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**From:** Donna-Marie Perez *IP*  
**To:** Andrew Szukiewicz, Charles Miller, Donald Hassel...  
**Date:** Thu, Sep 23, 1999 4:41 PM  
**Subject:** Mexican SRM

Good Afternoon,

Attached you'll find the latest and greatest draft of the Response to SRM COMNJD-99-004. Please review and provide comments or clearance by Tuesday 28 September so that OIP can incorporate all edits and produce a final draft by the 30 September deadline.

Many thanks.

Donna-Marie

**CC:** Karen Henderson, Ronald Hauber

MEXICO

Information in this record was deleted  
in accordance with the Freedom of Information  
Act, exemptions 4  
FOIA- 2001-0221

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Draft #4, 9/22/99

Attachment 4

MEMORANDUM TO: Chairman Dicus  
Commissioner Diaz  
Commissioner McGaffigan  
Commissioner Merrifield

FROM: Janice Dunn Lee, Director  
Office of International Programs

SUBJECT: RESPONSE TO STAFF REQUIREMENTS MEMORANDUM -  
COMNJD-99-004, COOPERATION WITH MEXICO

Purpose

To seek Commission guidance on proceeding with assistance activities with Mexican nuclear regulatory and research authorities.

Background

In SRM COMNJD-99-004 (July 15, 1999) the Commission directed staff to "explore an addendum to the NRC cooperative agreement with Mexico covering the following three specific areas:

- 1) Establish a reliable communication link between the Comision Nacional de Seguridad Nuclear y Salvaguardias (CNSNS) and the NRC Operations Center;
- 2) Initiate the nuclear safety codes cooperative program by waiving the first year's fee and minimal fee thereafter; and
- 3) Request staff's recommendations for development and implementation of an emergency evaluation exercise at Laguna Verde, with the involvement of Region II Regional Administrator Luis Reyes."

Contact:  
Donna-Marie Perez, OIP  
415-2848

## Discussion

The staff has developed scenarios to provide the Commission with options for assistance to Mexico (below, and elaborated in attachments 1-4). However, it should be noted that to date staff has not initiated communication with the CNSNS. To effectively move forward with these projects NRC-CNSNS discussions will have to focus on their needs, priorities, and funding arrangements. Therefore, the staff's recommendation is that if the Commission directs staff to proceed, including identifying which funding options the staff should use in expending NRC resources, the staff will open discussions with the relevant Mexican authorities to further develop these projects.

### Recommendations and Resource Implications:

#### **1. Addendum to NRC cooperative agreement with Mexico**

##### *Recommendation:*

That the Offices of International Programs (OIP) and Nuclear Regulatory Research (RES) develop implementing agreements pursuant to the NRC-CNSNS Arrangement. The agreements would address cooperation in emergency preparedness and participation in the international cooperative research programs.

##### *Resources:*

OIP estimates the resources required to amend the current Arrangement between NRC and CNSNS, or to help develop two new implementing arrangements to be less than .1 full time equivalent (FTE) employee. These resources are included within the office's currently available budget. RES resources required for this addendum is addressed below under "Nuclear Safety Computer Codes."

#### **2. Reliable communication link between CNSNS and NRC**

##### *Recommendation:*

Further discussions between the CNSNS and the NRC Incident Response Operations (IRO) staff are necessary to establish communication needs and funding options. NRC staff should arrange an initial meeting with the CNSNS to determine specific needs and possible cost-sharing.

##### *Resources:*

Travel to Mexico by the IRO staff, estimated at approximately \$10,000 in FY2000, is available within the office's budgeted resources. In addition, IRO FTE support to implement the recommendations in this paper is estimated at approximately .2 FTE, which is not within the office's budgeted resources.

#### **3. Nuclear safety computer codes**

*Recommendation:*

Staff recommends that Code Applications and Maintenance Program (CAMP) and Cooperative Severe Accident Research Program (CSARP) memberships be offered to Mexico at [REDACTED] per year for each program. For this [REDACTED] Mexico would be required to provide in-kind technical contributions that it is willing to share, such as code validation and verification data, analyses, etc. [REDACTED]

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*Resources:*

RES estimates the resources required to develop a new implementing agreement with CNSNS for participation in the cooperative programs are approximately less than 0.1 FTE. These resources are included within the office's currently available budget.

