



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

June 13, 2016

MEMORANDUM TO: Glenn M. Tracy
Deputy Executive Director for Materials, Waste,
Research, State, Tribal, Compliance, Administration,
and Human Capital Programs
Office of the Executive Director for Operations

Mary B. Spencer, Assistant General Counsel for
Reactor and Materials Rulemaking
Office of the General Counsel

Scott W. Moore, Acting Director
Office of Nuclear Material Safety
and Safeguards

David C. Lew, Deputy Regional Administrator
NRC Region I

FROM: Paul Michalak, Acting Chief */RA/*
Agreement State Programs Branch
Division of Material Safety, State, Tribal
and Rulemaking Programs
Office of Nuclear Material Safety
and Safeguards

SUBJECT: INTEGRATED MATERIALS PERFORMANCE EVALUATION
PROGRAM REVIEW OF ARIZONA

This memorandum transmits to the Management Review Board (MRB) a proposed final report (Enclosure 1) documenting the Integrated Materials Performance Evaluation Program (IMPEP) review of Arizona. The review was conducted by an interoffice team during the period of March 28 – April 1, 2016. The team issued a draft report to Arizona on May 2, 2016, for factual comment. Arizona responded to the findings and conclusions of the review by letter dated June 1, 2016, from Aubrey Godwin, Director, Arizona Regulatory Agency. A copy may be found in the U.S. Nuclear Regulatory Commission's (NRC) Agencywide Documents Access and Management System using the Accession Number ML16158A000. Arizona did not request changes to the report.

Overall, the review team is recommending that Arizona's performance be found satisfactory for the six performance indicators reviewed. Accordingly, the review team is recommending that the Arizona Agreement State Program be found adequate to protect public health and safety and compatible with the NRC's program.

MRB Members

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The MRB meeting to consider the Arizona report is scheduled for June 30, 2016, 1:00 – 4:00 p.m. EDT. In accordance with Management Directive 5.6, the meeting is open to the public. The agenda for that meeting is enclosed (Enclosure 2).

Enclosures:

1. Arizona Proposed Final Report
2. Meeting Agenda

cc: Aubrey Godwin, Director
Arizona Radiation Regulatory Agency

Jack Priest, MA
Organization of Agreement States
Liaison to the MRB

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ADAMS ML16158A014

OFFICE	RGN III: TL	MSTR/ASPB	MSTR/ASPB:BC
NAME	BParker <i>lcd for</i>	LDimmick <i>w/edits</i>	PMichalak <i>w/edits</i>
DATE	06/07/16	06/07/16	06/13/16

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INTEGRATED MATERIALS PERFORMANCE EVALUATION PROGRAM
REVIEW OF THE ARIZONA AGREEMENT STATE PROGRAM

MARCH 28 – APRIL 1, 2016

PROPOSED FINAL REPORT

EXECUTIVE SUMMARY

This report presents the results of the Integrated Materials Performance Evaluation Program (IMPEP) review of the Arizona Agreement State Program. The review was conducted during the period of March 28 – April 1, 2016, by a review team composed of technical staff members from the U.S. Nuclear Regulatory Commission (NRC) and the State of Minnesota.

Based on the results of this review, Arizona's performance was found satisfactory for all six indicators reviewed: Technical Staffing and Training, Status of Materials Inspection Program, Technical Quality of Inspections, Technical Quality of Licensing, Technical Quality of Incident and Allegation Activities, and Compatibility Requirements.

The review team did not make any recommendations and there were no open recommendations to evaluate from previous IMPEP reviews.

Accordingly, the review team recommends that the Arizona Agreement State Program is adequate to protect public health and safety and is compatible with the NRC's program. The review team recommends that the next IMPEP review take place in approximately 4 years.

1.0 INTRODUCTION

This report presents the results of the review of the Arizona Agreement State Program. The review was conducted during the period of March 28 – April 1, 2016, by a review team composed of technical staff members from the U.S. Nuclear Regulatory Commission (NRC) and the State of Minnesota. Team members are identified in Appendix A. The review was conducted in accordance with the “Implementation of the Integrated Materials Performance Evaluation Program and Rescission of Final General Statement of Policy,” published in the *Federal Register* on October 16, 1997, and NRC Management Directive 5.6 (MD 5.6), “Integrated Materials Performance Evaluation Program (IMPEP),” dated February 26, 2004. Preliminary results of the review, which covered the period of March 31, 2012, to April 1, 2016, were discussed with State managers on the last day of the review.

