

January 15, 2003

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: William D. Travers */RA/*
Executive Director for Operations

SUBJECT: ANNUAL REPORT ON THE STATUS OF THE AGREEMENT
STATES' AND REGIONS' RADIOACTIVE MATERIAL
PROGRAMS

This is an annual report on the status of the Agreement States' and Regions' radioactive material programs. Depending on the State's performance, review cycles under Integrated Materials Performance Evaluation Program (IMPEP) are up to four years. All but three Agreement States were found to be adequate to protect public health and safety and were found to be compatible with the NRC's program. Attachment 1 is the Summary of Agreement States' Adequacy and Compatibility Status as of January 2003.

The New Hampshire and Nevada programs continue to operate under heightened oversight, which the Management Review Board (MRB) approved following their 2001 IMPEP reviews. Each program developed an action plan to address IMPEP findings and recommendations. Each program has also submitted status reports prior to bi-monthly conference calls conducted by the Office of State and Tribal Programs (STP) with program management and staff to discuss the program status. Follow-up reviews are scheduled for New Hampshire in February 2003 and Nevada in April 2003 to evaluate the current program status against the IMPEP criteria and to review the program's actions to address previous review recommendations.

The Tennessee program, which was under a period of heightened oversight following the 2000 IMPEP review, was found to be adequate, but needs improvement and found to be compatible with NRC's program based on the October 2001 follow-up review. The MRB approved increased monitoring by the NRC. The team found that the program continued to experience difficulties in the following common performance indicators: Status of Materials Inspection Program, Technical Quality of Inspections, and Response to Incidents and Allegations, and the non-common performance indicator, Legislation and Program Elements Required for Compatibility. The review team and the MRB agreed that the Tennessee program should receive a full IMPEP review in two years, that the next periodic meeting should take place in one year, and that the Regional State Agreements Officer would conduct quarterly calls with Program management to continue to follow the Program's progress.

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Staff has initiated a new process where the results of periodic meetings are reviewed by the MRB. The Agreement State program director is invited to participate in the discussions. Periodic meetings are held between IMPEP reviews to discuss current program status and the program's activities to address previous review findings. Based on this new process, two States (Rhode Island and Oklahoma) were placed on increased monitoring due to concerns with staffing and program performance. Increased monitoring involves at least quarterly phone calls held by STP staff and the Regional State Agreements Officer with the State Program Management to discuss activities to address concerns. Based on results of the July 15 - 19, 2002 IMPEP review, where all indicators were found to be satisfactory, Oklahoma was removed from increased monitoring. Based on results of the Kansas IMPEP and MRB meeting held on November 22, 2002, the MRB recommended that increased monitoring be conducted for the Kansas program. The Rhode Island program underwent an IMPEP review November 18-22, 2002, and the adequacy and compatibility findings will be reviewed by the MRB in February 2003.

Attachment 2 presents the Summary of the NRC Regions' Adequacy Status. Attachment 3 presents a summary of IMPEP report issuance against the 104-day goal. Attachment 4 presents a summary of activities related to States in heightened oversight or increased monitoring.