**4. Emergency evaluation exercise at Laguna Verde**

*Recommendation:*

That an initial meeting be convened with the CNSNS to discuss emergency preparedness (EP) exercise types and scopes currently practiced in the U.S. and Mexico. If both parties agree, and additional NRC FTE are allocated for this effort, staff presentations based on the IRO State Outreach Program would be used to assist members of both countries in designing an effective EP exercise for Laguna Verde. OIP staff would also look into the possibility of obtaining technical and financial support for an exercise through the International Atomic Energy Agency (IAEA), which Mexico would have to initiate.

*Resources:*

IRO travel to Mexico could be assumed under the current IRO travel budget. Travel to Mexico by Region II Regional Administrator Luis Reyes, and approximately .1 FTE of his time, is available within Region II's currently available budget.

Coordination

OIP, RES, IRO, and Region II developed this response. The Office of the Chief Financial Officer has reviewed this paper for resource implications and has no objection. The Office of the General Counsel has reviewed this paper and has no legal objection.

- cc: SECY
- OGC
- OPA
- EDO
- RES
- IRO
- Region II Administrator

### **Addendum to NRC Cooperative Agreement with Mexico**

The NRC-CNSNS Arrangement for the Exchange of Technical Information and Cooperation in Nuclear Safety and Research Matters was last renewed in March 1997. This is a broad, umbrella Arrangement intended to cover any and all nuclear safety information exchange and general cooperation that the parties agree to undertake. Its stated objective encompasses

“...the regulation of safety and radiological environmental impact of designated nuclear facilities and...the program of nuclear safety research to the extent the parties are permitted to do so...”

The Arrangement also includes some specific provisions for cooperation in the event of a nuclear accident or radiological emergency. Among the approved activities under this item are the exchange of telephone and fax numbers to be used for emergency communications; advice of changes which could modify the scope, timing, or content of such communications; and the exchange of information related to (a) emergency action levels and response classifications, (b) emergency preparedness regulations and response organizations, and (c) U.S. and Mexican facilities (site-specific and plant-specific data). In the safety research area, the Arrangement provides for the terms of cooperation in research programs and projects, including computer programs, to be considered on a case-by-case basis. They may either be the subject of a separate agreement or of a simple exchange of letters, as determined to be necessary by one or both of the parties. Staff's practice has been to develop a more formalized base agreement or implementing agreement (when an “umbrella-type” Arrangement is in place) when a cooperative research project involves either a major commitment of resources or the exchange of resources with another party.

If the Commission so directs, the staff can develop addenda to the current Arrangement, which would address both emergency preparedness issues and CNSNS participation in the NRC international cooperative research programs, including code development. This would require that the staff develop the draft addenda and then submit them to the Executive Branch for interagency Circular-175 clearance, because the addenda would constitute substantive changes to the Arrangement as it now stands. This can be a time-consuming process, routinely taking from 6-12 weeks, even in the absence of questions or problems.

Given the broad basis for cooperation in emergency preparedness and research that is already an integral part of the existing Arrangement, however, the staff believes a simpler and more expeditious route would be to develop and propose implementing agreements pursuant to the NRC-CNSNS Arrangement. These implementing agreements would detail the provisions of each of the specific areas of cooperation to take place. If the Commission approves this option, Office of International Programs staff, in coordination with relevant staff offices, will initiate a dialogue with the CNSNS to negotiate the implementing agreements. This approach has the added benefit of not requiring further Executive Branch approval because the cooperation in both areas was anticipated and cleared in general terms during the first-round review. The agreements could thus be signed and implemented as soon as both sides reached agreement on their provisions.

