UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

December 31, 2001

Mr. Jim F. McGee, General Manager
Blades Construction Products, Corp.
7610 County, Route 65
P.O. Box 590
Hornell, NY 14843

Dear Mr. McGee:

SUBJECT: RECIPROCITY FILING INSTRUCTION FOR 2002

Agreement State licensees seeking to conduct activities under reciprocity in areas of exclusive Federal jurisdiction, non-Agreement States, or in offshore waters (reciprocity activities), for the first time in a calendar year, must submit the following:

- NRC Form 241, "Report of Proposed Activities in Areas of Exclusive Federal Jurisdiction, Non-Agreement States and Offshore Waters" (see Enclosure 1); one copy of the Agreement State specific license; and

- The fee, either check or credit card application, specified in fee Category 16, 10 CFR 170.31 (see Enclosure 2).

- NRC must receive this filing at least three days before the licensee engages in activities permitted under the General License established by 10 CFR 150.20 (provided on NRC Form 241 for convenience). Licensees cannot perform work in areas of exclusive Federal jurisdiction without either (a) filing NRC Form 241 for reciprocity in accordance with 10 CFR 150.20(b); or (b) applying for a specific NRC license.

This general license authorizes persons holding a specific license from an Agreement State to conduct the same activity in areas of exclusive Federal jurisdiction, non-Agreement States, or in offshore waters, if the specific license issued by the Agreement State does not limit the authorized activity to specific locations or facilities. Under the general license, licensees conducting reciprocity activities, including storage (usage), are limited to a total of 180 days in any calendar year. Reciprocity activities conducted in offshore waters are not subject to the 180-day limit. NRC tracks reciprocity usage on the basis of approved usage days and will not approve any activity, under the general license, that causes the total usage days to exceed 180 days. It is important that licensees track the days of use and clarify or delete dates of work when applicable.

NUREG-1556, Volume 19, "Guidance for Agreement State Licensees about Reporting Activities in Areas of Exclusive Federal Jurisdiction, Non-Agreement States, and Offshore Waters," contains guidelines to follow in filing NRC Form 241. It also contains important information to help licensees ensure that they are complying with NRC regulations before conducting activities under reciprocity. This document is available at the following Internet address:

<www.nrc.gov>

Agreement State licensees operating under reciprocity in areas of NRC jurisdiction must conduct activities involving radioactive materials in accordance with the conditions specified in the licensee's Agreement State license, representations made in NRC Form 241, and other rules, regulations, and orders of NRC, now or hereafter in effect. NRC will perform inspections of activities by Agreement State licensees operating under a general license pursuant to 10 CFR 150.20. These inspections may occur at the listed work site location(s) or at the home office address. Failure to comply with these regulations or to conduct your radiation safety program in compliance with NRC regulations before operating under reciprocity may result in NRC enforcement action(s) against the licensee. Such actions could include the issuance of a notice of violation, the proposed imposition of a civil penalty, or an order suspending, modifying, or revoking the license as specified in NUREG-1600, "General Statement of Policy and Procedures for NRC Enforcement Actions."

For your information and use in filing for reciprocity, enclosed is a copy of NRC Form 3. NRC's regulations, such as 10 CFR Parts 19, 20, 30, 34, 35, 39, 50 and 71 are available on NRC's Homepage at www.nrc.gov. If you do not have access to the Internet and require a copy of an NRC document or have any questions about the regulations or the application process, please feel free to contact Sheryl Villar on 610/337-5239.

Sincerely,

Frank Costello, Deputy Director
Division of Nuclear Materials Safety

Enclosures:
1. NRC Form 241
2. 10 CFR 170
3. NRC Form 3