board Members:

Carl J. Paperiello, EDO  
Martin J. Virgilio, NMSS  
Karen D. Cyr, OGC  
Paul H. Lohaus, STP

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

SUBJECT: FINAL MINUTES: TENNESSEE MRB MEETING

Attached are the final minutes of the Management Review Board (MRB) meeting held on January 22, 2002. If you have comments or questions, please contact me at 415-2589.

Attachment:  
As stated

cc: L. E. Nanney, TN

Distribution:

DIR RF	DSollenberger, STP	DCD (SP01) PDR (YES)
SDroggitis, STP	RWoodruff, RII	
JPelchat, RII	BHamrick, CA	
KSchneider, STP	STreby, OGC	
DCool, NMSS	JLieberman, OGC	
GDeegan, NMSS	BSmith, EDO	
Tennessee File	LBolling, STP	

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MINUTES: MANAGEMENT REVIEW BOARD MEETING OF JANUARY 22, 2002

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

Carl Paperiello, MRB Chair, EDO  
Martin Virgilio, MRB Member, NMSS  
Dennis Sollenberger, Team Leader, STP  
John Hickey, NMSS  
Lance Rakovan, STP  
John Zabko, STP  
Linda Psyk, NMSS  
Roberto Torres, STP

Paul Lohaus, MRB Member, STP  
Karen Cyr, MRB Member, OGC  
Brenda Usilton, STP  
Kathleen Schneider, STP  
Josephine Piccone, STP  
Frederick Brown, NMSS  
Brian Smith, EDO

By video conference:

Richard Woodruff, Team Member, RII  
Doug Collins, RII

John Pelchat, Team Member, RII

By teleconference:

Mel Fry, OAS Liaison, NC  
Ed Nanney, TN  
Debra Shults, TN  
Roger Fenner, TN  
Barbara Davis, TN  
Mary Helen Short, TN  
Mark Andrews, TN  
Shawn Drake, TN  
Roger Macklin, TN  
James Killingbeck, ND

Barbara Hamrick, Team Member, CA  
Billy Freeman, TN  
Johnny Graves, TN  
Ruben Crosslin, TN  
Roger Perry, TN  
Jon Thompson, TN  
Chuck Johnson, TN  
Kenneth Wangler, ND  
Justin Griffin, ND

1. **Convention.** Carl Paperiello, Chair of the Management Review Board (MRB) convened the meeting at 10:00 a.m. Introductions of the attendees were conducted.
2. **New Business. Tennessee Review Introduction.** Mr. Dennis Sollenberger, STP, led the Integrated Materials Performance Evaluation Program (IMPEP) team for the Tennessee follow-up review.

Mr. Sollenberger summarized the review and noted the findings. He briefly described the activities conducted between the NRC and the State since the previous review in 2000. The onsite follow-up review was conducted October 22-25, 2001. The onsite review included an entrance interview, detailed audits of a representative sample of inspections, and follow-up discussions with staff and management. Following the review, the team issued a draft report on December 3, 2001; received Tennessee's comment letter dated January 5, 2002; and submitted a proposed final report to the MRB on January 11, 2002.

**Common Performance Indicators.** Ms. Hamrick reviewed the common performance indicator, Status of the Materials Inspection Program. Her presentation corresponded to Section 2.1 of the IMPEP report. The review team recommended that Tennessee's performance with respect to this indicator remain "unsatisfactory" and that the single

recommendation involving this indicator remain open. Ms. Hamrick noted that even though approximately 28% of inspections were conducted overdue during the follow-up review period, the amount of time the inspections were conducted overdue had been reduced. She also indicated that more than 10% of inspection reports were issued late, primarily due to a single staff member. The MRB and Ms. Hamrick discussed the State's progress involving this indicator. Ms. Hamrick said that although the State was dealing with the overdue inspections discussed during the 2000 IMPEP review, new overdue inspections were created in the process.

Mr. Nanney stated that the method used to handle overdue inspections was decided upon by program management and that the results of this indicator depend too much on numbers. He questioned whether the IMPEP criteria should be applied for a follow-up review and if there should be alternative criteria established for follow-up reviews. The MRB and the State discussed when the program will have made sufficient progress to meet the performance criteria in Management Directive 5.6 for a satisfactory rating for this indicator on an ongoing basis. Mr. Sollenberger noted that the number of overdue inspections/month over the course of the review period was relatively stable. Mr. Nanney noted that they have been given the resources for a new inspection tracking system. The MRB agreed that Tennessee's performance continued to meet the standard for an "unsatisfactory" rating for this indicator.

