

March 10, 1995

MEMORANDUM TO: Carl J. Paperiello, Director Designate  
Office of Nuclear Material Safety  
and Safeguards, NMSS

FROM: John T. Greeves, Director  
Division of Waste Management, NMSS

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN NRR AND NMSS

The Office of Nuclear Material Safety and Safeguards and the Office of Nuclear Reactor Regulation staffs have been developing a Memorandum of Understanding (MOU) to realign office responsibilities for power reactor decommissioning and spent fuel management. The concerns of NMSS have been resolved in the attached version of the MOU. The MOU has been coordinated with FCSS and IMNS. We recommend that NMSS concur on the MOU.

Attachment: As stated

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## Memorandum of Understanding Between NRR and NMSS (MOU)

The Office of Nuclear Reactor Regulation (NRR) and the Office of Nuclear Material Safety and Safeguards (NMSS) have completed a review of the decommissioning program responsibilities as reflected in SECY-88-355, "Transfer of Regulatory Responsibility for Power Reactor Decommissioning from NRR to NMSS" (abbreviated title), and the challenges experienced during its implementation. This review also included evaluation of the respective capabilities of both NRR and NMSS and the opportunities to utilize the strengths of each organization effectively and efficiently. This MOU uses a matrix approach to indicate the staff possessing the requisite expertise during the various phases of the decommissioning process.

Furthermore, this MOU is responsive to the requirements of the proposed rule to amend 10 CFR Parts 2, 50, and 51 related to the decommissioning of nuclear reactors. This MOU also defines the interactions, licensing program management responsibilities, and support functions for the decommissioning of nuclear reactors. This MOU supersedes in toto the assignment of responsibilities identified in SECY-88-355.

### Management of the Power Reactor Decommissioning and Spent Fuel Programs

The power reactor decommissioning and spent fuel programs will be managed as specified below. The overall objective is to eliminate dual Office responsibilities for regulatory oversight. This process is designed to utilize the experience and expertise of both NMSS and NRR and indicates the specific areas of expertise and support of each office.

1. NRR will maintain regulatory project management, oversight, and inspection support responsibilities, including spent fuel physical protection program, for a reactor undergoing decommissioning until all spent fuel is permanently transferred from the spent fuel pool. For operating reactors, NRR will retain responsibility for the spent fuel physical protection program until the spent fuel is removed from the site.
2. For decommissioning and for operating reactors, NRR will maintain cognizance over and provide inspection oversight for spent fuel pool operations, spent fuel cask loading, and transfer and unloading activities until the fuel is safely placed in an ISFSI or, moved to available space in another Part 50 licensed spent fuel pool, or shipped directly from the spent fuel pool to an offsite storage facility.
3. For decommissioning and for operating reactors, NMSS will, except for the physical protection program at operating reactors, maintain cognizance over and provide inspection support for facilities related to fuel storage in an ISFSI, for spent fuel shipment from the ISFSI to an offsite storage facility, and for any dry fuel handling facilities at the ISFSI.

4. NMSS will assume regulatory project management and oversight of a reactor undergoing decommissioning, including emergency preparedness, after the spent fuel is permanently transferred from the spent fuel pool.
5. NRR will provide technical support, as requested by NMSS, for structural and seismic issues associated with both the reactor facility and the ISFSI.
6. NMSS will continue to maintain cognizance over the review of ISFSI casks, facilities, and their construction, vendors, and respective inspections. NMSS will also continue to maintain cognizance over topical reports and generic design approvals related to dry fuel handling facilities. NMSS will keep the cognizant NRR project manager informed of any Part 72 licensing matters pertaining to the Part 50 license and will coordinate with the NRR project manager prior to the issuance of correspondence regarding issues and inspection findings under NMSS purview. NMSS will also coordinate onsite visits and inspections through the cognizant NRR project manager in accordance with Field Policy Manual, FPM No. 12.
7. NRR will be the primary NRC contact for the public and the media until license project management responsibilities are transferred to NMSS.
8. NRR will oversee all early component removal programs.
9. NRR will assume responsibility for reviewing any cost estimates and financial or funding assurance plans submitted by licensees, either with the decommissioning plan or pursuant to 10 CFR 50.54(bb) regarding financial assurance for interim storage of spent fuel.
10. NRR will review any decommissioning plan or report discussing planned activities following plant shutdown and will prepare, as necessary, any environmental assessment, safety evaluation report, or decommissioning order or amendment.
11. NMSS will continue to provide technical input to NRR for environmental radiological surveys and site characterization issues associated with the decommissioning plan reviews and as requested by NRR.
12. NRR will maintain responsibility for evaluation of all insurance or indemnity issues until termination of the Part 50 license even at those sites where project management has been transferred to NMSS.
13. NMSS will review the license termination plan and prepare the safety evaluation report, the environmental assessment, and the license termination order or amendment. NMSS will be responsible for all confirmatory survey and license termination activities, including assurance that appropriate site release criteria are met.

14. NMSS will maintain responsibility for reviewing any cost estimates and financial or funding assurance plans that licensees submit with the license termination plan.
15. NRR will provide primary support for State and local meetings to discuss decommissioning plans and Post-shutdown Activity Reports. NMSS will provide support in the transportation and other areas, as requested by NRR. NMSS will provide primary support for State and local meetings and hearings to discuss license termination plans.

#### Management of Non-Power Reactor Decommissioning

The realignment of responsibility does not include non-power (research, test, or training) reactors. The Non-Power Reactor Decommissioning Program will remain under the cognizance of NRR.

#### Transition Plan and Tasks

The realignment of decommissioning program responsibilities would take place during the first calendar quarter of 1995. The major actions accomplished and anticipated during the transition period before publication of the new rule in final form are as follows:

1. Transfer of Regulatory Project Management

The transfer of regulatory project management responsibility from NMSS to NRR for the following shutdown reactors with wet spent fuel storage began on December 14, 1994, and was completed during the first week of January 1995: Humboldt Bay Unit 3 and La Crosse. The Vallecitos boiling water reactor, which no longer has fuel, was transferred to NRR to make more effective use of resources because there are two shutdown and one operating non-power reactors on this site under NRR cognizance.

NMSS will maintain regulatory project management for the following shutdown reactors that do not have wet spent fuel storage: Fort St. Vrain, Shoreham, Fermi Unit 1, Peach Bottom Unit 1, and Pathfinder facilities.

2. Decommissioning Plan Reviews

NMSS has completed the decommissioning plan review for the Yankee Rowe plant. Decommissioning plan reviews for the Trojan, San Onofre, and Big Rock Point plants will be completed by NRR. NRR will review the decommissioning plans at the level of review envisioned for the Post-Shutdown Activities Report under the proposed rule and will prepare the environmental assessments, the safety evaluation reports, and the decommissioning orders.

3. Development of Standard Review Plans for Decommissioning Plans and Post-Shutdown Activity Reports

NRR will assume responsibility for developing appropriate guidance for the preparation and evaluation of decommissioning plans and Post-Shutdown Activity Reports. This guidance will be consistent with the level of review envisioned for the Post-Shutdown Activities Report under the proposed rule.

4. Development of Standard Decommissioning Technical Specifications

NRR will maintain responsibility for developing appropriate standard decommissioning technical specifications for permanently shutdown reactors.

5. Development of Standard Review Plans for License Termination Plans

NMSS will assume responsibility for developing appropriate guidance for preparation and evaluation of license termination plans.

Resources

No resource transfers between NRR or NMSS are contemplated to implement the proposed realignment as described in this MOU.