In preparation for the review, a questionnaire addressing the common and applicable non-common performance indicators was sent to the State on February 1, 2016. The State provided its response to the questionnaire on March 11, 2016. A copy of the questionnaire response can be found in the NRC’s Agencywide Documents Access and Management System (ADAMS) using the Accession Number ML16075A135.

The Arizona Agreement State Program is administered by the Arizona Radiation Regulatory Agency (the Agency). The Agency Director reports directly to the Governor. Organization charts for the State can be found in ADAMS using the Accession Number ML16075A131.

At the time of the review, the Arizona Agreement State Program regulated 359 specific licenses authorizing possession and use of radioactive materials. The review focused on the radioactive materials program as it is carried out under the Section 274b. (of the Atomic Energy Act of 1954, as amended) Agreement between the NRC and the State of Arizona.

The review team evaluated the information gathered against the established criteria for each common and the applicable non-common performance indicator and made a preliminary assessment of the Arizona Agreement State Program’s performance.

2.0 PREVIOUS IMPEP REVIEW AND STATUS OF RECOMMENDATIONS

The previous IMPEP review concluded on March 30, 2012. The final report is available in ADAMS (Accession Number ML12171A175). The results of that review are as follows:

Technical Staffing and Training: Satisfactory
Recommendation: None

Status of Materials Inspection Program: Satisfactory
Recommendation: None

Technical Quality of Inspections: Satisfactory
Recommendation: None

Technical Quality of Licensing Actions: Satisfactory
Recommendation: None

Technical Quality of Incident and Allegation Activities: Satisfactory
Recommendation: None

Compatibility Requirements: Satisfactory, But Needs Improvement
Recommendation: None

Overall finding: Adequate and Compatible

3.0 COMMON PERFORMANCE INDICATORS

Five common performance indicators are used to review the NRC regional and Agreement State radioactive materials programs. These indicators are (1) Technical Staffing and Training, (2) Status of Materials Inspection Program, (3) Technical Quality of Inspections, (4) Technical Quality of Licensing Actions, and (5) Technical Quality of Incident and Allegation Activities.

3.1 Technical Staffing and Training

The ability to conduct effective licensing and inspection programs is largely dependent on having a sufficient number of experienced, knowledgeable, and well-trained technical personnel. Under certain conditions, staff turnover could have an adverse effect on the implementation of these programs, and thus could affect public health and safety. Apparent trends in staffing must be explored. Review of this indicator also requires a consideration and evaluation of the levels of training and qualification. The evaluation standard measures the overall quality of training available to, and taken by, materials program personnel.

a. Scope

The review team used the guidance in State Agreements procedure SA-103, "Reviewing the Common Performance Indicator: Technical Staffing and Training," and evaluated Arizona's performance with respect to the following performance indicator objectives:

- A well-conceived and balanced staffing strategy has been implemented throughout the review period.
- Agreement State training and qualification program is equivalent to NRC Inspection Manual Chapter (IMC) 1248, "Formal Qualifications Program for Federal and State Material and Environmental Management Programs."
- Qualification criteria for new technical staff are established and are being followed or that qualification criteria will be established if new staff members are hired.
- Any vacancies, especially senior-level positions, are filled in a timely manner.
- There is a balance in staffing of the licensing and inspection programs.
- Management is committed to training and staff qualification.
- Individuals performing materials licensing and inspection activities are adequately qualified and trained to perform their duties.
- License reviewers and inspectors are trained and qualified in a reasonable period of time.

b. Discussion

The Agency is administratively capped at 30 staff members with 4.5 full-time equivalents assigned to the radioactive materials program. There are currently two vacancies with no immediate plans to fill the vacancies. During the review period, no staff members left the Agency. Although the Agency has had the two vacant positions for several years, the review team did not identify any performance issues associated with these vacancies. During the review period, the Agency did not have a backlog in licensing or inspection activities.

