



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

January 22, 1997

The Honorable Ted Stevens, Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Senator Robert C. Byrd

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

January 22, 1997

The Honorable Bob Livingston, Chairman
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Representative David Obey



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

January 22, 1997

The Honorable Fred Thompson, Chairman
Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Senator John Glenn



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

January 22, 1997

The Honorable Dan Burton, Chairman
Committee on Government Reform and Oversight
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Representative Henry Waxman



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

January 22, 1997

The Honorable James M. Inhofe, Chairman
Subcommittee on Clean Air, Wetlands, Private
Property and Nuclear Safety
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Senator Bob Graham



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

January 22, 1997

The Honorable Dan Schaefer, Chairman
Subcommittee on Energy and Power
Committee on Commerce
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

cc: Ranking Member



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

January 22, 1997

The Honorable Charles A. Bowsher
Comptroller General of the United States
General Accounting Office
Washington, D.C. 20548

Dear Mr. Bowsher:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions



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

January 22, 1997

The Honorable Franklin D. Raines
Director, Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Raines:

I am enclosing a summary of actions taken by the Nuclear Regulatory Commission in response to recommendations concerning the NRC which were in reports issued by the General Accounting Office. This summary, which is required by Section 236 of Public Law 91-510, the "Legislative Reorganization Act of 1970," includes progress made on resolving and completing the recommendations since our last summary report submitted on January 3, 1996.

Sincerely,

Shirley Ann Jackson

Enclosure:
Summary of NRC Actions

SUMMARY OF NRC ACTIONS

RESPONSE TO GAO REPORTS

- | | | |
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GAO Report - NRC's Decommissioning Procedures and Criteria
Need to be Strengthened
May 1989
(GAO/RCED-89-119)

Recommendation No. 2 (Chapter 5)

The GAO report recommended that NRC ensure that licensees decontaminate their facilities in accordance with NRC's guidance before fully or partially releasing a site for unrestricted use.

NRC Response of September 26, 1989 and Current Update

The NRC agreed. Our response reported that licensees are required to decontaminate their facilities in a safe manner prior to release for unrestricted use. We expanded the scope of our confirmatory surveys to verify that licensees adequately decontaminate their facilities in accordance with NRC's guidance and criteria. Our inspectors and agency contractors have been trained and equipped to perform such verification surveys during closeout inspections to confirm the accuracy of the licensees' surveys. In addition, the NRC committed to revise existing guidance to clarify the scope and rigor of verification surveys conducted to ensure that licensees decontaminate their facilities in accordance with our guidance before the NRC fully or partially releases a site for unrestricted use. This guidance was published for interim use and comment as NUREG/CR-5849 in July 1992, and a notice of availability was published in the Federal Register (57 FR 33374).

The NRC staff is involved in a cooperative effort with DOE and EPA to develop a single site survey manual that could be used by all three agencies and patterned after the NUREG. This task will continue as NRC pursues rulemaking on radiological criteria for decommissioning. On August 22, 1994, the NRC published for public comment a proposed rule addressing radiological criteria for decommissioning. The comment period closed December 20, 1994. The schedule for completion of the final rule is early 1997. Survey guidance will be made available within one year of publication of the final rule.

This GAO recommendation remains open.

GAO Report - License Renewal Questions
for Nuclear Plants Need to be Resolved
April 1989
(GAO/RCED-89-90)

Recommendation (Chapter 7)

GAO recommended that the NRC (1) accelerate the schedule for developing license renewal regulations and stipulate the basis that will be used to evaluate renewal applications and the types of information needed to support a request, and (2) resolve the outstanding technical, environmental, and procedural uncertainties.

NRC Response of June 30, 1989 and Current Update

The Commission agreed that NRC should accelerate its efforts to resolve issues associated with license renewal and to resolve outstanding uncertainties.

The final license renewal rule, 10 CFR Part 54, was published in the Federal Register on May 8, 1995 (60 FR 22461) after completing rulemaking on an accelerated schedule. This amendment to the previous license renewal rule, published in 1991, simplified and clarified license renewal requirements. It also granted credit for many existing plant programs. Implementation and review guidance for the Part 54 Rule is under development. A draft Regulatory Guide (DG-1047), based on the license renewal rule, was issued on August 26, 1996 (61 FR 43792) for public comment. A working draft Standard Review Plan (SRP) for license renewal was placed in the Public Document Room on December 13, 1995, and will be updated and expanded in 1997. This SRP takes advantage of the technical agreements reached on previously reviewed reports from the nuclear industry.

