

Joint NRC/Agreement State Phase Two Materials Inspection Program Working Group

CHARTER

PURPOSE

To continue the efforts started in Phase One of the Materials Inspection Program Working Group (WG) that addressed Item 110 of Enclosure 1 of the Commission issued Staff Requirements Memorandum (SRM) SECY-16-0009, "Recommendations Resulting from the Integrated Prioritization and Re-baselining of Agency Activities." Specifically, Phase Two of the WG will conduct a more comprehensive evaluation of the U.S. Nuclear Regulatory Commission's (NRC's) materials inspection program to recommend and implement changes to the program that will not diminish the protection of public health and safety or security of licensed material. The purpose of Item 110 of Enclosure 1 of SRM SECY-16-0009 was to evaluate the allowance of more flexibility and logical extensions to the inspection interval of materials licensees.

BACKGROUND

On April 13, 2016, the Commission issued an SRM to SECY-16-0009, "Recommendations Resulting from the Integrated Prioritization and Re-Baselining of Agency Activities." This SECY was developed based on the SRM to SECY-15-0015, "Project Aim 2020 Report and Recommendations." In the SRM to SECY-15-0015, the Commission directed the NRC staff to perform a prioritization of all work activities across the agency and a one-time re-baselining of these work activities.

To more efficiently and effectively address the Commission direction in the SRM to SECY-16-0009 for Item 110, the NRC staff divided the WG's efforts into two phases: 1) to specifically address the items listed in the Commission paper; and 2) to conduct a more comprehensive evaluation of the entire materials inspection program.

Phase 1 of the project was completed with the issuance of a revision to Inspection Manual Chapter (IMC) 2800, dated September 12, 2017. An electronic copy of September 12, 2017, revision to IMC 2800 can be found in the NRC's Agencywide Document Access and Management System under Accession No. ML17186A204.

During a senior management counterpart meeting in April 2018, management from the Division of Materials Safety, Security, State, and Tribal Programs (MSST) and the Division of Nuclear Materials and Safety (DNMS) for Regions I, III, and IV met and finalized the Phase Two Project plan provided as an attachment to this charter.

The second phase of this project will include a complete revision of IMC 2800, "Materials Inspection Program," incorporating lessons learned and recommendations from Phase One and other audits and reports focused on the NRC's materials inspection program. This phase will also review and revise IMC 1220, "Processing of NRC Form 241 and Inspection of Agreement State Licensees Operating Under 10 CFR 150.20," and update how inspections are currently documented.

MEMBERSHIP

The Joint NRC/Agreement State WG operates under NRC Management Directive 5.3, “Agreement State Participation in Working Groups,” dated June 22, 2016. The lead organization for the WG is the Office of Nuclear Material Safety and Safeguards (NMSS). One WG will be formed, and a Project Manager (PM) will oversee all the WG task completions. The WG may invite additional representatives from other NRC offices, namely the Office of the General Counsel, the Office of Enforcement, the Office of International Programs, and the Office of Nuclear Security and Incident Response, to participate in certain team activities when requiring special expertise.

The following representatives will participate in the WG:

| Organization | Working Group Members |
|--|-------------------------------|
| NRC Region III Office/Division of Nuclear Materials Safety | Aaron McCraw, Co-Chair |
| Organization of Agreement States (OAS) | Augustinus Ong (NH), Co-Chair |
| NRC Region I Office/Division of Nuclear Materials Safety | Elizabeth Ullrich |
| NRC Region IV Office/Division of Nuclear Materials Safety | James Thompson |
| OAS | Brian Goretzki (AZ) |
| | Beth Schilke (VA) |

The PM for this WG is Anthony McMurtray. Current membership for the WG can be found on the NMSS public Web site (<https://scp.nrc.gov/workinggroup.html>). Membership information is updated quarterly.

OBJECTIVES

Based upon direction from NMSS management and the Directors of DNMS for the three regions with responsibility for executing the regional materials inspection program, this phase of the WG will focus on the listed priorities in the attached project plan. The WG will establish its own work plan and meeting schedule to meet the overall project objectives. The WG will periodically brief and solicit feedback from NMSS management and the DNMS Directors on the progress of the WG.

SCHEDULE

Beginning July 2018, the WG plans to review and update IMC 2800 and any other associated documents. Phase Two is estimated to be completed by May 2019.

LEVEL OF EFFORT

Members of the WG should expect to provide a substantial commitment to this project until its objectives are completed.

Staff should charge all work associated to the C-List items to “NB-NMU-OVERSIGHT-INSPECTION,” A34011.

In consideration of the planned schedule and approach for this WG, the materials program Full-Time Equivalents (FTE) estimate is 0.25 FTE.

MEETINGS

The WG will meet, as needed, to meet its objectives. The WG will use a combination of in-person meetings and remote participation (e.g., conferences calls, e-mail, SharePoint, GoToMeeting) tools to facilitate interaction within and among the team in pursuit of the completion of the objectives.

