

February 17, 2012

MEMORANDUM TO: Michael F. Weber  
Deputy Executive Director for Materials, Waste,  
Research, State, Tribal, and Compliance Programs  
Office of the Executive Director for Operations

James Biggins, Deputy Assistant General Counsel  
for Reactor and Materials Rulemaking  
Office of the General Counsel

Cynthia Carpenter, Deputy Director  
Office of Federal and State Materials  
and Environmental Management Programs

William M. Dean, Regional Administrator  
Region I

FROM: Lisa Dimmick, Health Physicist */RA K.N. Meyer for/*  
Division of Materials Safety and State Agreements  
Office of Federal and State Materials  
and Environmental Management Programs

SUBJECT: MINUTES: JANUARY 5, 2012, CALIFORNIA  
MANAGEMENT REVIEW BOARD (MRB) MEETING

Enclosed are the minutes of the MRB meeting held on January 5, 2012. If you have comments or questions, please contact me at (301) 415-0694.

Enclosure: Cover Page and Minutes of the  
Management Review Board Meeting

cc w/encl.: Gonzalo Perez, Branch Chief  
Radiological Health Program

Jared Thompson, State of Arkansas  
Organization of Agreement States  
Liaison to the MRB

Management Review Board Members

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<b>DATE</b>	2/17/12	

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MINUTES: MANAGEMENT REVIEW BOARD MEETING OF January 5, 2012

The attendees were as follows:

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

Michael Weber, MRB Chair, DEDMRT  
Jim Biggins, MRB Member, OGC  
Brian McDermott, FSME  
Karen Meyer, FSME  
Maria Arribas, FSME

Cynthia Carpenter, MRB Member, FSME  
James Lynch, Team Leader, RIII  
Duncan White, FSME  
Stephen Poy, FSME  
Daniel Merzke, OEDO

By telephone:

Jared Thompson, MRB Member, AR  
Vanessa Cox, Team Member, FSME  
Karl Von Ahn, Team Member, OH

Bryan Parker, Team Member, RI  
David Turberville, Team Member, AL  
Lisa Dimmick, FSME

By videoconference:

Randy Erickson, Team Member, RIV  
Rachel Browder, RIV  
Stephen Woods, CA  
John Fassell, CA  
Michelle Beardsley, FSME

William Dean, MRB Member, Region I  
Janine Katanic, FSME  
Robert Greger, CA  
Gonzalo Perez, CA

- 1. Convention.** Ms. Michelle Beardsley convened the meeting at 2:00 pm. (ET). She noted that this Management Review Board (MRB) meeting was open to the public; however, no members of the public participated in this meeting. Ms. Beardsley then transferred the lead to Mr. Michael Weber, Chair of the MRB. Introductions of the attendees were conducted.
- 2. California IMPEP Review.** Mr. Jim Lynch, Team Leader, led the presentation of the California Integrated Materials Performance Evaluation Program (IMPEP) review results to the MRB. He summarized the review and the team's findings for the five common performance indicators and the two non-common performance indicators. The team recommended a satisfactory finding for all but one indicator and made one recommendation. Overall, the team recommended that the California program be found adequate to protect public health and safety, and not compatible with the U.S. Nuclear Regulatory Commission's (NRC) program. The on-site review was conducted by a review team composed of technical staff members from NRC and the States of Alabama and Ohio during the period of October 17-21, 2011. Prior to the onsite review, the team conducted nine inspection accompaniments. At the time of the review, the California program regulated 1853 specific licenses. A draft report was issued to the State for factual comment on November 10, 2011. The State responded to the review team's findings by letter dated January 5, 2012. The last IMPEP review for California was conducted in April 2008. From the 2008 review, the State was found adequate to protect public health and safety, and not compatible with NRC.

3. **Common Performance Indicators.** Mr. Randy Erickson presented the findings regarding the common performance indicator, *Technical Staffing and Training*. His presentation corresponded to Section 3.1 of the proposed final IMPEP report. The review team found California's performance with respect to this indicator to be satisfactory and made no recommendations. The MRB agreed that California's performance met the standard for a satisfactory rating for this indicator. The review team indicated the balance in staffing between licensing and inspection was effective. Staff departures were promptly filled. However, the review team noted a concern with the staffing for support of regulation development. This issue is addressed under Section 4.1 of the report—*Compatibility Requirements*.

