

July 14, 2006

REDACTED VERSION FOR PUBLIC RELEASE

STAFF REQUIREMENTS - SECY-06-0125, "PROPOSED REORGANIZATION OF THE
OFFICES OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS AND STATE AND TRIBAL
PROGRAMS"

NOTE: The Staff Requirements Memorandum (SRM) associated with SECY-06-0125 - Proposed Reorganization of the Offices of Nuclear Materials Safety and Safeguards and State and Tribal Programs indicated that the "office titles, organizational changes, and functional statements for the proposed new ONMP and its three divisions should better reflect the roles of the Agreement States in the NMP and the importance of the intergovernmental liaison."

These areas continue to evolve based on interactions with internal and external stakeholders.

THE SECRETARIAT

REDACTED VERSION

June 16, 2006

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

Karen D. Cyr
General Counsel

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS - SECY-06-0125 - PROPOSED
REORGANIZATION OF THE OFFICES OF NUCLEAR
MATERIAL SAFETY AND SAFEGUARDS AND STATE AND
TRIBAL PROGRAMS

The Commission has approved the proposed reorganization of the Office of Nuclear Material Safety and Safeguards (NMSS) including a merger of a portion of NMSS with the Office of State and Tribal Programs (STP), subject to the comments provided below. The resulting functional alignment will provide for effective organizational focus on each of these major areas, including the Nation's evolving energy and fuel cycle strategy and the increasing contribution of the Agreement States in the regulation of radioactive materials. As proposed, the new Office of National Materials Program (ONMP) elevates the visibility of State and Tribal programs to a major program office level. The staff should remain engaged with the States to strengthen their roles in the NMP to make it a truly national program.

The office titles, organizational changes, and functional statements for the proposed new ONMP and its three divisions should better reflect the roles of the Agreement States in the NMP and the importance of intergovernmental liaison. The staff should further refine the draft revised functional statements (as attached) to clarify these points. The functional statements should be shared with State leadership in the Organization of Agreement States and the Conference of Radiation Control Program Directors to obtain their feedback on the new functional alignment.

The Commission has disapproved the proposed 17 unbudgeted positions for FY 2007. The staff should further refine organizational changes to keep the number of unbudgeted positions as close to zero as possible.

The Executive Director for Operations should provide a recommendation to the Commission on establishing a single, visible, high-level point of contact in OEDO for the Tribes.

The staff should develop a communication plan that is fully vetted with both NMSS and STP to rollout the reorganizations to staff, States, Tribes and other stakeholders. This plan should provide for engaging internal and external stakeholders, particularly the Department of Energy and the NRC's fuel cycle licensees and applicants, to emphasize the elevated importance of this dynamic area and the Commission's intent to maintain an effective, forward-looking focus

on the fuel cycle. The staff should also ensure that the organization moving to the new Executive Boulevard office space will have ample communication equipment and other infrastructure support, such as video-teleconference capability, and secure video-teleconference capability, to preclude the need to travel to the White Flint Complex for such services.

The staff should inform the Commission of the feedback from the States and the status of the above actions through a Commissioner Assistants briefing.

(EDO)

(SECY Suspense:

6/26/06)

Attachment: Proposed Function Statements for the Office of National Materials Program (ONMP)

cc: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield
Commissioner Jaczko
Commissioner Lyons
Jesse Funches
Jack Strosnider
Janet Schlueter
James McDermott

**PROPOSED FUNCTIONAL STATEMENTS
OFFICE OF NATIONAL MATERIALS PROGRAM (ONMP)**

The Office of National Materials Program (ONMP) is the program office within the U.S. Nuclear Regulatory Commission (NRC) which, in close partnership with other Federal agencies, Agreement States, Non-Agreement States, Native American Tribal governments, the public, and other stakeholders, implements NRC's responsibilities to regulate nuclear material. The creation of the ONMP reflects the changing responsibilities of the NRC and Agreement States as more states become Agreement States.

The ONMP, in cooperation with Agreement States, licensees, the public, and other stakeholders, develops and implements rules and guidance for the safe and secure use of source, byproduct and special nuclear material in industrial, medical, academic, and commercial activities, and at decommissioning, uranium recovery, low-level waste, and incidental waste sites. The ONMP also conducts rulemakings for NMSS and NSIR related to materials issues. Other specific regulatory functions within the ONMP include licensing, oversight, support for regulatory decision-making, and the resolution of safety issues resulting from assessments of operational experience. The ONMP develops policies and procedures for assessing the performance of licensing and inspection functions of NRC's Regions and Agreement States through the Integrated Materials Performance Evaluation Program. It is through this program that NRC exercises its oversight responsibility under Section 274 of the Atomic Energy Act, as amended, to ensure that the Agreement States maintain adequate and compatible radiation protection programs. The ONMP provides and updates guidance on licensing in the regions and provides direction on training priorities for materials licensing and oversight of the training program. The ONMP also presents testimony on technical and policy positions on certain matters arising before the Atomic Safety and Licensing Board (ASLBP) and supports research activities of the NRC's Office of Nuclear Regulatory Research. The ONMP coordinates environmental reviews under the National Environmental Policy Act for both it and NMSS. The ONMP is responsible for all safety and security interface issues between NRC and the Agreement States. The ONMP also coordinates with the NRC's Office of Nuclear Security and Incident Response on the necessary contingency planning and emergency response operations association with source, byproduct and special nuclear material under its purview. The ONMP fosters close coordination and cooperation between NRC, the Agreement States, non-Agreement States, local officials, other Federal agencies and Native American Tribal governments. The ONMP also participates in international activities as appropriate, in coordination with the Office of International Programs.

