

APR 29 1997

Mr. Robert M. Quillin, Director  
Laboratory and Radiation Services Division  
Colorado Department of Public Health  
and Environment  
8100 Lowry Boulevard  
Denver, CO 80220-6928

Dear Mr. Quillin:

We are providing follow-up information on the subject of discontinuance of funding for Agreement State staff to attend NRC sponsored training as indicated by Chairman Jackson in her December 28, 1995, response to Mr. Richard Ratliff, Chair, Organization of Agreement States, Texas Department of Health, letter of November 15, 1995. The Chairman indicated that this issue would be reconsidered under the NRC strategic assessment and rebaselining effort and that staff would provide you information regarding this issue. The Commission reconsidered this topic under direction-setting issue (DSI) 4, "NRC's Relationship with Agreement States" and has reached a decision. A copy of this decision is enclosed.

On April 2, 1997, the NRC released to the public the Commission's decisions on DSI 4, along with the Commission's decisions on DSIs 2, 5, 6, 7, 10, 13 and 14. In addition, on April 23, 1997, the NRC released to the public the entire set of the Commission decisions on all 16 DSIs. Copies of the April 2 and April 23 press releases along with the Commission decisions on the 16 DSIs are enclosed.

Sincerely,

**Original Signed By**  
**RICHARD L. BANGART**

Richard L. Bangart, Director  
Office of State Programs

Enclosures:  
As Stated

Distribution:  
DIR RF (7S-78)  
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Agreement State File  
Organization of Agreement States File

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OSP FILE CODE: SP-A-4 SP-0-12

*Cross  
reference*

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Mr. Robert M. Quillin, Director  
Radiation Control Division  
Department of Public Health and Environment  
4300 Cherry Creek Drive South (9RCD-DO-B1)  
Denver, CO 80222-1530

Dear Mr. Quillin:

We are providing follow-up information on the subject of discontinuance of funding for Agreement State staff to attend NRC sponsored training as indicated by Chairman Jackson in her December 28, 1995, response to Mr. Richard Ratliff, Chair, Organization of Agreement States, Texas Department of Health, letter of November 15, 1995. The Chairman indicated that this issue would be reconsidered under the NRC strategic assessment and rebaselining effort and that staff would provide you information regarding this issue. The Commission reconsidered this topic under direction-setting issue (DSI) 4, "NRC's Relationship with Agreement States" and has reached a decision. A copy of the decision is enclosed.

In addition, on April 23, 1997, the NRC released to the public the entire set of the Commission decisions on the remaining 15 DSIs. A copy of the press release along with the Commission decisions are enclosed.

Sincerely,

Richard L. Bangart, Director  
Office of State Programs

Enclosures:  
As Stated

Distribution:  
DIR RF (7S-44)  
SDroggitis  
Agreement State File  
Organization of Agreement States File

DCD (SP03)  
PDR (YES ☒ NO ☐)

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OFFICE	OSP	OSP:DD	OSP:D				
NAME	CHMaupin	PHLohaus	RLBangart				
DATE	04/25/97	04/25/97	04/ /97				

OSP FILE CODE: SP-A-4 SP-0-12



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

April 29, 1997

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Laboratory and Radiation Services Division  
Colorado Department of Public Health  
and Environment  
8100 Lowry Boulevard  
Denver, CO 80220-6928

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Sincerely,

*Richard L. Bangart*

Richard L. Bangart, Director  
Office of State Programs

Enclosures:  
As Stated

United States Nuclear Regulatory Commission  
Office of Public Affairs  
Washington, DC 20555  
Phone 301-415-8200 Fax 301-415-2234  
Internet: opa@nrc.gov

No. 97-056

FOR IMMEDIATE RELEASE  
(Wednesday, April 2, 1997)

## NRC RELEASES FINAL DECISIONS ON STRATEGIC ASSESSMENT ISSUES

The Nuclear Regulatory Commission has issued final decisions on eight of the 16 direction-setting issues (DSIs) which are part of its strategic assessment and rebaselining initiative. Commission decisions have been made on the following issues:

- Oversight of the Department of Energy (DSI 2)
- NRC's Relationship with Agreement States (DSI 4)
- Low-Level Waste (DSI 5)
- High-Level Waste and Spent Fuel (DSI 6)
- Materials/Medical Oversight (DSI 7)
- Reactor Licensing for Future Applicants (DSI 10)
- The Role of Industry (DSI 13)
- Public Communications Initiatives (DSI 14)

Chairman Shirley Ann Jackson initiated the strategic assessment in 1995 to provide a solid foundation for the agency's direction and decision-making as it positions itself for current and future challenges. The Commission arrived at these decisions after meetings and discussions with the staff and after considering comments received from interested individuals during three public conferences in Washington, D.C., Colorado Springs, Colorado, and Chicago, Illinois.

