



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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ARLINGTON, TEXAS 76011-8064**

January 6, 2000

Mr. James P. Bearzi, Chief
Bureau of Hazardous & Radioactive Materials
Water and Waste Division
Department of Environment
2044 Galisteo
P.O. Box 26110
Sante Fe, New Mexico 87502-6110

Dear Mr. Bearzi:

This year's periodic meeting with the State of New Mexico was held on December 7, 1999. The purpose of this meeting was to review and discuss the status of New Mexico's Agreement State program. The NRC was represented by Linda McLean and myself from NRC's Region IV office, and Cardelia Maupin from the NRC's Office of State Programs.

I have completed and enclosed a general meeting summary, including any specific actions that will be taken as a result of the meeting.

If you feel that our conclusions do not accurately summarize the meeting discussion, or if you have any additional remarks about the meeting in general, please contact me at (817) 860-8287 or e-mail mrs@nrc.gov to discuss your concerns.

Sincerely,

/RA/

Mark R. Shaffer
Regional State Agreements Officer

Enclosure: As stated

cc w/encl

Paul Lohaus, Director, OSP
Fred Combs, Deputy Director, OSP
William Floyd, New Mexico

AGREEMENT STATE PERIODIC MEETING SUMMARY FOR NEW MEXICO

Date of Meeting: December 7, 1999

ATTENDEES:

NRC

Mark Shaffer, Regional State Agreements Officer
M. Linda McLean, Regional State Agreements Officer
Cardelia Maupin, Agreement State Project Officer, Office of State Programs

State of New Mexico

Greg Lewis, Director, Division of Water & Waste Management
James Bearzi, Chief, Bureau of Hazardous & Radioactive Material
Bill Floyd, Program Manager, Radiation Licensing & Registration Program
Walter Medina, Environmental Specialist
Stan Fitch, Environmental Specialist
Jerry Moore, Environmental Specialist
Margaret Roybel, Environmental Specialist
Sherry Miller, Environmental Specialist

DISCUSSION

The following is a summary of the meeting held in Sante Fe, New Mexico, on December 7, 1999, between representatives of the NRC and the State of New Mexico. During the meeting, the topics suggested in a letter dated November 3, 1999, from Mr. Shaffer to Mr. Bearzi were discussed. The discussion pertaining to each topic is summarized below.

Action on Previous IMPEP Review Findings

The previous Integrated Materials Performance Evaluation Program (IMPEP) review was conducted during the period July 7-10, 1998, with the findings discussed in a meeting between the State and the IMPEP Management Review Board (MRB) on September 28, 1998. The results were issued in a final report dated October 7, 1998. At that time, the MRB found that the New Mexico Radiation Control Program was adequate to protect public health and safety and compatible with NRC's program. This was a follow-up IMPEP review and covered the State's response to, and resolution of, 29 recommendations and suggestions made during the July 14-18, 1997 IMPEP review. All but one of the previous 29 recommendations were closed during the follow-up IMPEP. A summary of the State's response to the one recommendation remaining open is as follows:

Recommendation: The review team recommends that the State expedite promulgation of the compatibility-related regulations now overdue and those which are due within the next 12 months.

Response: As of the date of this meeting, the State's regulations are up to date and they are on track to have future rule revisions completed before their assigned due dates.

The staff recommends that this item be closed.

Strengths and Weaknesses of the Program

The State emphasized many of the same strengths noted during previous meetings with NRC. The State has an experienced, versatile staff with a good internal working relationship. There are no overdue inspections and no licensing backlog.

An area for improvement noted by the technical staff was the availability of work space and equipment in the Albuquerque office. The staff expressed concern that there is currently no dedicated office space and computer equipment for inspectors to utilize while they are in the Albuquerque area conducting inspections.

Another continuing area of concern exists regarding training and travel. It has been difficult for the State to make up the difference in training and travel funds lost by NRC's discontinuance of funding. The State continues to urge NRC to provide training courses at alternative locations more convenient to the State. Also discussed was the possibility of the State hosting some training courses in their offices. This would allow more New Mexico staff to receive needed training, and could reduce the travel expense for other Agreement States located near New Mexico.

Finally, the State re-emphasized the importance of establishing a licensee fee structure that could help provide funding for some of the program's on-going needs. As previously noted by NRC staff, New Mexico is currently the only Agreement State that does not charge its' licensees a fee for services provided by the radioactive materials control program (licensing, inspection, technical assistance, emergency response, public awareness initiatives, etc.).

Recent or Pending State Program Changes

Changes in program staff: One technical staff member has left the program since the last IMPEP. This position has already been filled and the individual is progressing through the training and qualifications process.

Program reorganizations: A reorganization of the radioactive materials program is currently underway, and will be finalized around June 2000. There will be a shift in the program's reporting structure as well as a name change. The program will be relocated to the "Community Services Bureau." Other programs within the Bureau include Food Services, Septic and Pool Safety, and Radon. Upper level management believe this organizational shift will benefit the radioactive materials staff by elevating the visibility of the program within the Department. Management believes the current program is overshadowed by RCRA programs and activities related to the Waste Isolation Pilot Plant.

Legislative changes: Nothing notable since the last IMPEP review.

Changes in program budget/funding: Program funding remains appropriate for the workload. However, the Bureau intends to pursue a licensee fee base structure to help support the program. It is anticipated that this issue will be brought before the State Legislature during January 2000.

NRC Program or Policy Changes That Could Impact Agreement States

Mr. Shaffer discussed management changes within the NRC since the previous annual meeting with the State. Also discussed were recent changes in NRC's Enforcement Policy and upcoming changes to the inspection program. Mr. Shaffer explained how inspections are to be performance based with emphasis on "indicators" of actual, or potential, health and safety significance.

Internal Program Audits or Self Assessments

The State performs routine quality assurance audits of inspection reports and licenses, inspection accompaniments, and financial reviews. No other program audits have been conducted.

Status of Allegations Referred by NRC to the New Mexico Radiation Control Program

No allegations were forwarded to the State since the last IMPEP review.

Compatibility of Agreement State Regulations

As of the date of this meeting, the State's regulations are up to date and they are on track to have future rule revisions completed before their assigned due dates

Nuclear Material Events Database (NMED)

New Mexico has been forwarding NMED data to NRC's contractor (INEEL) for each event. Updated information is also forwarded to the contractor as new information becomes available and/or upon closure of the event. The State indicated that it has not yet received the most recent version of the NMED software. This has not proven to be a problem though because the State continues to use its previous version of software and continues to provide data directly to INEEL. However, the staff also noted that some events recently submitted to INEEL have not yet been entered into the NMED system. Mr. Shaffer committed to follow-up on this issue, have the latest software sent to the State, and investigate why all events reported by the State have not yet been entered to NMED.

Schedule for next IMPEP Review

The State suggested that the next IMPEP review be tentatively scheduled for the July 2001 time period.

Action Items Identified During Meeting

1. Mark Shaffer will follow-up with the Chief, Nuclear Materials Inspection Branch in NRC Region IV, and with NRC Headquarters staff, to ensure that the state is provided with sufficient notification of those occasions when NRC performs inspections within the State of New Mexico. **This item is closed.**
2. Mark Shaffer will have the latest NMED software sent to the State and investigate why all events reported by the State have not yet been entered to NMED.
3. Cardelia Maupin will follow-up with OSP to ensure that the "RATS" database is updated with information provided by New Mexico regarding the adoption of final rules.

Distribution: w/encl

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KSchneider (KXS)

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