

## AGREEMENT STATE ANNUAL MEETING SUMMARY FOR TENNESSEE

DATE OF MEETING: MARCH 31, 1998

### ATTENDEES:

#### NRC

Richard L. Woodruff, RSAO, Region II  
Patricia Larkins, ASPO, OSP

#### STATE

Michael H. Mobley, Director, Division of Radiological Health (DRH)  
Edward L. Nanney, Deputy Director, DRH  
Johnny C. Graves, Manager, Licensing, Registration, and Planning, DRH  
John R. Sullivan, Manager, Inspection and Enforcement, DRH  
Debra G. Shults, Manager, Technical Services, DRH  
Mary Helen Short, Administrative Assistant Director, DRH

### DISCUSSION:

A meeting was held with the Tennessee representatives on March 31, 1998, in the DRH conference room. The topics listed in NRC letter dated January 27, 1998, to Mr. Mobley were discussed. Details for each area are discussed below.

#### Action on Previous Review Findings

The previous IMPEP review was conducted during the period of December 2-6, 1996. During this review, recommendations and suggestions were made to the State concerning the following indicators:

1. The team suggested that the State periodically remind licensees of the requirement to notify DRH before performing work within the State and verify that work has not been conducted within the State's jurisdiction (Section 3.1).

Status: A form letter was developed for out-of-state licensees to remind them of Tennessee's requirement for notification prior to working in Tennessee.

2. It is recommended that the State review the process for report issuance with the goal of increasing the timeliness of inspection report issuance (Section 3.1).

Status: The DRH has developed and implemented a revised policy for issuance of inspection reports and correspondence.

Enclosure

3. It is recommended that the State review the number of reciprocity inspections it is performing against the inspection goals established in MC 1220 (Section 3.1).

Status: The DRH has issued revised guidance to the technical staff regarding increased reciprocity inspections by priority of inspection, and has started tracking the inspections.

4. It was suggested that consideration be given to conducting accompaniments with the field office supervisors that are routinely performing inspections (Section 3.4).

Status: The DRH has implemented a revised program for accompaniments of field office supervisors that perform inspections by the DRH Enforcement Manager.

5. The review team suggests that the State revise their definition of "significant event" to be consistent with the definition provided in NRC guidance on reporting events, and which will provide uniformity in reporting events on a national basis (Section 3.5).

Status: The DRH revised the definition of "significant event."

6. The team suggested that the State revisit their procedures and determine if more formal notification procedures are needed with respect to notification of the CI of the actions taken and the results of the State's investigation (Section 3.5).

Status: The DRH revised the procedures for Complaints, Allegations, and Event Investigations.

7. "Quality Management Program and Misadministrations," 10 CFR Part 35 amendment (56 FR 34104) which became effective on January 27, 1992. The team recommended that the DRH continue to closely follow the development of NRC's compatibility policy and the revision of 10 CFR Part 35 and, depending on the outcome, take appropriate action on this rule (Section 4.1.2).

Status: The DRH is monitoring the development and status of 10 CFR Part 35 revision.

During this annual meeting, the NRC representative discussed the details of the State's actions taken in response to the recommendations. Based upon the discussions with Tennessee representatives, the actions taken as described in the State's letter dated August 1, 1997, have been implemented.

### Program Strengths and/or Weaknesses

In general, the Tennessee representatives related that their programs were strong with adequate support from the Department of Environment and Conservation, legislative support, stable sources of funding, adequate administrative support, legal support, good laboratory support, and well trained staff. No performance type weaknesses were identified by NRC during this meeting.

Specific areas were discussed as follows:

1. The Program has a history of providing a good training program for the staff members and the managers all have experience in their respective areas. The program utilizes the Technical Training Center for courses to the extent possible, since only State travel expenses are involved.
2. The DRH is being impacted by an extensive reengineering type of evaluation program that is being developed at the Department of Environment and Conservation level. The emphasis has been directed towards the development of more "permitting" and "enforcement actions" at the field office level, as compared with the DRH's current system for specific licensing and enforcement actions being taken out of the central Nashville office. The DRH has a senior technical manager assigned to this project to represent the Division. The Program Director related his concerns about the permitting type process, and we briefly discussed the adequacy and compatibility implications. The program will necessitate an overhaul of the regulations with the incorporation of regulatory guides and certain references into the Division's regulations. The time schedule for implementation is currently set for October of 1998. We discussed the Technical Assistance Request (TAR) process as a vehicle for obtaining an official NRC position concerning the permitting type process if needed by the State.
3. The DRH Program Director related that the DRH needs to continue efforts to upgrade their tracking system. New computers were being delivered at the time of the annual meeting.
4. The DRH Program Director related that no significant backlogs were being experienced in the materials program.
5. The DRH Program Director briefly discussed the Division's ongoing discussions and interactions with the Department of Energy (DOE) concerning regulatory issues associated with facilities controlled by DOE and/or contractors, and properties/facilities that are being privatized.