A draft generic environmental impact statement (GEIS) and proposed revisions to 10 CFR Part 51 (NRC's environmental protection regulations) were issued for public comment on September 17, 1991. Over 130 comments were received. Comments from CEQ, EPA, and several state agencies questioned the basic concept of the rule to codify the GEIS conclusions, and, as a result, it was necessary to take extensive time to ensure appropriate coordination and agreement. These comments were resolved and a final GEIS and rule were issued on June 5, 1996 (61 FR 28467). However, based on public comments received on the final rule, the rule was revised to incorporate limited clarifying changes. The revised final rule was issued in December 1996. The NRC staff is developing a Regulatory Guide and Environmental Standard Review Plan to implement this rule. These documents are scheduled to be issued in draft about August 1997.

We consider this GAO recommendation closed.

GAO Report - Better Criteria and Data
Would Help Ensure Safety of Nuclear Materials
June 1993
GAO/RCED-93-90

Recommendation 2 (Chapter 2)

GAO recommended that the Chairman, NRC, should establish, "specific criteria and procedures for suspending or revoking an agreement-state program. Once NRC ensures the effectiveness of the NRC-regulated state program using the new performance indicators, it should take aggressive action to suspend or revoke any agreement-state program that is incompatible or inadequate with the performance indicators."

NRC Response of July 28, 1993 and Current Update

NRC agreed with GAO regarding the need to have specific procedures for suspension and termination of an agreement. On August 5, 1994, the NRC published for comment in the Federal Register (59 FR 40058) a draft policy statement on the Agreement State program, which establishes Agreement State program principles and describes the respective roles and responsibilities of the NRC and the States in administration of the Agreement State program. This draft policy describes NRC actions with regard to specific findings on the program and the termination and suspension of an Agreement State program. Attached to this policy are the draft NRC internal procedures for suspension, emergency suspension, and termination of a Section 274b agreement for public comment. The comment period closed for this draft policy statement on December 19, 1994.

The NRC staff analyzed the comments and submitted the proposed final policy and procedures to the Commission on May 5, 1995. The Commission approved, in principle, the policy statement on June 29, 1995, with stipulations. The Commission deferred implementation of the policy statement until additional implementing procedures are developed and approved by the Commission.

The staff completed the procedures for suspension, emergency suspension, and termination, and provided these final procedures to the Commission in a memorandum from the EDO dated April 25, 1996.

We consider this GAO recommendation closed.

GAO Report - Nuclear Regulation
Action Needed to Control Radioactive Contamination
at Sewage Treatment Plants
May 1994
(GAO/RCED-94-133)

Recommendation No. 1

Determine the extent to which radioactive contamination of sewage sludge, ash, and related byproducts is occurring.

NRC Response of August 22, 1994 and Current Update

The NRC is continuing to evaluate the extent to which radioactive contamination of sewage sludge, ash, and related byproducts is occurring. Initial results of NRC inspections and research analysis conducted in the mid-to late-1980s indicated that the problem was limited to only a few treatment plants that served licensees engaged in certain well-defined activities. As a result, NRC regulations (10 CFR Part 20) were revised in 1991 to prohibit the discharge of liquids containing insoluble radioactive waste materials that tended to settle out of the sewage water.

In addition to the changes to our regulations, in 1993 we initiated additional studies to understand the complexities of radioactive material reconcentration, such as the possible effects of implementation of state-of-the-art sewage treatment technologies on materials that, under traditional treatment methods, did not reconcentrate. In an October 11, 1994 letter, NRC and EPA notified water and radiological officials of all States of the potential for reconcentration of radioisotopes in sanitary sewer systems.

Currently, NRC is working with EPA and other interested parties to develop a national approach for ensuring the protection of treatment workers and the public. Through the Interagency Steering Committee on Radiation Standards, NRC and EPA are currently developing a national survey of sewage treatment plants to assess the extent of radioactive contamination in sludge, ash, and byproducts. A pilot survey of nine facilities is underway, with the full survey scheduled for 1997 after OMB approval is received. In addition, NRC and EPA are developing guidance on radioactive material in sewer sludge, ash, and byproducts, including acceptable levels of radioactivity in these materials. NRC and EPA plan to issue a draft of the guidance in 1997.

