



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

November 7, 1996

Mr. Robert Hallisey, Director
Radiation Control Program
Department of Public Health
305 South Street, 7th Floor
Jamaica Plain, MA 02130

Dear Mr. Hallisey:

This is to advise you of the status and progress of the request by Governor Weld for an Agreement between the NRC and the Commonwealth of Massachusetts. The NRC staff has evaluated the request against the criteria contained in the Commission's policy statement, and forwarded to the Commission a recommendation that the request be published as required by Section 274e of the Atomic Energy Act of 1954, as amended. We are also continuing to coordinate with you the resolution of any remaining questions and issues as they are identified. The status of three of these issues is discussed below.

First, efforts will be made to limit the financial impact on Massachusetts licensees by coordinating, to the extent possible, the billing by NRC of licensing fees with your billing of fees for the coming fiscal year. You have discussed this with NRC staff, and there are no further questions at this time.

Second, as discussed in the telephone call on October 30, 1996, it is possible that not all of the activities required for termination of the license at the Texas Instruments SDMP site will be completed before the Agreement becomes effective. In our earlier discussions, it was anticipated that these activities would be completed and the license would be terminated by NRC. However, if the license has not been terminated at the time the Agreement becomes effective, NRC will transfer regulatory authority over this site to Massachusetts, and will work with you to complete the license termination. We understand that you agree with this approach.

Third, during the telephone call on October 30, 1996, we advised you that NRC staff is continuing to address issues regarding Nuclear Metals, Inc. (NMI), particularly the establishment of financial assurance for decommissioning. We indicated that if an enforcement action were taken, it would be necessary to delay the transfer of regulatory authority over this licensee, and that to do so, it would be necessary to amend the text of the Agreement. You requested that we consider options to amending the text of the Agreement.

NRC staff, in consultation with the Office of the General Counsel, has reconsidered this matter and concluded that the transfer of regulatory authority over NMI will not be delayed. Therefore, no change will be required to the Agreement. NRC staff is continuing to evaluate procedural options with regard to NMI, and we will continue to advise you of our evaluations, but you should prepare to assume regulatory authority over NMI on the effective date of the Agreement. Furthermore, the fact that an enforcement action may be pending, either for this licensee or any other licensee, will not delay the transfer of that licensee. We encourage you and your staff to continue to work closely with NRC staff in regard to any issues which may arise from NRC enforcement actions pending at the time of transfer of the license to the Commonwealth.

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R. Hallisey

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Finally, as you have requested, we have enclosed a tentative timeline for actions necessary to formally complete the Agreement. Please note that the anticipated timing of the events listed is based on the assumptions that (1) no new issues will arise, and (2) that there will not be extensive public comment in response to the Federal Register notice.

If you have any questions regarding these matters, please contact me or Mr. Richard Blanton of my staff at (301) 415-2322.

Sincerely,

Original Signed By:
PAUL H. LOHAUS

for Richard L. Bangart, Director
Office of State Programs

Enclosure:
As stated

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DATE	11/06/96*	11/06/96*	11/06/96*	11/06/96*	11/7/96	

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Finally, as you have requested, we have enclosed a tentative timeline for actions necessary to formally complete the Agreement. Please note that the anticipated timing of the events listed is based on the assumptions that (1) no new issues will arise, and (2) that there will not be extensive public comment in response to the FR notice.

If you have any questions regarding these matters, please contact me or Mr. Richard Blanton of my staff at (301) 415-2322.

Sincerely,

Richard L. Bangart, Director
Office of State Programs

Distribution:

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RLBangart
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DATE	11/6/96	11/6/96	11/6/96	11/6/96	11/ /96	

OSP FILE CODE: SP-NA-9

R. Hallisey

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If you have any questions regarding these matters, please contact me or Mr. Richard Blanton of my staff at (301) 415-2322.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul H. Bangart" followed by a flourish and the word "for".

Richard L. Bangart, Director
Office of State Programs

Enclosure:
As stated

TENTATIVE TIMELINE TO CONCLUDE AGREEMENT

Note: The anticipated timing of the events listed is based on the assumptions that (1) no new issues will arise, and (2) that there will not be extensive public comment in response to the Federal Register (FR) notice.

<u>MILESTONE</u>	<u>APPROXIMATE DATE</u>
OSP completes, and other NRC offices concur on a request for approval to publish the proposed Agreement for public comment, and sends it to the EDO.	10/17/96 (DONE)
EDO reviews and forwards the request for approval to publish to the COMMISSION.	11/05/96 (DONE)
COMMISSION approves request to publish (may specify changes to FR notice).	11/22/96
OSP makes any changes directed by the COMMISSION, and sends the FR notice to ADMINISTRATION for publication in FR.	11/25/96
ADMINISTRATION forwards proposed Agreement to FR for publication starting	12/02/96
Public comment period ends.	12/30/96
OSP analyses comments, prepares response, and drafts the COMMISSION action paper to approve the Agreement; sends to NRC offices for comments and concurrence.	1/10/97
NRC offices give their concurrence on entering the Agreement; OSP sends the paper to the EDO.	1/24/97
EDO concurs and forwards the paper to the COMMISSION.	2/07/97
COMMISSION approves the Agreement.	2/21/97
CHAIRMAN and GOVERNOR sign the Agreement.	3/07/96

From: Charles Hehl
To: WND1.WNP9(RLB)
Date: 11/6/96 12:41pm
Subject: Letter to Hallisey -Reply

I concur.

CC: czg,jhj