Mr. Pelchat reviewed the common performance indicator, Technical Quality of Inspections. His presentation corresponded to Section 2.2 of the report. The team recommended that Tennessee's performance be changed to "satisfactory with recommendations for improvement" for this indicator. Mr. Pelchat stated that inspections are adequate to protect health and safety. He observed that inspectors were in the process of moving towards conducting more performance-based inspections. He noted that the review team considers Recommendations 2 and 5 from the 2000 review to be closed, but that Recommendation 3 remains open. The MRB, Mr. Pelchat, and Mr. Nanney discussed the State's policies and procedures involving the severity of violations, poor licensee performance, root cause identification, and corrective action follow up. The MRB and Mr. Nanney discussed the differences between different levels of violations and how they should be handled. The MRB directed that the open recommendation be revised to include, "The review team also recommends that in order to enhance both the quality and documentation of inspections, the Division establish and implement additional guidance for ensuring consistent, appropriate, and prompt regulatory actions including incorporating root cause identification, especially of repeat violations." The MRB agreed that Tennessee's performance met the standard for a "satisfactory with recommendations for improvement" rating for this indicator.

Ms. Hamrick also presented the findings regarding the final common performance indicator, Response to Incidents and Allegations. As discussed in Section 2.3 of the report, the team recommended that Tennessee's performance relative to this indicator be changed to "satisfactory" and that Recommendations 6, 7, and 8 from the 2000 review be closed. The MRB agreed that Tennessee's performance met the standard for a "satisfactory" rating for this indicator.

**Non-Common Performance Indicator.** Mr. Woodruff led the discussion of the non-common performance indicator, Legislation and Program Elements Required for Compatibility, which is summarized in Section 3.0 of the report. The team recommended that Tennessee's performance remain "unsatisfactory" for this indicator. He noted that Recommendation 9 from the 2000 report remains open and has been slightly rewritten. The MRB and the team discussed the status of the State's regulation adoption. The review team informed the MRB that a final rules package was submitted to the NRC for review on December 21, 2001. These rules will be published in February 2002. The review team noted that no additional changes were made to the package since the preliminary review in October 2001. Based on the preliminary acceptability of this rule package, the review team recommended and the MRB concurred that the preliminary finding for this performance indicator would be changed from unsatisfactory to satisfactory with recommendations for improvement. The MRB and review team discussed expediting the final NRC review prior to the issuance of the final report. The MRB concurred that the State should be found compatible, dependent on the final review of these regulations. The MRB directed that the finding for Tennessee's performance for this indicator met the standard for a "satisfactory with recommendations for improvement" rating.

**Program Findings and Timing of Next Review.** Mr. Sollenberger concluded, based on the discussion and direction of the MRB, that Tennessee's program was rated "unsatisfactory" for Status of Materials Inspection Program; "satisfactory with recommendations for improvement" for Technical Quality of Inspections; "satisfactory" for Response to Incidents and Allegations; and "satisfactory with recommendations for improvement" for Legislation and Program Elements Required for Compatibility. The MRB found the Tennessee radiation control program was adequate, but needs improvement and compatible with NRC's program. The IMPEP team recommended that quarterly conference calls be conducted between the State, the Regional State Agreements Officer, and the Agreement State Project Officer, that a periodic meeting be held with the State in one year, and that the next full IMPEP review be conducted in two years. The MRB agreed.

**Comments.** Mr. Nanney stressed the need for follow-up reviews to focus on program progress. He thanked the review team, the MRB, and NRC staff for their efforts. He complimented his staff on their performance, and promised that the program would be in even better shape when the periodic meeting is conducted next year.

3. **Results of Periodic and Orientation Meetings.** Ms. Schneider reported on the North Dakota periodic meeting that took place on December 12, 2001. The MRB discussed whether the periodic meetings were useful from the State's viewpoint. Mr. Wangler noted that they are useful, but had concerns as to the cost for two NRC staff members to travel to the State to conduct these meetings. He supported the use of alternative means, such as video and teleconferencing.
4. **Status of Current and Upcoming Reviews.** Ms. Schneider briefly reported on the status of the current and upcoming IMPEP reviews and reports.
5. **Adjournment.** The meeting was adjourned at approximately 12:00 p.m.