Ms. Vanessa Cox presented the findings regarding the common performance indicator, *Status of Materials Inspection Program*. Her presentation corresponded to Section 3.2 of the proposed final IMPEP report. The review team found California's performance with respect to this indicator to be satisfactory and made no recommendations. The MRB agreed that California's performance met the standard for a satisfactory rating for this indicator. The MRB engaged in discussion about overdue inspections as presented in the proposed report. The MRB requested the report be updated for actual numbers used to calculate the percent of overdue inspections and also to incorporate the factual comment response provided by California for this indicator. The following change should be made in the final report. "Overall, the review team calculated that the Branch performed 9.8 percent (82 overdue inspections out of 838 inspections) of the total Priority 1, 2, and 3 and initial inspections overdue during the review period." In addition, the following change under reciprocity was requested. "During the review period, the Branch granted 204 reciprocity permits, 75 of which were candidate licensees... Twenty-six of the candidate licensees were inspected." Note: these clarifications did not change the "satisfactory" outcome for the indicator.

Mr. David Turberville presented the findings regarding the common performance indicator, *Technical Quality of Inspections*. His presentation corresponded to Section 3.3 of the proposed final IMPEP report. The review team found California's performance with respect to this indicator to be satisfactory and made no recommendations. The MRB agreed that California's performance met the criteria for a satisfactory rating for this indicator. The evaluation of case work demonstrated that inspection reports are of high quality. The MRB questioned if there were differences seen in the inspection process between the regional offices. The team reported that they conducted accompaniments for nine inspectors covering all regions and found the process to be transparent and consistently applied among the regional locales.

Mr. Bryan Parker presented the findings regarding the common performance indicator, *Technical Quality of Licensing Actions*. His presentation corresponded to Section 3.4 of the proposed final IMPEP report. The review team found California's performance with respect to this indicator to be satisfactory. The MRB agreed that California's performance met the criteria for a satisfactory. However, the MRB discussed the license renewal backlog and the marking of documents for sensitive information and requested modifications to the final report in these areas. The increase in the backlog for license renewals is largely attributed to the adoption of 10 CFR Part 35 and the corresponding

medical licensing actions necessary to support the rule. Branch management indicated that they have a backlog plan in place. The review team noted that sensitive, unclassified, non-safeguards information related to security and Increased Controls, was properly controlled and protected to prevent unauthorized access in accordance with “Additional Guidance and Clarification Regarding the Review of the Control of Sensitive Information During Integrated Materials Performance Evaluation Program (RCPD-11-005).”

Mr. Lynch 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 found California’s performance with respect to this indicator to be satisfactory and made no recommendations. The MRB agreed that California’s performance met the criteria for a satisfactory rating for this indicator.

**Non-Common Performance Indicators.** Mr. Erickson presented the findings regarding the non-common performance indicator, *Compatibility Requirements*. His presentation corresponded to Section 4.1 of the proposed final IMPEP report. The review team found California’s performance with respect to this indicator to be unsatisfactory and made one recommendation. The MRB agreed that California’s performance met the criteria for an unsatisfactory rating for this indicator. The recommendation made is an update to an open recommendation from 2007. The Branch only has one staff member assigned to regulation development, including both materials and x-ray regulations. When this staff member is working to develop x-ray regulations, rules necessary for materials compatibility are not being developed. Division managers stated at the Management Review Board meeting that an additional regulations staff member would be in place by February 1, 2012. The recommendation requests California to develop and implement a detailed action plan that fully documents actions, tasks, and milestones associated with each regulation package. MRB members expressed concern that prolonged compatibility issues could impact other performance areas.

Mr. Karl Von Ahn presented the findings regarding the non-common performance indicator, *Sealed Source and Device Evaluation Program*. His presentation corresponded to Section 4.2 of the proposed final IMPEP report. The review team found California’s performance with respect to this indicator to be satisfactory and made no recommendations. The MRB agreed that California’s performance met the criteria for a satisfactory rating for this indicator.

4. **MRB Consultation/Comments on Issuance of Report.** The MRB found the California Agreement State Program adequate to protect public health and safety, and not compatible with NRC’s program. Based on the results of the current IMPEP review, the MRB directed that the next IMPEP review take place in approximately four years, with an early Periodic Meeting scheduled in one year from the date of the MRB meeting and an additional Periodic Meeting in approximately 2.5 years from the date of the current review. The MRB further directed that the period of Monitoring currently in place for California, continue until significant and sustained improvement in the area of compatibility is demonstrated. The MRB requested that the State update their response

to the recommendation made under Section 4.1, *Compatibility Requirements*, to provide milestones for each regulation.

5. **Precedents/Lessons Learned.** The MRB established no new precedents during this meeting.
6. **Adjournment.** The meeting was adjourned at approximately 4:30 p.m. (ET)