/RA Christian Einberg for/ ***6/28/2018***

Andrea L. Kock, Acting Director, NRC/NMSS/MSST Date

/RA/ ***6/28/2018***

David Turberville, Chair, OAS Date

SUBJECT: JOINT NRC/AGREEMENT STATE PHASE 2 MATERIALS INSPECTION
PROGRAM WORKING GROUP

ML18164A335

| OFC | NMSS/MSST | RIII/DNMS | OAS | NMSS/MSST | OAS | NMSS/MSST |
|-------------|------------|-----------|---------|-----------|--------------|-----------------------|
| NAME | AMcMurtray | AMcCraw* | A Ong* | THerrera | DTurberville | CEinberg for AKock |
| DATE | 6/13/18 | 6/13/18 | 6/21/18 | 6/22/18 | 6/28/18 | 6/28/18 |

OFFICIAL RECORD COPY

via e-mail *

Attachment

Phase 2 Project Plan

| High Priority Items |
|---|
| <p>Review overall inspection frequencies/priorities and descriptions in Enclosure 1</p> <ul style="list-style-type: none">• Review frequency of inspections to validate if they are reasonably risk-informed.• Address comment from Texas during Phase 1 on low-level waste discrepancy• Establish or suggest a mechanism to ensure program codes lists remain current and consistent between NUREG-1556 series, IMC 2800, and other docs. |
| <p>Review how inspections are currently documented. Coordinate with NMU Working Group.</p> <ul style="list-style-type: none">• Revise NRC Form 591M and Enclosure 6 to indicate when next inspection is extended for good performance.• Consider expanding use of NRC Form 591M (e.g., issued from office, in lieu of Encl. 6)• Consider eliminating extraneous information from Enclosure 6• Review IMC 0610 on use of narrative inspection reports• Establish consistency in availability of inspection reports |
| <p>Review efficiency of inspections of exempt distribution licenses</p> <ul style="list-style-type: none">• Explore alternatives such as telephone contacts, 274i Agreements with States, or turning over that authority to the existing Agreement States |
| <p>Enhance communications and overall inspection effort for multi-regional licenses to gain efficiencies</p> <ul style="list-style-type: none">• Establish a collaborative environment in which regions can proactively complete field office inspections within their geographic boundaries on behalf of other regions• Consider enhancements to WBL for long-term solution• Consider developing standing lists of facilities in other regions as short-term solution• Establish expectations for notification timeliness and support for fellow regions (i.e., completing other nearby inspections) when inspecting outside of home region |
| <p>Revise definition/requirement for “main office” to gain additional efficiency/flexibility</p> <ul style="list-style-type: none">• Eliminate need to inspect corporate mailing address if there is no program oversight significance• Consider allowing/expanding remote means of inspection (e.g., phone, email, video) at locations where radioactive materials are not stored or used, as appropriate |
| <p>Evaluate current inspection requirements for locations of use</p> <ul style="list-style-type: none">• Consider taking credit for temporary jobsite inspections in the required number of locations to be inspected• Reconsider number of locations for large license (i.e., is 20% not enough, just right, or too much?)• Consider aligning requirements with licensing fees bands (e.g., 1-5 sites, 6-20 sites, and >20 sites) |
| <p>Review and revise, as necessary, IMC 1220</p> <ul style="list-style-type: none">• Consider current requirements and impact on large geographical areas• Consider revising criteria for “core candidates” (ex., (1) a radiographer under reciprocity inspected in the previous year is not a candidate under current criteria, yet that radiographer would be inspected annually if specifically licensed in that jurisdiction, or (2) portable gauge licensees (and all other Priority 5 licensees) are excluded, yet there is a significant enforcement history for portable gauge licensees under reciprocity) |
| <p>Allow additional flexibilities for in-office review, such as escalated enforcement followup (e.g. remote followup), general enforcement, and/or reactive inspections with little to no H&S impact</p> |

Phase 2 Project Plan (cont.)

| Medium Priority Items |
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| <p>Revise Section 07.02 of IMC 2800 to provide guidelines on the timing of “special” inspection following significant expansion of program</p> <ul style="list-style-type: none">• Phase 1 revision added maximum flexibility by taking out an example that was creating confusion; however, this item was rated as medium priority because of perceived stakeholder interest |
| <p>Update Section 11.01 of IMC 2800 to reflect current practices for data entry into WBL</p> <ul style="list-style-type: none">• Alternatively, relocate to a separate, standalone document, such as a WBL user’s guide, that can be more easily revised (making it more of an internal data management process than part of the formal inspection program) |
| <p>Add more flexibility on supervisory accompaniments with particular emphasis on the frequency of accompanying more seasoned inspectors</p> <ul style="list-style-type: none">• Clarify expectations for accompaniments of part-time/occasional inspectors |