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

OFFICE OF THE
INSPECTOR GENERAL

November 3, 2011

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

FROM: Stephen D. Dingbaum **/RA/**
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S OVERSIGHT OF INDEPENDENT SPENT FUEL STORAGE INSTALLATIONS SAFETY (OIG-11-A-12)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS, MEMORANDUM DATED OCTOBER 26, 2011 (ML112840162)

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated October 26, 2011. Based on this response, recommendations 1 and 2 remain in resolved status. Please provide an updated status of the recommendations by March 30, 2012.

If you have any questions or concerns, please call me at 415-5915 or Sherri Miotla, Team Leader, at 415-5914.

Attachment: As stated

cc: N. Mamish, OEDO
J. Arlidsen, OEDO
K. Brock, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S OVERSIGHT OF INDEPENDENT SPENT FUEL STORAGE INSTALLATIONS SAFETY

OIG-11-A-12

Status of Recommendations

Recommendation 1:	Develop and implement a formalized agencywide Independent Spent Fuel Storage Installation (ISFSI) safety inspector training program.
Agency Response Dated October 26, 2011:	The NRC staff agreed to develop a qualification card for inspectors by September 30, 2011. After discussions with Headquarters and Regional Branch Chiefs and staff involved in the safety inspections of ISFSIs, the staff developed a qualification journal specific for ISFSI inspectors. This qualification journal will be issued in early Fiscal Year (FY) 2012 as Appendix B3 of Inspection Manual Chapter (IMC) 1246. The staff issued a memorandum on September 30, 2011, to all the regions, which provided the ADAMS accession number of the draft qualification journal to the regions for information. Once issued, staff will be required to use this qualification journal for ISFSI inspector candidates. Point-of-contact (POC): Norma Garcia-Santos, SFST/RIOB.
OIG Analysis:	The proposed actions meet the intent of the recommendation. OIG will close this recommendation when it receives and reviews Appendix B3 of IMC 1246, supporting the completion and implementation of the recommendation.
Status:	Resolved.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF INDEPENDENT SPENT FUEL STORAGE INSTALLATIONS SAFETY

OIG-11-A-12

Status of Recommendations

Recommendation 2: Modify inspection guidance to include a minimum inspection frequency for conducting routine ISFSI safety inspections.

Agency Response Dated October 26, 2011: The NRC staff committed to revise inspection guidance (i.e., IMC 2690, appropriate inspection procedures) by September 30, 2011, to establish a minimum frequency for conducting routine ISFSI safety inspections. If guidance could not be issued by September 30, 2011, then a memorandum was to be issued providing interim guidance to inspectors. On September 30, 2011, the staff issued a memorandum to all regions responsible for the ISFSI Inspector Qualification Journal, with the following interim guidance with a minimum frequency for conducting routine ISFSI safety inspections:

INSPECTION ACTIVITY	USE INSPECTION PROCEDURE (IP) NUMBER	EXPECTED FREQUENCY
Routine ISFSI safety inspections at reactor site ISFSIs	60855	Every Two Years, Not to Exceed Three Years[1]
Routine ISFSI safety inspections at away from reactor site ISFSIs	60858	Every Two Years, Not to Exceed Three Years[1]

The revision of IMC 2690 is currently in concurrence.

POC: Jon Woodfield, SFST/RIOB.

OIG Analysis: The proposed action meets the intent of the recommendation. OIG will close this recommendation when it receives and reviews the revised inspection guidance reflecting the revision noted in recommendation 2.

Status: Resolved.

[1] The expected frequency is after the initial loading at new ISFSIs. For operational ISFSIs, where the last Regional inspection was performed more than three years ago, plan an inspection as soon as possible and establish subsequent inspections per the frequency guidance.