Managers noted that two materials inspectors in the Agency with 33 and 14 years of experience, respectively plan to retire later in the year. The Agency has been exploring various hiring options for replacing them such as double encumbering positions, but the State hiring rules limit the options. The review team also found that the Agency has, and is following, a training and qualification manual compatible to IMC 1248.

c. Evaluation

The review team determined that during the review period the Agency met the performance indicator objectives listed in Section 3.1.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona's performance with respect to the indicator, Technical Staffing and Training, be found satisfactory.

3.2 Status of the Materials Inspection Program

Periodic inspections of licensed operations are essential to ensure that activities are being conducted in compliance with regulatory requirements and consistent with good safety practices. The frequency of inspections is specified in the NRC's IMC 2800, "Materials Inspection Program," and is dependent on the amount and kind of material, the type of operation licensed, and the results of previous inspections. There must be a capability for maintaining and retrieving statistical data on the status of the inspection program.

a. Scope

The review team used the guidance in State Agreements procedure SA-101, "Reviewing the Common Performance Indicator: Status of the Materials Inspection Program," and evaluated Arizona's performance with respect to the following performance indicator objectives:

- Initial inspections and inspections of Priority 1, 2, and 3 licensees are performed at the frequency prescribed in NRC IMC 2800.
- Candidate licensees working under reciprocity are inspected in accordance with the criteria prescribed in IMC 1220, "Processing of NRC Form 241, Report of Proposed Activities in Non-Agreement States, Areas of Exclusive Federal Jurisdiction, and Offshore Waters, and Inspection of Agreement State Licensees Operating Under 10 CFR 150.20."

- Deviations from inspection schedules are normally coordinated between technical staff and management.
- There is a plan to perform any overdue inspections and reschedule any missed or deferred inspections; or a basis has been established for not performing any overdue inspections or rescheduling any missed or deferred inspections.
- Inspection findings are communicated to licensees in a timely manner (30 calendar days, or 45 days for a review team inspection, as specified in IMC 0610, “Nuclear Material Safety and Safeguards Inspection Reports”).

b. Discussion

The Agency performed 217 Priority 1, 2, 3, and initial inspections during the review period, of which only one inspection was conducted overdue. The review team sampled 17 inspection reports and found that in each instance, inspection findings were communicated to the licensee within 30 days after the inspection exit. The Agency completed more than 20 percent of candidate reciprocity inspections during each year of the review period.

c. Evaluation

The review team determined that during the review period Arizona met the performance indicator objectives listed in Section 3.2.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona’s performance with respect to the indicator, Status of the Materials Inspection Program, be found satisfactory.

3.3 Technical Quality of Inspections

Inspections, both routine and reactive, provide assurance that licensee activities are carried out in a safe and secure manner. Accompaniments of inspectors performing inspections, and the critical evaluation of inspection records are used to assess the technical quality of a program’s inspection capability.

a. Scope

The review team used the guidance in State Agreements procedure SA-102, “Reviewing the Common Performance Indicator: Technical Quality of Inspections,” and evaluated Arizona’s performance with respect to the following performance indicator objectives:

- Inspections of licensed activities focus on health, safety, and security.
- Inspection findings are well-founded and properly documented in reports.
- Management promptly reviews inspection results.
- Procedures are in place and used to help identify root causes and poor licensee performance.
- Inspections address previously identified open items and violations.
- Inspection findings lead to appropriate and prompt regulatory action.

- Supervisors conduct annual accompaniments of each inspector to assess performance and assure consistent application of inspection policies.
- For programs with separate licensing and inspection staffs, to verify that procedures are established and followed to provide feedback information to license reviewers.
- For Agreement States, to determine if inspection guides are consistent with NRC guidance.
- An adequate supply of calibrated survey instruments is available to support the inspection program.

b. Discussion

The review team evaluated the inspection reports and enforcement documentation for 17 radioactive materials inspections conducted during the review period. The casework included inspections performed by four current inspectors and covered a variety of medical and industrial licenses. The inspection casework and inspector accompaniments were also assessed for implementation of security requirements for risk significant radioactive material, as applicable.

