



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

**OFFICE OF THE  
INSPECTOR GENERAL**

October 2, 2017

**MEMORANDUM TO:** Victor M. McCree  
Executive Director for Operations

**FROM:** Dr. Brett M. Baker */RA/*  
Assistant Inspector General for Audits

**SUBJECT:** AUDIT OF THE U.S. NUCLEAR REGULATORY  
COMMISSION'S OVERSIGHT FOR ISSUING  
CERTIFICATES OF COMPLIANCE FOR RADIOACTIVE  
MATERIAL PACKAGES (OIG-17-A-21)

**REFERENCE:** DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS,  
WASTE, RESEARCH, STATE, TRIBAL, COMPLIANCE,  
ADMINISTRATION, AND HUMAN CAPITAL PROGRAMS,  
MEMORANDUM DATED SEPTEMBER 15, 2017

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated September 15, 2017. Based on this response, recommendations 1, 2, 3, and 4 are resolved. Please provide an updated status of the resolved recommendations by February 28, 2018.

If you have any questions or concerns, please call me at (301) 415-5915, or Sherri Miotla, Team Leader at (301) 415-5914.

Attachment: As stated

cc: R. Lewis, OEDO  
H. Rasouli, OEDO  
J. Jolicoeur, OEDO  
J. Bowen, OEDO  
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## Audit Report

# AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S OVERSIGHT FOR ISSUING CERTIFICATES OF COMPLIANCE FOR RADIOACTIVE MATERIAL PACKAGES

(OIG-17-A-21)

### Status of Recommendations

Recommendation 1: Conduct an analysis to develop the regulatory and technical bases for the Part 71 certificates of compliance term.

Agency Response Dated  
September 15, 2017:

Agree: The U.S. Nuclear Regulatory Commission (NRC) staff agrees with recommendation #1.

The staff, in consultation with the U.S. Department of Transportation, will conduct a technical and regulatory analysis to develop a basis for the duration of NRC-issued certificates of compliance for radioactive material packages. In developing the basis, staff will consider risk insights from existing studies performed on the transportation risk of spent fuel and solicit stakeholder input, including input from international counterparts. During the effort, staff will also look for process efficiencies consistent with the agency's principles of good regulation. Staff will use the sound technical and regulatory bases to establish an appropriate term for certificates of compliance for transportation packages.

Target Completion Date: September 2018.

OIG Analysis: The proposed actions meet the intent of the recommendation. OIG will close the recommendation after verifying that NRC has conducted an analysis and developed the regulatory and technical bases for the Part 71 certificates of compliance term.

**Status:** Resolved.

## Audit Report

### AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S OVERSIGHT FOR ISSUING CERTIFICATES OF COMPLIANCE FOR RADIOACTIVE MATERIAL PACKAGES

(OIG-17-A-21)

#### Status of Recommendations

Recommendation 2: Document and communicate to stakeholders NRC's analysis results identifying the bases for an appropriate term for Part 71 certificates of compliance.

Agency Response Dated  
September 15, 2017:

Agree: The NRC staff agrees with recommendation #2.

Upon completion of the analysis for Recommendation No. 1 above, the NRC will document the results and communicate the results to stakeholders. Staff will update internal guidance documents, as appropriate. Also, staff will use communication tools such as, placement in Agencywide Documents Access and Management System as publically available, posting on the NRC public web site, and presentation at the Division of Spent Fuel Management's annual Regulatory Conference to communicate the results to external stakeholders.

Target Completion Date: December 2018.

OIG Analysis:

The proposed actions meet the intent of the recommendation. OIG will close the recommendation after verifying that NRC has documented and communicated the result of the analysis for Recommendation No.1 to stakeholders.

**Status:**

Resolved.

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(OIG-17-A-21)

### Status of Recommendations

Recommendation 3: Establish sufficient internal controls by updating NRC guidance related to Part 72.48 review procedures.

Agency Response Dated September 15, 2017: Agree: NRC staff agrees with recommendation #3.

The staff is currently revising Division Instruction SFM-18, "Part 72 Guidance." This document provides Part 72 storage system guidance for Division of Spent Fuel Management project managers and technical reviewers. The procedure is being revised to reorganize and clarify the former guidance and to add new guidance. Included in the revision is a footnote that addresses the 72.48 Task Group Charter and the 72.48 Task Group Objectives. It also incorporates a Steering Committee at the Branch Chief level to provide guidance and direction to the 72.48 Task Group.

Target Completion Date: January 2018.

OIG Analysis: The proposed actions meet the intent of the recommendation. OIG will close the recommendation after verifying that NRC has completed revising Division Instruction SFM-18 and incorporated a Steering Committee at the Branch Chief level to provide guidance and direction to the 72.48 Task Group.

**Status:** Resolved.

## Audit Report

# AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S OVERSIGHT FOR ISSUING CERTIFICATES OF COMPLIANCE FOR RADIOACTIVE MATERIAL PACKAGES

(OIG-17-A-21)

### Status of Recommendations

Recommendation 4: Establish sufficient internal controls by developing and implementing training for Part 72.48 review process.

Agency Response Dated  
September 15, 2017:

The NRC staff agrees with recommendation #4.

The staff recently updated a training module for the Title 10 of the *Code of Federal Regulations* (10 CFR) 72.48 review process. This training module was part of an instructor-led training course piloted for Part 72 inspectors in 2012. The staff will use the 10 CFR 72.48 training module from the Part 72 course to provide instructor-led training to applicable project managers, technical reviewers, and inspectors. This instructor-led training is scheduled for completion by the target date.

Target Completion Date: May 2018.

OIG Analysis:

The proposed actions meet the intent of the recommendation. OIG will close the recommendation after confirming NRC has provided training using the 10 CFR 72.48 training module from the Part 72 course to applicable project managers, technical reviewers, and inspectors.

**Status:**

Resolved.