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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, Deputy Director
Office of Nuclear Material Safety
and Safeguards

John B. Giessner, Director
Division of Nuclear Materials Safety
NRC Region III

FROM: Lisa C. Dimmick, Senior Health Physicist */RA/*
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SUBJECT: MINUTES: JUNE 16, 2016 RHODE ISLAND
MANAGEMENT REVIEW BOARD MEETING

Enclosed are the minutes of the Management Review Board (MRB) meeting held on June 16, 2016, for the Rhode Island Agreement State program. If you have comments or questions, please contact me at (301) 415-0694.

Enclosure:
MRB Meeting Minutes

cc: Angela Leek, IA
Organization of Agreement States
Liaison to the MRB

Management Review Board Members

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MINUTES: MANAGEMENT REVIEW BOARD MEETING OF RHODE ISLAND
June 16, 2016

The attendees were as follows:

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

Glenn Tracy, MRB Chair, OEDO
Mary Spencer, MRB Member, OGC
Scott Moore, MRB Member, NMSS
Dan Collins, NMSS
Lisa Dimmick, NMSS

Paul Michalak, NMSS
Duncan White, NMSS
Sara Lopas, NMSS
Karen Meyer, NMSS

By videoconference:

Jack Giessner, MRB Member, Region III
Donna Janda, Region I
Jim Trapp, Region I

Michelle Beardsley, Team Leader, NMSS
Shawn Seeley, Region I

By telephone:

Angela Leek, MRB Member, MA, OAS
Seema Dixit, Rhode Island
Kathy Modes, NMSS
Beth Schilke, Team Member, VA
Lizette Roldan-Otero, NMSS

Charma Waring, Rhode Island
Bill Dundulis, Rhode Island
Dennis Klaczynski, Rhode Island
Douglas Shearer, member of the public

1. **Convention.** Ms. Lisa Dimmick convened the meeting at 1:00 p.m. (ET). She noted that this Management Review Board (MRB) meeting was open to the public. Ms. Dimmick then transferred the lead to Mr. Glenn Tracy, Chair of the MRB. Introductions of the attendees were conducted.

2. **Rhode Island IMPEP Review.** Ms. Michelle Beardsley, Team Leader, led the presentation of the Rhode Island Integrated Materials Performance Evaluation Program (IMPEP) review results to the MRB. She summarized the review and the team's findings for the six indicators reviewed. The on-site review was conducted by a review team composed of technical staff members from the NRC and the Commonwealth of Virginia during the period of March 7–10, 2016. A draft report was issued to Rhode Island for factual comment on April 11, 2016. Rhode Island responded to the review team's findings by letter dated May 10, 2016. Ms. Beardsley reported that the team found the Rhode Island Agreement State Program (the Program) satisfactory for four of six performance indicators reviewed, and satisfactory, but needs improvement for the indicator, Technical Staffing and Training, and unsatisfactory for the performance indicator, Status of the Materials Inspection Program. The review team did not make any new recommendations and determined that all of the recommendations made during the 2011 IMPEP except one regarding the indicator, Status of the Materials Program be closed. The team recommended that the Rhode Island program be found adequate to protect public health and safety, but needs improvement, and compatible with the NRC's program.

3. Performance Indicators.

Ms. Beardsley presented the common performance indicator, **Technical Staffing and Training**, which was reviewed by Monica Ford. Her presentation corresponded to Section 3.1 of the proposed final IMPEP report. Based on the criteria in Management Directive (MD) 5.6 the team recommended to the MRB that Rhode Island's performance with respect to the indicator, Technical Staffing and Training, be found satisfactory, but needs improvement. The review team recommended this finding based on these specific criteria: (1) some staff turnover could adversely affect the program, (2) some vacant positions were not readily filled during the review period, and (3) there was some evidence of a lack of management attention or actions to deal with staffing problems during the review period. The Program has had two vacant staffing positions at the time of this review as well as staffing vacancies since 2008. The staff vacancies have resulted in a backlog of licensing renewal actions, poor tracking of inspection due dates leading to 27 percent of inspections being performed overdue during the review period, and missing documentation in the Program's licensing and inspection files. The team was able to close the previous recommendation under this indicator in that it was determined the Program developed a new training and qualification procedure which is compatible to the NRC's Inspection Manual Chapter (IMC) 1248, "Formal Qualifications Program for Federal and State Materials and Environmental Management Programs" and has provided it to staff going through the qualification process. Additionally, the Program has updated inspector and license reviewer qualification cards to document what items each inspector/license reviewer is qualified to perform. The MRB discussed the staffing problems that have existed since 2008. Rhode Island indicated that management attention to staffing was lacking, but management has been focusing on staffing over the last 10 months and will continue to assess workloads. Subsequent to the onsite review, Rhode Island hired one technical staff and one support staff. In addition, Rhode Island management is evaluating for gaps in training of qualified staff. The MRB agreed that Rhode Island's performance met the criteria for a "satisfactory" but needs improvement rating for this indicator and that the recommendation regarding the Program's training and qualification program should be closed. The MRB discussed review team's observations of missing licensing and inspection documents as well as errors in the inspection tracking system which were determined to be attributed to the long standing staffing vacancies. Therefore, the MRB recommended that the Program management take measures to ensure proper documentation of inspection tracking dates and ensure the Program's licensing and inspection files are complete.