Accompaniments of three Agency inspectors were conducted by one IMPEP team member during the week of February 8, 2016. The inspectors were accompanied during health, safety, and security inspections of industrial radiography and medical diagnostic and therapeutic licensees. During the accompaniments, the inspectors demonstrated appropriate inspection techniques, knowledge of the regulations, appropriate use of calibrated survey instruments, and conducted performance-based inspections. The inspectors were trained, well-prepared for the inspection, conducted interviews with appropriate personnel, observed licensed operations, conducted confirmatory measurements, and utilized good health physics practices. The inspections were adequate to assess radiological health and safety and increased controls at the licensed facilities.

The review team noted the Agency performed annual supervisory accompaniments for each of the inspectors throughout the review period.

c. Evaluation

The review team determined that during the review period Arizona met the performance indicator objectives listed in Section 3.3.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona's performance with respect to the indicator, Technical Quality of Inspections, be found satisfactory.

3.4 Technical Quality of Licensing Actions

The quality, thoroughness, and timeliness of licensing actions can have a direct bearing on public health and safety, and security. An assessment of licensing procedures, actual implementation of these procedures, and documentation of communications and associated actions between the State licensing staff and regulated community will be a significant indicator of the overall quality of the program.

a. Scope

The review team used the guidance in State Agreements procedure SA-104, "Reviewing the Common Performance Indicator: Technical Quality of Licensing Actions," and evaluated Arizona's performance with respect to the following performance indicator objectives:

- Licensing action reviews are thorough, complete, consistent, and of acceptable technical quality with health, safety, and security issues properly addressed.
- Essential elements of license applications have been submitted and elements meet current regulatory guidance (e.g. financial assurance, increased controls, pre-licensing guidance).
- License reviewers, if applicable, have the proper signature authority for the cases they review independently.
- License conditions are stated clearly and are inspectable.
- Deficiency letters clearly state regulatory positions and are used at the proper time.
- Reviews of renewal applications demonstrate a thorough analysis of a licensee's inspection and enforcement history.
- Applicable guidance documents are available to reviewers and are followed (e.g., NUREG-1556 series, pre-licensing guidance, regulatory guides, etc.).
- Licensing practices for risk significant radioactive materials are appropriately implemented including increased controls and fingerprinting orders (Part 37 equivalent).
- Documents containing sensitive security information are properly marked, handled, controlled and secured.

b. Discussion

During the review period, Arizona performed 1,531 radioactive materials licensing actions. The review team evaluated 23 radioactive materials licensing actions. The licensing actions selected for review included 2 new applications, 12 amendments, 7 renewals, and 2 terminations. The review team evaluated casework which included the following license types and actions: medical diagnostic and therapy, cyclotron, distribution, gauges, broad scope, academic, research and development, industrial radiography, well logging, financial assurance, pre-licensing procedures, and decommissioning.

The Agency's licensing program consists of one primary license reviewer who performs the initial review for the majority of licensing actions. After the application is reviewed and approved by the primary reviewer, it is reviewed by one of the other two qualified technical staff members. If the application is found to be acceptable by the reviewers, it is sent for final approval from the program manager, and signed by the Agency Director. The license reviewers utilize NUREG-1556 guidance during the review process. The Agency has placed the following time limits on each type of licensing action: 120 days for new licenses, 90-120 days for renewals, and 90 days for amendments. If the Agency is waiting for additional information from the licensee, the Agency will stop the time-limit clock until it receives an acceptable response. If the licensee does not respond to a request for information, the licensing action may be abandoned at the discretion of the license reviewer and program manager.

Throughout the casework review, the IMPEP team discussed its questions with the license reviewers and program manager. There were no chronic problems identified with respect to thoroughness, completeness, consistency, clarity, technical quality, or adherence to guidance identified. The licensing program has strong administrative support, and all actions are dealt with in a timely manner.

c. Evaluation

The review team determined that during the review period Arizona met the performance indicator objectives listed in Section 3.4.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona's performance with respect to the indicator, Technical Quality of Licensing Actions, be found satisfactory.

