



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

**OFFICE OF THE
INSPECTOR GENERAL**

November 20, 2012

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 DECOMMISSIONED URANIUM
RECOVERY SITES AND SITES UNDERGOING
DECOMMISSIONING (OIG-12-A-06)

REFERENCE: DIRECTOR, OFFICE OF FEDERAL AND STATE
MATERIALS AND ENVIRONMENTAL MANAGEMENT
PROGRAMS, MEMORANDA DATED
OCTOBER 3, 2012, AND OCTOBER 19, 2012

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated October 3, 2012, and supplemental response dated October 19, 2012. Based on these responses, recommendations 1 and 2 are closed. All recommendations related to this report are now closed.

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
K. Brock, OEDO
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Audit Report

AUDIT OF NRC'S OVERSIGHT OF DECOMMISSIONED URANIUM RECOVERY SITES AND SITES UNDERGOING DECOMMISSIONING

OIG-12-A-06

Status of Recommendations

Recommendation 1: Establish performance measures to ensure compliance with the U.S. Nuclear Regulatory Commission (NRC)-U.S. Environmental Protection Agency (EPA) Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) site Memorandum of Understandings (MOUs).

Agency Response Dated
October 3, 2012:

In response to Recommendation 1, the Division of Waste Management and Environmental Protection (DWMEP) has established controls to ensure that DWMEP fully complies with, and meets, its obligations under the NRC/EPA CERCLA site MOUs by adding Branch Activities titled, "Homestake – Grants: Homestake EPA MOU Administration" and "UNC – Churchrock: EPA MOU Administration" to the Division's Operating Level Plan (OP). Each Branch Activity in the OP has the following Milestones to ensure that the requirements of the MOUs are met:

- Perform Annual Review of NRC/EPA MOU – Provide Comments to Deputy Director – Decommissioning and Uranium Recovery Licensing Directorate (DURLD).
- Provide 1st half of Semi-Annual Progress Report to EPA.
- Provide 2nd half of Semi-Annual Progress Report to EPA.
- Letter from Director, DWMEP to EPA Region VI to Affirm NRC's Commitment to Implement the MOU and to suggest necessary administrative updates – annually.

The DWMEP OP is reviewed by management monthly to ensure that DWMEP actions are effectively tracked and implemented.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF DECOMMISSIONED URANIUM RECOVERY SITES AND SITES UNDERGOING DECOMMISSIONING

OIG-12-A-06

Status of Recommendations

Recommendation 1 (continued):

Agency Supplemental
Response Dated
October 19, 2012:

This supplement updates the October 3, 2012, memorandum to the Office of the Inspector General (OIG) report OIG-12-A-06 [Agencywide Document Access and Management System Accession Numbers ML12251A214; ML12251A220]. Our commitments hold true with the exception of the frequency of the Church Rock Mill performance measures under Recommendation 1. For clarification purposes, the performance measure for the Church Rock Mill site is quarterly progress reports to the U.S. Environmental Protection Agency (EPA) from the Division of Waste Management and Environmental Protection (DWMEP). The DWMEP Operations Plan has been updated in Enclosure 1 to accurately reflect the performance measure for the Church Rock Mill site.

OIG Analysis:

OIG reviewed the DWMEP OP and determined that the OP contains milestones to ensure that the requirements of the MOUs are met. This action meets the intent of the recommendation. This recommendation is therefore considered closed.

Status:

Closed.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF DECOMMISSIONED URANIUM RECOVERY SITES AND SITES UNDERGOING DECOMMISSIONING

OIG-12-A-06

Status of Recommendations

Recommendation 2: Develop and document in inspection guidance a frequency for inspecting uranium recovery sites transferred to the U.S. Department of Energy (DOE) for long-term surveillance.

Agency Response Dated
October 3, 2012:

In response to Recommendation 2, DWMEP staff has developed a *Guidance for NRC Observational Site Visits at DOE UMTRCA Title I and Title II Sites* which details the approach and procedures for conducting observational site visits at decommissioned uranium recovery facilities transferred to DOE. The Observational Site Visit guidance was developed in conjunction with inspectors from the NRC's Regional offices, who performed observational site visits at Mexican Hat, UT on April 3, 2012, Tuba City, AZ on April 4, 2012, Shiprock, NM on May 29, 2012, Durango, CO on May 30, 2012, and Shirley Basin South on June 28, 2012, to evaluate the effectiveness of the guidance and procedures. The final guidance was issued to Regional inspection staff on September 7, 2012, for full implementation. In addition, as part of the on-going development of NUREG-1757, Volume 4, *Consolidated Guidance for Reclamation and Restoration of Commercial Uranium Recovery Facilities*, the Observational Site Visit guidance will be incorporated as Chapter 28 - *Observational Site Visits at Decommissioned Uranium Recovery Facilities Transferred to DOE*. Finally, DWMEP staff Project Managers developed a site observational visit prioritization approach to aid in the scheduling frequency of future observational site visits. The site prioritization is based on information from the DWMEP Erosion Protection Desk Guide, observations by OIG staff during audit site visits, and DWMEP Project Manager input.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF DECOMMISSIONED URANIUM RECOVERY SITES AND SITES UNDERGOING DECOMMISSIONING

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Status of Recommendations

Recommendation 2 (continued):

OIG Analysis: OIG determined that the revised guidance and the site prioritization supports that the agency will either accompany DOE inspectors or conduct its own site visit to all transferred sites at least once every 5 years. This action meets the intent of the recommendation. This recommendation is therefore considered closed.

Status: Closed.