Ms. Beardsley presented the common performance indicator, **Status of Materials Inspection Program**, which was reviewed by Monica Ford. Her presentation corresponded to Section 3.2 of the proposed final IMPEP report. Based on the IMPEP evaluation criteria in MD 5.6, the review team recommends that Rhode Island's performance with respect to the indicator, Status of the Materials Inspection Program, be found unsatisfactory. The review team based its finding on the criteria in the MD 5.6 which states that an unsatisfactory finding should be considered when more than 25 percent of Priority 1, 2 and 3 inspections exceed the frequencies in NRC Inspection Manual Chapter 2800. Of the 41 Priority 1, 2 and 3 inspections conducted during the review period, 11 inspections were completed overdue. The team calculated that the Program performed 27

percent of its inspections overdue during the review period. This indicator was also found unsatisfactory in the prior review with 28 percent of inspections conducted overdue. The review team determined that poor inspection tracking was a main contributor to the Program performing inspections overdue for the current review period. Therefore, the team determined that the previous recommendation regarding overdue inspections remain open. Additionally, the Program could not produce any documentation to support completing reciprocity inspections in calendar year 2014. Therefore, Rhode Island did not meet the criteria of inspecting greater than 20 percent of candidate licensees for reciprocity. The MRB discussed the history of overdue inspections. The MRB discussed with the Rhode Island management the actions taken by the Program to improve in the area of overdue inspections. Rhode Island indicated the causal factors for the overdue inspections as being tracking process of inspections and staffing shortages. Rhode Island believes it is now trending positive for timeliness of inspections. There are currently no overdue inspections. Rhode Island indicated that it has added controls to flag inspections coming due and the new staff hired since the onsite review will provide relief to workload. The MRB agreed that Rhode Island's performance met the criteria for an "unsatisfactory" rating for this indicator and agreed the recommendation from the 2011 IMPEP review concerning the timeliness of inspections should remain open.

Ms. Beardsley reviewed and presented the common performance indicator, ***Technical Quality of Inspections***. Her presentation corresponded to Section 3.3 of the proposed final IMPEP report. Based on the criteria in MD 5.6, the review team recommended to the MRB that Rhode Island's performance with respect to the indicator, Technical Quality of Inspections, be found satisfactory. The review team determined through evaluation of inspection casework files and during accompaniments of the Program's two inspectors, that inspections covered all health and safety aspects of the licensees' programs. The team was able to close the previous three recommendations as follows:

Recommendation concerning inspection reports--Status:

The team's review of inspection casework demonstrated that inspection records and narrative reports were documented in accordance with the Program's inspection manual including the focus areas examined, sufficient information to support cited violations, identification of non-cited violations, closed violations that were identified during the previous inspection, and succinct description of the scope of the program.

Recommendation concerning inspection accompaniments--Status:

The review team determined that the Program supervisor or designated senior staff member performed an accompaniment of each inspector at least annually for each year of the review period.

Recommendation concerning security related inspections--Status:

The review team determined through observations of inspector performance and examination of inspection casework that the Program conducted initial and subsequent security related inspections which verified licensee compliance with the requirements.

The MRB agreed that Rhode Island's performance met the criteria for a "satisfactory" rating for this indicator and agreed the recommendations from the 2011 IMPEP review discussed above should be closed.