3.5 Technical Quality of Incident and Allegation Activities

The quality, thoroughness, and timeliness of response to incidents and allegations of safety concerns can have a direct bearing on public health and safety. An assessment of incident response and allegation investigation procedures, actual implementation of these procedures, internal and external coordination, and investigative and follow-up procedures and actions will be a significant indicator of the overall quality of the program.

a. Scope

The review team used the guidance in State Agreements procedure SA-105, "Reviewing the Common Performance Indicator: Technical Quality of Incident and Allegation Activities," and evaluated Arizona's performance with respect to the following performance indicator objectives:

- Incident response, investigation, and allegation procedures are in place and followed.
- Response actions are appropriate, well-coordinated, and timely.
- On-site responses are performed when incidents have potential health, safety or security significance.
- Appropriate follow-up actions are taken to ensure prompt compliance by licensees.
- Follow-up inspections are scheduled and completed, as necessary.
- Notifications are made to the NRC Headquarters Operations Center for incidents requiring a 24-hour or immediate notification to the Agreement State or NRC.
- Incidents are reported to the Nuclear Material Events Database (NMED).
- Allegations are investigated in a prompt, appropriate manner.
- Concerned individuals are notified of investigation conclusions.
- Concerned individuals' identities are protected, as allowed by law.

b. Discussion

During the review period, 100 incidents were reported to Arizona. Of those, 72 incidents involved radioactive materials with 30 of those being reportable to the NRC. The review team evaluated 18 radioactive materials incidents which included 10 lost/stolen radioactive materials, 1 potential overexposure, 2 high dose rate medical events, 3 damaged equipment/stuck sources, and 1 contamination event. Arizona dispatched inspectors for onsite follow-up for eight of the cases reviewed.

During the review period, three allegations were received by Arizona. The review team evaluated all three allegations, including one allegation that the NRC referred to the Agency, during the review period.

c. Evaluation

The review team determined that during the review period Arizona met the performance indicator objectives listed in Section 3.5.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona's performance with respect to the indicator, Technical Quality of Incident and Allegation Activities, be found satisfactory.

4.0 NON-COMMON PERFORMANCE INDICATORS

Four non-common performance indicators are used to review Agreement State programs: (1) Compatibility Requirements, (2) Sealed Source and Device (SS&D) Evaluation Program, (3) Low-Level Radioactive Waste (LLRW) Disposal Program, and (4) Uranium Recovery Program. The NRC's Agreement with Arizona does not relinquish regulatory authority for a uranium recovery program. Arizona has authority to conduct SS&D evaluations and regulate LLRW disposal, however, the State did not perform any activities related to these indicators during the review period. Therefore, only the first non-common performance indicator, Compatibility Requirements, applied to this review.

4.1 Compatibility Requirements

State statutes should authorize the State to establish a program for the regulation of agreement material and provide authority for the assumption of regulatory responsibility under the agreement. The statutes must authorize the State to promulgate regulatory requirements necessary to provide reasonable assurance of protection of public health, safety, and security. The State must be authorized through its legal authority to license, inspect, and enforce legally binding requirements, such as regulations and licenses. NRC regulations that should be adopted by an Agreement State for purposes of compatibility or health and safety should be adopted in a time frame so that the effective date of the State requirement is not later than three years after the effective date of NRC's final rule. Other program elements, as defined in Appendix A of State Agreements procedure SA-200, "Compatibility Categories and Health and Safety Identification for NRC Regulations and Other Program Elements," that have been designated as necessary for maintenance of an adequate and compatible program

should be adopted and implemented by an Agreement State within 6 months following NRC designation.

a. Scope

The review team used the guidance in State Agreements procedure SA-107, "Reviewing the Non-Common Performance Indicator: Compatibility Requirements," and evaluated Arizona's performance with respect to the following performance indicator objectives.