OFFICE OF NATIONAL MATERIALS PROGRAM (NMP)
Division of Industrial and Medical Nuclear Safety (IMNS)

Working with the Agreement States, the non-Agreement States, the NRC Regional Offices, licensees, and the public, structures and implements the National Materials Program to enable the safe use of radioactive materials in medical, industrial, and academic applications for beneficial civilian purposes. Oversees licensing, inspection, event response, allegation management, analysis of licensee performance and other regulatory activities for radioactive material licensed under the Atomic Energy Act of 1954, as amended, and the Energy Policy Act of 2005. Provides technical support and guidance to the States and Regions on licensing, inspection, and enforcement activities. Develops policy and procedures for assessing Regional performance of materials licensing and inspection activities and Agreement State adequacy and compatibility.

Coordinates closely with the Agreement States to plan and provide for compatibility in regulatory approaches. Reviews Agreement State programs for continued adequacy to protect public health and safety and compatibility with NRC's regulatory program through the Integrated Materials Performance Evaluation Program. Provides technical support for training of regional and Agreement State licensing and inspection staffs.

Incorporates information technology tools into the National Materials Program and manages the use of these tools to improve the safety and control of licensed and registered radioactive materials. Plans and coordinates all activities involving the Advisory Committee on Medical Uses of Isotopes. Manages agency programs for "exempt" use of radioactive material, generally-licensed device registration, and for evaluation of sealed sources and devices. Responds to allegations involving NRC licensees and manages allegations involving Agreement State programs.

Directs contingency and response operations dealing with accidents, events, and incidents under ONMP's responsibility. Implements the emergency preparedness and emergency response functions for materials regulated by ONMP.

Represents NRC in international activities in its area of responsibility in coordination with the Office of International Programs.

OFFICE OF NATIONAL MATERIALS PROGRAM (NMP)
Division of Waste Management and Environmental Protection (DWMEP)

Directs the NRC's program for the regulation of Decommissioning, Environmental Protection, Low-Level Waste (LLW) and Uranium Recovery in close coordination with other Federal agencies, States, Native American Tribal Governments, licensees, and the public. Oversees decommissioning and clean up of contaminated sites, safe management and disposal of LLW, uranium recovery activities, and guidance for ONMP and NMSS environmental compliance. Develops and implements the regulatory program under the Low-Level Radioactive Waste Policy Amendments Act of 1985 (LLRWPA), the Uranium Mill Tailings Radiation Control Act, the National Environmental Policy Act of 1969, the West Valley Demonstration Project Act, the Ronald Reagan Defense Authorization Act and implementation of the license termination criteria in Title 10, Code of Federal Regulations, Part 20. Serves as the focal point for implementing the NRC's materials, power reactor, and non-power reactor decommissioning programs. DWMEP through the Ronald Reagan Defense Authorization Act for Fiscal Year 2005 (NDAA) consults with DOE on its incidental waste determinations for selected sites and monitors DOE incidental waste disposal activities. Provides programmatic and technical support to Agreement States on uranium recovery issues. Serves as the NRC's lead for ensuring the safe implementation of the Department of Energy's (DOE's) Remedial Action Plans, for Title I sites under UMTRCA. Establishes policy and guidance for environmental reviews to ONMP, NMSS, and the regions. Prepares Environmental Impact Statements (EISs) for NMSS and ONMP licensing activities. Provides technical and programmatic support to the Federal Energy Regulatory Commission, Office of Energy Projects for the Federal Dam Safety Program.

Plans and coordinates activities, as appropriate, with the Advisory Committee on Nuclear Waste (ACNW) in areas of its responsibility. DWMEP provides technical support for training of regional and Agreement State staff in the areas of decommissioning, uranium recovery, and environmental compliance. Represents NRC in international waste management and decommissioning activities.

OFFICE OF NATIONAL MATERIALS PROGRAM (NMP)
Division of Intergovernmental Liaison and Rulemaking (DILR)

The Division of Intergovernmental Liaison and Rulemaking (DILR) establishes and maintains effective communications and working relationships between the NRC and States, local governments, other Federal agencies and Native American Tribal Governments. DILR serves as the primary contact for policy matters between NRC and these external groups. DILR ensures overall coordination of interactions on waste and materials. DILR keeps the NRC apprised of these groups' activities as they may affect NRC and conveys to NRC management these groups' views toward NRC policies, plans, and activities.

DILR provides guidance to states intending to become Agreement States and reviews new Agreements, in coordination with other NRC offices and the Regions, for Commission review and approval. DILR works in cooperation with Federal, State, and local governments, interstate organizations and Native American Tribal Governments to ensure that NRC maintains effective relations and communications with these organizations and promotes greater awareness and mutual understanding of the policies, activities, and concerns of all parties involved, as they relate to NRC and Agreement State regulated facilities. DILR coordinates information exchange to and from the NRC's Regional State Liaison Officers (RSLO) and Regional State Agreement Officers (RSAO) in support of the activities of the Office of the NMP. DILR maintains coordination and communication with the Governor-appointed State Liaison Officers in all 50 States on materials, waste, security and reactor program issues.

DILR develops, in consultation with the Agreement States, where appropriate, needed regulations for ONMP, NMSS and NSIR. DILR coordinates the review and planning of all rulemaking activities related to waste, materials, spent fuel transportation, storage or disposal and security in these subject areas and monitors and schedules rulemaking to ensure that rules are developed in the time frame specified by the Commission.