The agency will use these decisions in developing a strategic plan that will encompass the agency's priorities, mission and goals. Decisions on the remaining issues will be released to the public five days after they are completed.

Copies of all decisions will be available at NRC's Public Document Room, 2120 L Street, N.W., Washington, D.C., 20037, telephone (1-800-397-4209) and electronically on our internet home page (<http://www.nrc.gov/OPA/>)

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United States Nuclear Regulatory Commission  
Office of Public Affairs  
Washington, DC 20555  
Phone 301-415-8200 Fax 301-415-2234  
Internet: opa@nrc.gov

No. 97-065

FOR IMMEDIATE RELEASE  
(Wednesday, April 23, 1997)

## NRC RELEASES FINAL DECISIONS ON ALL STRATEGIC ASSESSMENT ISSUES

The Nuclear Regulatory Commission has released the entire set of decisions on 16 direction-setting issues (DSIs) which are part of the agency's strategic assessment and rebaselining initiative. Decisions were made in the following areas:

- Oversight of the Department of Energy (DSI 2)
- NRC's Relationship with Agreement States (DSI 4)
- Low-Level Waste (DSI 5)
- High-Level Waste and Spent Fuel (DSI 6)
- Materials/Medical Oversight (DSI 7)
- Decommissioning - Non Reactor Facilities (DSI 9)
- Reactor Licensing for Future Applicants (DSI 10)
- Operating Reactor Program Oversight (DSI 11)
- Risk-Informed, Performance-Based Regulation (DSI 12)
- The Role of Industry (DSI 13)
- Public Communications Initiatives (DSI 14)
- International Activities (DSI 20)
- Fees (DSI 21)
- Research (DSI 22)
- Enhancing Regulatory Excellence (DSI 23)
- Power Reactor Decommissioning (DSI 24)

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The agency will use these decisions in developing a strategic plan that will encompass the agency's priorities, mission and goals.

Copies of all decisions are available at NRC's Public Document Room, 2120 L Street, N.W., Washington, D.C., 20037, telephone (1-800-397-4209) and electronically on our internet home page (<http://www.nrc.gov/NRC/strategy.html>)





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

March 28, 1997

MEMORANDUM TO:

L. Joseph Callan  
Executive Director for Operations

Karen D. Cyr  
General Counsel

Ronald Scroggins  
Acting Chief Financial Officer

FROM:

John C. Hoyle, Secretary *W. H. Hoyle for*

SUBJECT:

STAFF REQUIREMENTS - COMSECY-96-053 -  
OVERSIGHT OF THE DEPARTMENT OF ENERGY (DSI 2)

The Commission endorses NRC taking responsibility for the regulatory oversight of certain DOE nuclear facilities, as recently proposed by DOE, contingent on adequate funding, staffing resources, and a clear delineation of the authority the NRC will exercise over facilities. This is a departure from the Commission's preliminary decision in which the Commission favored taking no position on the issue.

The Commission now favors NRC's oversight of DOE facilities based on DOE's decision to seek the transfer of regulatory oversight of selected DOE facilities to the NRC and also on the strong public support during the comment period for this proposal. In its comments on the Commission's preliminary decision, many of the public commenters foresaw enhanced safety and stability with a single set of standards and requirements, a safety culture being developed within DOE that is comparable to the commercial industry, the elimination of the conflict of self-regulation, and other benefits resulting from NRC's oversight of DOE's nuclear facilities. The Commission also believes that it would be preferable if implementing legislation or interagency agreements, or both, designate radiation protection as within the scope of NRC's jurisdiction and oversight of the selected DOE facilities. The staff should work with DOE and OSHA to address this issue.

Since it does not appear that any of the options in the original DSI paper match the proposal being made by DOE in its Working Group Report, the Commission believes that it is best for the Commission to endorse the external regulation of DOE by the NRC, subject to the conditions noted in the first paragraph using the

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following guidance.

The Commission recognizes that there are likely to be many significant legal, procedural, and technical issues which must first be identified and thoroughly considered and resolved prior to accepting oversight responsibility for any DOE facility. To carry out the Commission's decision on this issue, the staff should convene a high-level NRC Task Force that will identify, in conjunction with DOE, the policy and regulatory issues needing analysis and resolution. The Task Force should be comprised of members from OGC, CFO, NMSS, NRR, RES, OE, and OCA at a minimum.