There were no weaknesses identified during the meeting.

### Status of Program and/or Policy Changes

There have been no significant changes in the organizational structure of the Division of Radiological Health since the 1996 IMPEP review. The Division is headed by the Director, Michael H. Mobley, and has three major technical areas: Licensing/Registration/Planning; Technical Services; and Inspection and Enforcement with Area (field) Offices located in Memphis, Chattanooga, Knoxville and Nashville. All materials licensing is performed out of the Nashville office, inspections are performed out of the Area offices, and State enforcement is initiated at the area office level with review by the area office manager and, if deemed appropriate by the field office, review by the Nashville central office management.

Personnel/Environmental monitoring, low-level waste management, standards, and emergency preparedness are organized under Technical Services. The Environmental laboratory is organized under the State Health Department (another Department) and provides support to the Division.

No major changes in the staffing plan are planned at this point.

The Program Director related that current fee system supports about 76 percent of the DRH budget.

The DRH currently has about 553 specific licenses, of which 52 licenses are considered to be major licenses.

### Impact of NRC Program Changes

The NRC representatives discussed NRC program changes that could impact the State, such as the 10 CFR Part 35 revision, and the current status of NRC's policies involving decommissioning of formerly licensed sites and NRC's training program.

In response to the discussions, the State representatives related that they did not expect the decommissioning of former NRC sites to have a significant impact on the DRH, and that the State would adopt regulations as needed after 10 CFR Part 35 has been revised.

The Technical Services manager related that the DRH was looking at the cost associated with the environmental program, that the major cost was in collecting the samples for analysis, and that consideration was being given to going to the Tennessee Valley Authority and Nuclear Fuel Services for compensation, but no package had been developed at that time.

### Internal program audits and self-assessments.

The managers reported that self-assessments were being accomplished through the use of the IMPEP training information and that the Memphis Area Supervisor had shared their experiences on IMPEP teams with the other staff and in planning for the previous IMPEP review. Peer reviews are conducted on all licenses issued, and all inspection reports receive at least one level of supervisory review. Enforcement letters receive the same type of reviews and are issued out of the field office. Feedback is also being provided to the inspectors through the

## Area Office

managers, the Inspection and Enforcement supervisor, and during training and inspector accompaniments. The reengineering project is also providing an internal assessment of the DRH program.

### Status of Allegations Previously Referred

The NRC allegation program was discussed in general with the State representatives. The Deputy Director related that their agency had very few allegations, that allegations were processed on a case-by-case basis, and that follow-ups were conducted as needed. A review of the allegations referred to

the State by the NRC Region II office indicated that there were no outstanding NRC issues related to the referrals, and that the State had been very responsive to the Regional requests when replies were needed to close out the allegations. The Program Director was informed that Region II had received another allegation that would be referred to his office, and that the State's actions would be followed up during the next meeting which will be an annual meeting planned for the fiscal year 1999.

### Nuclear Material Events Database (NMED) Reporting

A general discussion was held with the representatives concerning the NMED reporting system. Prior to this annual meeting, the ASPO prepared a report of events that had been placed in the NMED system, and the ASPO discussed the mechanism for reporting events, what events to report, the timeliness of reporting, and the revised Event Reporting Handbook that is being developed and will be provided to the States. The person assigned to reporting events into the NMED system left the program which has caused some delay in the Tennessee reporting process.

Tennessee representatives indicated that Tennessee will institute a policy of reporting incident details to NMED electronically on a monthly basis. The NRC representatives also requested that Tennessee report significant events directly to the NRC Operations Center. Further action is not needed on this issue except for routine monitoring of the system to assure good communication and flow of information as needed between concerned parties.

### Compatibility of State Regulations

The new compatibility policy was discussed in general with the State representatives, including the OSP's procedures for reviewing proposed State regulations. The RSAO had a general discussion with the staff person responsible for drafting and tracking regulations needed for adoption. The DRH has plans for updating their regulations later this year. The RSAO confirmed that the DRH is receiving NRC regulation changes as published and distributed, and the availability of the regulations on the NRC bulletin board was discussed.

### Schedule for the Next IMPEP Review

The State was informed that the next Tennessee review is currently scheduled for FY 2000. The NRC representative expressed his appreciation to the Program managers for Allen Grewe's participation in the IMPEP Program and the IMPEP teams. The Program Director expressed his opinion that the participation had helped their program in preparation for IMPEP reviews, that their program had benefited from the exchange of information received from other IMPEP team members and interactions with other programs during the reviews.

CONCLUSION:

The Tennessee program has good support from the Department of Environment and Conservation, good managers, and trained, experienced staff. By all indications (performance), the Tennessee program has the resources to be adequate to protect public health and safety, and compatible under the IMPEP criteria.

ACTION ITEMS:       None