- The Agreement State program does not create conflicts, duplications, gaps, or other conditions that jeopardize an orderly pattern in the regulation of radioactive materials under the Atomic Energy Act, as amended.
- Regulations adopted by the Agreement State for purposes of compatibility or health and safety were adopted no later than three years after the effective date of the NRC regulation.
- Other program elements, as defined in SA-200 that have been designated as necessary for maintenance of an adequate and compatible program have been adopted and implemented within six months of NRC designation.
- The State statutes authorize the State to establish a program for the regulation of agreement material and provide authority for the assumption of regulatory responsibility under the agreement.
- The State is authorized through its legal authority to license, inspect, and enforce legally binding requirements such as regulations and licenses.
- Impact of sunset requirements, if any, on the State's regulations.

b. Discussion

Arizona became an Agreement State on May 15, 1967. The Program's statutory authority is located in Title 30, Chapter 4 of the Arizona Revised Statutes, "Control of Ionizing Radiation." The Agency is designated as Arizona's radiation control agency and implements the radiation control program.

Legislation was passed during the review period that the Agency believed could potentially have a significant effect on the Agency's ability to amend its current regulations or develop new ones. When the current Governor took office in January 2015, Executive Order 2015-01 was issued which placed a moratorium on all new rule development and required all Arizona agencies to review their current rules, and repeal any rules that were considered overly burdensome, antiquated, contradictory, redundant or nonessential. However, the Executive Order provided a limited list of justifiable reasons where rulemaking could take place, but only after written approval was received from the Governor's office. In March 2015, the Arizona legislature passed House Bill 2646 which effectively turned Executive Order 2015-01 into law. In January 2016, the Governor signed Executive Order 2016-003 renewing Executive Order 2015-001 which had expired on December 31, 2015.

While the Agency initially believed that the Executive Orders as well as the passage of House Bill 2646 would make it difficult to amend existing rules or create new ones, the Agency was able to work within the limited list of justifiable reasons for rule development to obtain authority from the Governor's office for ongoing rulemaking. As a result, there were no overdue regulation amendments at the time of the review.

Arizona statutes require the Agency to review all its regulations every 5 years. For each regulation, the Agency must describe the effectiveness of the regulation and provide the statutory authority under which regulation is issued. The Agency must also demonstrate that the regulation is consistent with other Agency regulations, and that the regulation is clear and understandable.

Current NRC policy requires that Agreement States adopt certain equivalent regulations or legally binding requirements no later than three years after the effective date of the NRC's regulations. The Arizona administrative rulemaking process normally takes between one and three years to complete. The public and NRC are offered an opportunity to comment during the process. Comments are considered and incorporated, as appropriate, before the regulations are finalized and approved.

During the 2012 IMPEP review period, the Agency submitted 12 final rule amendments and 1 legally binding license condition to the NRC for review. All 12 of the amendments were overdue for adoption at the time of submission to the NRC for a regulation review. Further, the Agency had eight additional amendments that were overdue for adoption, and not yet in process. Over the 2012 review period, the State enacted a moratorium on rulemaking (January 2009 through June 30, 2012) which impeded rule development by the Agency. The 2012 IMPEP review team found this indicator to satisfactory, but needs improvement.

During the 2016 IMPEP review period, the Agency submitted 18 regulation amendments (10 final and 8 proposed) and 1 legally binding license condition to the NRC for review. Sixteen of these regulation amendments were overdue for adoption at the time of submission to the NRC. Of those 16 overdue amendments, 10 amendments were previously identified during the 2012 IMPEP as overdue. The eight regulations submitted to the NRC as proposed rules were adopted by Arizona in February 2016 and subsequently the Agency sent the final rules for these amendments to the NRC on April 19, 2016. Despite the late submission of rules for regulation reviews, the Agency was able to adopt all regulations due for adoption by the time of the 2016 IMPEP review. The 2015 - 2016 moratorium on all new rule development that was effected in early 2015 had placed a temporary halt on rule development (Executive Orders 2015-001 and 2016-003) by the Agency until the Agency demonstrated it met certain justifiable reasons (listed in the Executive Order) for rulemaking. The Agency is currently working on a regulation package that includes one amendment coming due later in 2016 and the two that are coming due in 2018. A complete list of NRC's regulation amendments can be found on the NRC website at the following address:
https://scp.nrc.gov/rss_regamendments.html.