The NRC received a number of comments in response to an Advance Notice of Proposed Rulemaking, published in the Federal Register in February 1994, soliciting information and suggestions in the area of sewer disposal of radioactive materials. The NRC staff is evaluating these responses, as well as information obtained from contracting efforts to evaluate the potential for radioactive material to concentrate in sewage sludge. The staff will develop a more realistic model to evaluate the sewer pathway after results of the sewage survey are available. The staff will determine whether revision to Part 20 is needed after completion of the modeling work.

This GAO recommendation remains open.

Recommendation No. 3

Establish acceptable limits for radioactivity in sludge, ash, and related by-products to ensure the health and safety of treatment workers and the public.

NRC Response

NRC agrees that it is important to have acceptable limits for radioactive materials in sludge, ash, and related by-products. We will continue to work with EPA and sewerage operators to develop a national approach to this issue and to ensure adequate protection of the public health and safety.

NRC already has begun to solicit comments on policy issues associated with the release of radioactive materials to sanitary sewers (see 59 FR 9146). In addition, rulemaking efforts are now ongoing to evaluate the question of generally applicable release limits for slightly radioactive materials (i.e., contaminated sludge and ash that are produced continuously and which may have cumulative dose effects when regularly placed in landfills). These efforts include the use of computer models to evaluate the possible pathways of migration of contaminants in the environment. We also intend to address the possible uses of the slightly contaminated sludge and ash in commercial products, such as fertilizers, and the dose effects of these uses.

In any rulemaking activities associated with release of radioactive materials to sewers, the NRC will consider the various pathways whereby the public could receive a radiation dose, including doses due to exposure to radioactivity in sludge and ash. The NRC will consider rulemaking in this area after completing its analysis of the results of EPA's sewage survey, which is currently scheduled to be conducted in 1996-1997.

This GAO recommendation remains open.

GAO Report - Uranium Mill Tailings:
Cleanup Continues, But Future Costs Are Uncertain
December 1995
(GAO/RCED-96-37)

In its report entitled "Uranium Mill Tailings: Cleanup Continues, But Future Costs Are Uncertain" (GAO/RCED-96-37; December 1995), the U.S. General Accounting Office (GAO) provided the U.S. Nuclear Regulatory Commission with several recommendations concerning the development of an accurate cost estimate for the long-term care and monitoring of uranium mill tailings sites. Specific actions that NRC has undertaken to address these recommendations are discussed below.

Recommendation 1

The GAO recommended that NRC consult with the U.S. Department of Energy (DOE) to develop an accurate estimate of costs for long-term maintenance and monitoring of uranium mill tailings sites.

NRC Actions

NRC has been undertaking a number of steps to ensure an accurate cost estimate for long-term maintenance and monitoring of uranium mill tailings sites. Because it recognizes that DOE is the likely governmental agency to conduct this maintenance and monitoring, NRC has made an active effort to consult with and to involve DOE in these actions.

Among the activities being pursued are: (1) regular meetings between NRC, DOE, and uranium recovery industry representatives to discuss issues affecting the long-term funding requirements; (2) DOE staff participation in NRC site inspections and site-specific licensing meetings; and (3) NRC/DOE consultation on the development of Long-Term Surveillance Plans (LTSPs), in which DOE outlines the necessary long-term maintenance and monitoring to be conducted at the specific sites coming under its control. Through these interactions, NRC and DOE have gained a better understanding of the level of activities required for long-term care of uranium mill tailings sites. This, in turn, leads to a more accurate cost estimate to conduct these activities. In fact, DOE has been able to substantially reduce the costs of its annual site inspection activities through various proactive measures, such that NRC's and DOE's estimated costs for annual site surveillance activities now compare favorably.

In addition, NRC and DOE are in the process of completing a protocol that will outline how the two agencies will work together in completing NRC license terminations and the subsequent site transfers to DOE. Included in this protocol is an agreement for NRC to consult with DOE in determining long-term care fees. This approach was successfully implemented in June 1996 for the termination of the license for the Tennessee Valley Authority's (TVA's) Edgemont, North Dakota, site.

Finally, NRC has completed a staff procedure addressing the termination of uranium mill licenses (see Attachment 1). Part of this procedure provides guidance on how to determine the long-term maintenance and monitoring fee, including consultations with DOE.

In summary, NRC, in cooperation with DOE, has made considerable progress in developing an accurate estimate of costs for long-term care of uranium mill tailings sites. A final working protocol is expected by the end of December 1996.

NRC believes that it does not have to take any further action to address this recommendation.

Recommendation 2

The GAO recommended that NRC update its minimum one-time charge for basic long-term surveillance of uranium mill tailings sites.