Ms. Beth Schilke reviewed and presented the common performance indicator, **Technical Quality of Licensing Actions**. Her presentation corresponded to Section 3.4 of the proposed final IMPEP report. Based on the IMPEP evaluation criteria in M. D. 5.6, the review team is recommending to the MRB that the indicator, Technical Quality of Licensing Actions, be found satisfactory. In making that determination, the review team evaluated 15 licensing actions conducted by Rhode Island's program including new licenses, renewals, amendments, and terminations. These actions were found to be complete, consistent and of high quality. Current guidance is used for all licensing actions. The team noted that the Program has 13 overdue renewals, ranging from 1 month to 14 years overdue. The Program attributes the backlog to staffing vacancies. Interviews with the staff confirmed that these renewals were evaluated for any health and safety concerns upon receipt. Further, contact with the licensees is maintained on an annual basis, and confirmation of the applicability of the material submitted would be acquired from the licensees prior to completing the renewal requests to ensure the information is current. The MRB agreed that Rhode Island's performance met the criteria for a "satisfactory" rating for this indicator. The MRB discussed the overdue license renewals. Given that 28 percent of the Program's licenses are under timely renewal ranging from several months to 14 years, the MRB recommended that Program management develop and implement an action plan to reduce the licensing renewal backlog.

Ms. Beardsley reviewed and presented the common performance indicator, **Technical Quality of Incident and Allegation Activities**. Her presentation corresponded to Section 3.5 of the proposed final IMPEP report. Based on the IMPEP evaluation criteria in M.D. 5.6, the review team recommended to the MRB that Rhode Island's performance with respect to the indicator, Technical Quality of Incident and Allegation Activities, be found satisfactory. The team examined the Program's incident and allegation case files and interviewed the Program's inspectors and determined that all incidents and allegations were properly reviewed, investigated, dispositioned and documented. The MRB agreed that Rhode Island's performance met the criteria for a "satisfactory" rating for this indicator.

Ms. Beardsley presented the non-common performance indicator, **Compatibility Requirements** which was reviewed by Monica Ford. Her presentation corresponded to Section 4.1 of the proposed final IMPEP report. Based on the IMPEP evaluation criteria in MD 5.6, the review team recommended that Rhode Island's performance with respect to the indicator, Compatibility Requirements, be found satisfactory. The review team was able to close the previous recommendation on timely adoption of regulation amendments. The team found that the Program has adopted all regulations that are currently due for purposes of compatibility. At the time of the review, there were no regulation amendments overdue for adoption. Additionally, the Program adopted all regulation changes that were required to be adopted during the review period within the required three year time frame. The MRB agreed that Rhode Island's performance met the criteria for a "satisfactory" rating for this indicator and agreed that the recommendation from 2011 IMPEP review on the adoption of regulations should be closed.

- 4. MRB Consultation/Comments on Issuance of Report.** Based on the results of the current IMPEP review, the review team recommended that the next full IMPEP review take place in approximately 4 years, the period of monitoring continue, and periodic meetings be held 1 year from this review with a second meeting approximately 18 months after the first periodic meeting to monitor the Program's progress in staffing and training, and the timely performance of inspections according to the IMPEP criteria. The MRB discussed if the next IMPEP should occur in 3 years instead of 4 years given the Rhode Island's chronic challenges with staffing and overdue inspections. The MRB noted that the Technical Staffing and Training indicator had declined from satisfactory to satisfactory but needs improvement in the 2016 review, and the Status of the Inspection Program was found unsatisfactory in 2011 and 2016. The MRB voted 3 to 2 to keep the next IMPEP review in 4 years with the caveat that the periodic meeting in one year would include a focused discussion on the actions taken by Rhode Island to address the recommendations and that following the periodic meeting in one year consideration will be given to the timing of the next IMPEP review. Overall, the Rhode Island Agreement State Program was found adequate to protect public health and safety, but needs improvement, and a compatible with the NRC's program. The final IMPEP report for Rhode Island can be found in the NRC's Agencywide Documents Access and Management System using the Accession Number ML16174A024.
- 5. Precedents/Lessons Learned.** None applicable to this review
- 6. Comments from the Public.** A member of the public expressed opinions on the training, staff levels, and job performance of the Rhode Island Agreement State Program. This member of the public has engaged the NRC separately concerning his opinions on the Rhode Island program.
- 7. Adjournment.** The meeting was adjourned at approximately 3:35 p.m. (ET)