c. Evaluation

The review team evaluated the changes that occurred between the 2012 and the 2016 IMPEP review periods. The review team found that while all but two amendments were promulgated late, the Agency was able to catch up on overdue regulation amendments and adopt all outstanding amendments prior to the 2016 review. During the evaluation process, the review team considered if this indicator should be found satisfactory or satisfactory, but needs improvement. In evaluating the seven regulation amendments that came due during the review period, the review team found the Agency had improved on its process and timeliness of rule adoption with only four of seven rules adopted less than 7 months overdue. In addition, the Agency had timely adoption of

rules due on March 19, 2016, and is developing the rules which are due later in 2016 and 2018. The review team determined the Agency has made progress over the 2016 review period and that it now meets the performance indicator objectives listed in Section 3.4.1.a.

d. Results

Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Arizona's performance with respect to the indicator, Compatibility Requirements, be found satisfactory.

5.0 SUMMARY

As noted in Sections 3.0 and 4.0 above, Arizona's performance was found satisfactory for all six performance indicators reviewed. The review team did not make any recommendations and there were no previous recommendations to address.

Accordingly, the review team recommends that the Program be found adequate to protect public health and safety and compatible with the NRC's program. Based on the results of the current IMPEP review, the review team recommends that the next full IMPEP review take place in approximately 4 years.

LIST OF APPENDICES

Appendix A IMPEP Review Team Members

Appendix B Inspection Accompaniments

APPENDIX A

IMPEP REVIEW TEAM MEMBERS

Name	Area of Responsibility
Bryan Parker, Region III	Review Team Leader Technical Quality of Incident and Allegation Activities
Randy Erickson, Region IV	Technical Staffing and Training Compatibility Requirements
Tyler Kruse, Minnesota	Technical Quality of Licensing
Todd Jackson, Region I	Status of Materials Inspection Technical Quality of Inspections Inspector Accompaniments

APPENDIX B

INSPECTION ACCOMPANIMENTS

The following inspection accompaniments were performed prior to the on-site IMPEP review:

Accompaniment No.: 1	License No.: 07-049
License Type: Industrial Radiography	Priority: 1
Inspection Date: 2/9/2016	Inspector: WY

Accompaniment No.: 2	License No.: 07-063
License Type: Nuclear Therapy (diagnostic & therapy)	Priority: 2
Inspection Date: 2/10/2016	Inspector: PK

Accompaniment No.: 3	License No.: 11-011
License Type: Nuclear Medicine	Priority: 3
Inspection Date: 2/11/2016	Inspector: DK

**Agenda for Management Review Board Meeting
June 30, 2016, 1:00 p.m. – 4:00 p.m. (ET), OWFN-17B04**

1. Announcement of public meeting. Request for members of the public to indicate they are participating and their affiliation.
2. MRB Chair convenes meeting. Introduction of MRB members, review team members, State representatives and other participants.
3. Consideration of the Arizona IMPEP Report.
 - A. Presentation of Findings Regarding Arizona's Program and Discussion.
 - Technical Staffing and Training
 - Status of Materials Inspection Program
 - Technical Quality of Inspections
 - Technical Quality of Licensing Actions
 - Technical Quality of Incident and Allegation Activities
 - Compatibility Requirements
 - B. IMPEP Team Recommendations.
 - Recommendation for Adequacy and Compatibility Ratings
 - Recommendation for Next IMPEP Review
 - C. MRB Consultation/Comments on Issuance of Report.
4. Request for comments from Arizona representatives, OAS Liaison, and State IMPEP team members.
5. Adjournment.

Invitees: Glenn Tracy, DEDMRT
Mary Spencer, OGC
Scott Moore, NMSS
David Lew, RI
Jack Priest, MA, OAS
Bryan Parker, RIII
Randy Erickson, RSAO/RIV
Todd Jackson, RI
Tyler Kruse, MN

Dan Collins, NMSS
Pamela Henderson, NMSS
Paul Michalak, NMSS
Lisa Dimmick, NMSS
Lizette Roldan-Otero, NMSS
Karen Meyer, NMSS
Michelle Sampson, OEDO
Aubrey Godwin, Arizona
Brian Goretzki, Arizona