NRC Actions

Since NRC's initial report on this subject, provided by letter dated February 15, 1996, NRC and DOE have continued to work together to determine what an acceptable minimum one-time charge would be for the long-term surveillance of uranium mill tailings sites. This minimum charge is based on the cost of conducting annual site inspections.

By letter dated November 7, 1996 (see Attachment 2), DOE informed NRC that it had estimated the annual cost of site surveillance to range from \$6000 to \$9600 per site. DOE further stated in this letter that it believed its cost estimates agreed favorably with NRC's own estimate of \$4600 to \$8100 per site per year. In addition, DOE noted that it expected that additional savings could be achieved when multiple sites in the same general area are inspected, and if the frequency of annual detailed inspections are reduced.

It appears that the major difference between NRC's and DOE's estimates is related to the number of inspectors assumed to conduct the annual inspection. When NRC developed its cost estimate, it assumed that the inspections would be conducted by a single inspector; however, because of the remoteness of the sites involved, DOE believes that a second inspector is necessary in case of an accident or emergency. Although NRC does not necessarily disagree with this position, NRC views this portion of the DOE estimate as a cost that is not required by NRC. In SECY-90-282, "Amendments to 10 CFR Part 40 for General Licenses for the Custody and Long-Term Care of Uranium and Thorium Mill Tailings Disposal Sites," the staff stated in response to a comment on the proposed rule that:

"... if the long-term licensee desires to have requirements in the LTSP that are over and above those of Appendix A, the charge to the existing licensee would not be affected."

Because the use of two inspectors is something that DOE believes is necessary, but is not required by NRC, the above NRC position would require that DOE incur the additional cost associated with a second inspector. The cost of a second inspector, spending 20 hours participating in an inspection, is approximately \$2300, based on the current NRC fee charge of \$116 per hour. If the DOE estimate is further reduced by this amount, the NRC and DOE costs are completely in agreement.

Finally, as noted in NRC's response to the first GAO recommendation, in June 1996, NRC terminated the license for the TVA Edgemont, North Dakota, site, and placed the site under long-term licensing. This was the first Title II site licensed for long-term care. In calculating what the appropriate long-term care fee was for the site, NRC worked closely with DOE to ensure that DOE's input was considered in determining the long-term surveillance fee. Based on this work, both NRC and DOE concluded that the minimum long-term care fee was acceptable for that site.

Therefore, based on: (1) DOE's work to reduce its cost for long-term site inspections; (2) the close agreement of both NRC's and DOE's cost estimates for long-term care; and (3) the acceptance of the minimum long-term care fee for the TVA Edgemont site, NRC believes that it has responded to the recommendation provided in the GAO report.

NRC believes that it does not have to take any further action to address this recommendation.

Recommendation 3

The GAO recommended that NRC determine if routine maintenance will be required at each uranium mill tailings site turned over to the Federal government for long-term care.

NRC Actions

In its letter dated February 15, 1996, NRC agreed with this recommendation and noted that determinations on the need for routine maintenance must be made on a site-by-site basis. NRC's response stated that there were essentially three ways that NRC would be able to determine if routine maintenance were needed:

1. NRC review of the tailings impoundment design. This review ensures that if natural phenomena, such as vegetation growth or rodent infestation, are not considered in the design, or if an alternative design requires routine maintenance, any necessary maintenance activities to address these circumstances are taken by the long-term custodian at the site. The costs for the maintenance would need to be incorporated into the one-time minimum costs.
2. NRC and licensee observation of the performance of the as-constructed tailings impoundment design. If degradation of the completed impoundment occurs, the licensee would be required to fix the degradation before its NRC license is terminated. In addition, NRC would require that the licensee provide additional funding to account for this type of long-term maintenance once the site is placed in the perpetual care of the long-term custodian.
3. NRC review of the monitoring and maintenance activities contained in the site-specific LTSP. Because DOE outlines in the LTSP the activities it would need to undertake for long-term care of the site, the LTSP provides NRC with additional information to ensure that long-term

funding is appropriately increased to account for any routine maintenance at the site.

NRC believes that it does not have to take any further action to address this recommendation.

Attachments:

1. "Guidance to the NRC Staff on the License Termination Process or Conventional Uranium Mill Licensees"
2. November 7, 1996 letter from Mr. George J. Rael (DOE) to Mr. Joe Holonich (NRC), Subject: Estimate of Cost for Annual Site Inspections at UMTRCA Title II Uranium Mill Sites