A non-exhaustive set of such issues that should be considered by the Task Force are:

- (1) the legislative language laying out the scope of NRC's regulatory oversight and the extent of its authority, the relationship with other regulatory agencies, and the effect of existing statutes on the NRC oversight of DOE defense facilities,
- (2) the initial identification of DOE facilities, activities, and issues that would be subject to NRC oversight,
- (3) the potential schedule for transition of the identified facilities, activities, and issues to NRC oversight,
- (4) a realistic assessment of the financial and personnel resource needs for NRC oversight, and
- (5) an assessment of the various methods of funding NRC oversight, including evaluations as to whether direct appropriations or regulatory fees paid by DOE contractors would be appropriate.

The Task Force should periodically (at least quarterly) inform the Commission of its findings and the status of its work and seek the Commission's approval or guidance on proposed resolution of the issues that have been identified.

Independent of DOE, the Task Force should provide an initial consideration of technical/regulatory issues related to external regulation of DOE, and the potential methods (e.g., licensing, certification) of regulating the identified DOE activities and how the transition will be made from the current DOE order system, implemented by contract clauses, to the NRC regulatory framework. The Task Force should assess the details and ramifications of the DOE Working Group Report and advise the Commission on policies, procedures, and approaches to the issues that are identified.

Among the technical and programmatic issues that will need to be resolved prior to implementation are those that were identified by Commissioner Rogers in his January 17, 1997 memorandum on this subject, the DOE Working Group Report issued in December 1996, and the public comments received regarding NRC regulation of DOE activities.

Additional issues that the staff should consider include, but are not necessarily limited to, the DOE proposal to retain regulatory authority on security and safeguards, at least initially; the relationship with other regulators of DOE facilities, including the need for MOUs or other arrangements with such regulators as OSHA, EPA, DNFSB, and the States and a discussion of the "lead agency" concept propounded by DOE; the means of enforcement of the NRC regulatory framework, especially at facilities where responsibility is shared between DOE and its contractors; the role of NRC in decontamination and decommissioning of DOE facilities; the use of the 10 CFR 2.206 petition mechanism or "citizen suits" under the NRC regulatory framework; and the possible regulation of NARM and accelerators by NRC.

The staff should also initiate the development of an MOU with DOE that establishes the framework for the legislative and follow-on phases of the project. The staff should also seek to obtain the necessary budgetary resources for the legislative phase of this project from DOE and staffing resources via any necessary relief from personnel ceilings from OMB for both the legislative phase and the longer term.

cc: Chairman Jackson  
Commissioner Rogers  
Commissioner Dicus  
Commissioner McGaffigan  
Commissioner Diaz  
D. Rathbun (OCA)  
H. Bell (OIG)  
A. Galante (CIO)  
W. Beecher (OPA)  
E. Jordan (SARSC)  
J. Silber (SARSC)





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

March 19, 1997

MEMORANDUM TO:

L. Joseph Callan  
Executive Director for Operations

Karen D. Cyr  
General Counsel

Ronald Scroggins  
Acting Chief Financial Officer

FROM:

*John C. Hoyle*  
John C. Hoyle, Secretary

SUBJECT:

STAFF REQUIREMENTS - COMSECY-96-054 - NRC's  
RELATIONSHIP WITH AGREEMENT STATES (DSI 4)

The Commission continues to support its preliminary view to continue the current Agreement States Program, including adopting current initiatives (Option 3), subject to the following additions and modifications.

With regard to the funding of Agreement State travel, training, and technical assistance, the Commission modifies the present policy to allow NRC funding of such costs in those instances where Agreement States demonstrate that state funds are not available or cannot be used for these purposes. The staff should develop criteria, for the Commission's consideration, for making this determination. The criteria should be stringent enough to provide adequate assurance to the Commission that the state has thoroughly explored funding alternatives available to the state and a determination by a high ranking state official (e.g., state agency head or chief financial officer) has been made that funds are not available. In such cases, states should also explore partial funding of costs. Such an approach must be designed to ensure that such certifications are not "pro forma" and that use of NRC-licensee funds for these purposes are in the public interest. The staff's proposals should provide for funding and should be provided to the Commission in a time frame that would allow implementation of the modified policy beginning in FY-98. Otherwise, training should be made available on a "space available" basis with Agreement States funding their own travel and per diem costs.

Staff should develop guidance for offering assistance to states on a case-by-case basis that would help the states' agencies

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identify and clarify their training needs to their appropriate authorities, e.g., the State Cabinet Secretary or legislative body. NRC should be prepared to offer such help (e.g., a letter) if requested by the Agreement States.

The staff should also examine cost-effective alternatives for providing training and technical assistance to Agreement States. The staff should provide the Commission with a report on available alternatives and recommendations for assuring that NRC training and technical assistance are provided in a cost-effective manner.

9/30/97)

Public comment on the use of seed money or other tangible benefits to encourage states to become Agreement States did not support the concept. The Commission finds that the use of such incentives is inappropriate and inconsistent with the intended role of the NRC as it fulfills its mission under the Atomic Energy Act. The Commission believes that the NRC should continue to respond to incoming requests from individual States that express an interest in pursuing Agreement State status and work with each State to achieve this goal.