Attachments:
As stated

cc: SECY
 OGC
 OCA
 OPA
 CFO

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OCA
OPA
CFO

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SUMMARY OF AGREEMENT STATES' ADEQUACY AND COMPATIBILITY STATUS

JANUARY 2003

STATE	REVIEW YEAR	ADEQUACY FINDING	COMPATIBILITY FINDING
Alabama	2002	adequate	compatible
Arizona	2002	adequate	compatible
Arkansas	2002	adequate	compatible
California	1999	adequate	compatible
Colorado	2001	adequate	compatible
Florida	1999	adequate	compatible
Georgia	2000	adequate	compatible
Illinois	2001	adequate	compatible
Iowa	1999	adequate	compatible
Kansas	2002	adequate	compatible
Kentucky	2000	adequate	compatible
Louisiana	2000	adequate	compatible
Maine	2002	adequate	compatible
Maryland	2001	adequate	compatible
Massachusetts	2002	adequate	compatible
Mississippi	2001	adequate	compatible
Nebraska	2002	adequate	compatible
Nevada	2001	adequate, but needs improvement	compatible
New Hampshire	2001	adequate, but needs improvement	not compatible
New Mexico	2001	adequate	compatible
New York	2002	adequate	compatible
North Carolina	2000	adequate	compatible
North Dakota	1999	adequate	compatible
Ohio	2001	adequate	compatible
Oklahoma	2002	adequate	compatible
Oregon	2002	adequate	compatible
Rhode Island	2002	adequate	compatible
South Carolina	1999	adequate	compatible
Tennessee	2001	adequate, but needs improvement	compatible
Texas	2001	adequate	compatible
Utah	1999	adequate	compatible
Washington	1999	adequate	compatible

SUMMARY OF NRC REGIONS' ADEQUACY STATUS

REGION	REVIEW YEAR	ADEQUACY FINDING
Region I	2001	adequate
Region II	2002	adequate
Region III	1999	adequate
Region IV	1999	adequate

IMPEP REPORT TRACKING

FY 2002

State or Region	Review Date Month/Year	Total number of days from review to release of final report Goal: 104 Days
Tennessee	10/01	103
Maryland ¹	12/01	175
Region II ²	3/02	110
Arizona ³	3/02	109
Alabama	4/02	80
Kansas	4/02	101
Massachusetts	6/02	83
Oklahoma	7/02	103
New York ⁴	7/02	109
Oregon	8/02	103
Arkansas	9/02	98
Nebraska	9/02	91

Four Reports were dispatched beyond the 104-day goal. Each is noted below.

- ¹ The State of Maryland requested a 4 week extension due to other commitments which extended the date for issuance of the report.
- ² Report issuance delayed due to other competing priorities.
- ³ Report issuance delayed due to delay in scheduling MRB meeting.
- ⁴ Report issuance was delayed due to the complexity of scheduling the MRB meeting to meet individual schedules of the four New York agencies.

FY 2003 HEIGHTENED OVERSIGHT/MONITORING CHART

January 2, 2003

State	RSAO/ASPO	Last IMPEP Review	Last Contact	Next Contact	Action(s) Due
HEIGHTENED OVERSIGHT					
New Hampshire	White/Hsueh	6/25-29/01	Bimonthly call 10/8/02	IMPEP Review 2/4-6/03	<ol style="list-style-type: none"> 1. Bimonthly calls with Team leader & NRC staff 2. Program Improvement Workplan Status Report due 2 weeks before call 3. Follow-up IMPEP scheduled for 2/03
Nevada	McLean/Hsueh	9/10-14/01	Bimonthly call 10/18/02	Bimonthly call 2/25/03	<ol style="list-style-type: none"> 1. Bimonthly calls with Team leader & NRC staff 2. Program Improvement Workplan Status Report due 2 weeks before call 3. Follow-up IMPEP scheduled for 3/03
INCREASED MONITORING					
Kansas	Campbell/Zabko	4/22-26/02	MRB Meeting 11/22/02	Teleconference 1/03	<ol style="list-style-type: none"> 1. Quarterly calls with RSAO/ASPO 2. Periodic meeting in 18 months
Rhode Island	White/Sollenberger	11/18-22/02	Monthly call 10/9/02	IMPEP	<ol style="list-style-type: none"> 1. Monthly calls with RSAO/ASPO
Tennessee	Woodruff/Bolling	10/22-25/01 Follow-up	Quarterly call 9/18/02	Periodic Meeting 3/19/03	<ol style="list-style-type: none"> 1. Quarterly calls with RSAO/ASPO 2. Periodic meeting 3/03 3. Routine IMPEP scheduled for 10/03 (2 years after Follow-up IMPEP)