### **Reliable Communication Link Between CNSNS and NRC**

Based upon IRO review of a September 17, 1999 letter from the Director General of the CNSNS to Commissioner Diaz, it is clear that the Mexican authorities are undertaking an aggressive program to design and install a local network for transmission of voice, data and video using state-of-the-art communications technology. The staff recommends a meeting between the Mexican authorities and telecommunications contractors and NRC telecommunications and Operations Center staffs to assure that, once the CNSNS system is in place, the CNSNS and NRC Operations Center can be linked in the most reliable, cost effective way possible.

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### Nuclear Safety Computer Codes

The NRC encourages the use of the codes as a means of enhancing world-wide nuclear safety. In consideration of the substantial cost associated with code development and supporting experimentation, CAMP (Code Applications and Maintenance Program) and CSARP (Cooperative Severe Accident Research Program) members contribute cash and in-kind technical contributions which, along with NRC contributions, are invested in code maintenance, error corrections, and improvements. The membership fees defray the cost of biannual user group meetings and limited user support to the member countries, which we estimate to cost about \$10,000 to \$15,000 per member country per year.

Typically, in the past, the membership fees for the developed countries ranged between [redacted] per year plus in-kind technical contributions for the CSARP program and [redacted] for the CAMP program [redacted]

In addition, the budget and scope of our CSARP program has been decreasing and the membership fees had to be reduced. These factors, in addition to the general budget downsizing in developed countries and the recent financial constraints experienced in Asia and the countries of the former Soviet Union, have a definite impact on the scope of our programs. EX4

Recognizing these changes, we have, on a case-by-case basis, reduced and/or waived the yearly fees provided that the government organizations were willing to provide to the NRC recently generated data and analyses for code assessment, and continue to provide code assessment information on a yearly basis.

The membership fees for these developing countries [redacted]

[redacted] Membership fees for some countries have also been waived for the first few years [redacted] Turkey. We have also waived the membership fee for Russia [redacted]

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## Emergency Evaluation Exercise at Laguna Verde

Based on NRC staff experience, an exercise for Laguna Verde should be developed in two phases. The first phase would be to plan and construct a "tabletop exercise" which would allow participants to develop reactor accident scenarios, conduct training, and establish objectives just as with full scale exercises. NRC has substantial experience in planning and conducting tabletops and has published NUREG-1514, "Guidance for a Large Tabletop Exercise for a Nuclear Power Plant."<sup>1</sup> The staff could provide direct guidance and assistance to Mexico in planning and conducting its initial tabletop exercise.

Upon successful completion of a tabletop, the Mexican authorities would be ready to begin the second phase of planning a full scale EP exercise. NRC staff members who provided guidance and assistance in developing the tabletop could be offered to assist in the larger effort.

One or two NRC staff members traveling to Mexico for about three 1-week trips each should provide sufficient assistance to the Mexican authorities for developing and conducting the tabletop. The travel to Mexico could be assumed under the current IRO travel budget. Following the tabletop, planning and conducting a full scale exercise may require an additional 0.5 FTE of NRC staff support. Any IRO staff FTE expended on this effort with Mexico is not currently factored into the IRO FY2000 budget.

NRC International Programs staff could concurrently explore obtaining technical and, possibly, financial support for an exercise through the International Atomic Energy Agency (IAEA). The first step in that process would be for Mexico to apply for assistance directly from the IAEA.

NRC staff support would include the involvement of Luis Reyes, Regional Administrator, Region II.

1 NUREG-1514 states, "A tabletop, as described here, is a structured discussion, which is based on a scenario or set of conditions for potential emergency response situations, among decision makers or responders in a low-stress environment. Tabletops are not intended to solve all problems or make policy; they may simply identify areas which need resolution. They are a teaching/training aid as well as an opportunity to talk through plans and procedures or discuss new systems. Their objective is both educational and developmental in that disconnects, perceptions, and procedures can be identified easily and then corrected."

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Attachment 4

CONCURRENCE

DMP KH DCC RMA IRO/FCongel RES/AThadani REGII/LReyes

OGC/DFHassell III OCFO/THeavey RDH JDL

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Attachment 4