For the longer term, the NRC should request Congress to enact legislation that would exclude Agreement State funding from NRC's user fee base and provide a separate appropriation to cover these costs. It is the Commission's view that the Agreement States themselves should be more proactive on this matter. Moreover, to the degree that funding for the Agreement States program remains in the user fee base, the Agreement States should be more forthcoming with methodologies for bearing a larger share of the costs.

In the absence of specific comments on the related issue of whether to continue NRC's Independent Radiation Monitoring Program (IRMP), the Commission requests that the staff evaluate the cost effectiveness of the program and make recommendations on the pros and cons of continuing with the program.

cc: Chairman Jackson  
Commissioner Rogers  
Commissioner Dicus  
Commissioner McGaffigan  
Commissioner Diaz  
D. Rathbun (OCA)  
H. Bell (OIG)  
A. Galante (CIO)  
W. Beecher (OPA)



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0101

March 7, 1997

OFFICE OF THE  
SECRETARY

MEMORANDUM TO: L. Joseph Callan  
Executive Director for Operations

FROM: *John C. Hoyle*  
John C. Hoyle, Secretary

SUBJECT: STAFF REQUIREMENTS - COMSECY-96-055 - LOW-  
LEVEL WASTE (DSI 5)

The Commission no longer supports its preliminary view of Option 2, but does support Option 3 to maintain the current low-level waste program. The Commission selects this option with the understanding that if NRC is given responsibility for the external regulation of DOE facilities, the NRC's low-level waste program may begin to grow at a commensurate rate, funded through an appropriate mechanism which supports any additional FTE required. Resources to carry out such increased responsibilities should be provided after a statute to implement such a regulatory role for NRC is enacted. The funding mechanism for NRC low-level waste activities associated with the external regulation of DOE should be addressed in any enabling legislation or appropriations language deriving from that legislation.

In carrying out Option 3, the staff should make every effort to maintain the core technical disciplines needed to assess low-level waste disposal issues, but these technical experts should be utilized in other NRC programs as appropriate.

Public comment received on DSI 5 indicated a significant interest in NRC's position on the concept of "assured storage". The Commission sees no reason to alter its current position of neutrality on this matter. The Commission continues to support the position that was set forth in a letter from Chairman Jackson to Mr. David Leroy dated May 9, 1996 on this concept.

Agreement State comments on the draft branch technical position (BTP) on performance assessment of LLW sites stated that the BTP is "unnecessary and disruptive." The staff should inform the Commission how it plans to resolve such comments prior to a decision to finalize the BTP.

4404030159

cc: Chairman Jackson  
Commissioner Rogers  
Commissioner Dicus  
Commissioner McGaffigan  
Commissioner Diaz  
K. Cyr (OGC)  
D. Rathbun (OCA)  
H. Bell (OIG)  
A. Galante (CIO)  
R. Scroggins (CFO)  
W. Beecher (OPA)  
E. Jordan (SARSC)  
J. Silber (SARSC)



OFFICE OF THE  
SECRETARY

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

March 17, 1997

MEMORANDUM TO: L. Joseph Callan  
Executive Director for Operations

FROM: *John C. Hoyle*  
John C. Hoyle, Secretary

SUBJECT: STAFF REQUIREMENTS - COMSECY-96-056 - HIGH-  
LEVEL WASTE AND SPENT FUEL (DSI 6)

The Commission continues to endorse its preliminary view to maintain NRC's existing high-level waste program (Option 3). This approach will enable the NRC to keep pace with the national high-level radioactive waste program at whatever level is appropriate. As stated in its preliminary views, the Commission will revisit this issue if, and when, the Congress provides further legislation on this matter. Additionally, the Commission strongly supports NRC's fiscal year 1998 budget request of \$17 million so that all 10 key technical issues can be addressed in time for the 1998 viability assessment performed by the Department of Energy on the Yucca Mountain site.

On the related issues in the paper, the staff should identify any revisions to NRC's regulatory process that may be needed to deal efficiently with dual-purpose (storage and transportation) spent fuel canister license applications especially in light of the fact that DOE has proposed in its FY 99 budget submission to complete its program on this matter. The issue of on-site storage of greater than class C waste (GTCC) for Part 72 licensees was raised in this Direction-Setting Issue as well as DSI 24, "Power Reactor Decommissioning." Specific direction to the staff on this issue is provided in the SRM on DSI 24..

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cc: Chairman Jackson  
Commissioner Rogers  
Commissioner Dicus  
Commissioner McGaffigan  
Commissioner Diaz  
K. Cyr (OGC)  
D. Rathbun (OCA)  
H. Bell (OIG)  
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