LOUX LTR/REB

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JAN 5 1989

Mr. Robert R. Loux, Director Nevada Nuclear' Waste Project Office Capitol Complex, Suite 252 1802 North Carson Street Carson City, Nevada 89710

Dear Mr. Loux:

On December 1, 1988, State of Nevada representatives briefed the U.S. Nuclear Regulatory Commission on Nevada's views on the high-level nuclear waste repository program. During this briefing, Mr. Murphy, Special Attorney General for the State of Nevada, commented on the NRC/DOE interactions during the site characterization period and the Procedural Agreement (referred to as the "Morgan-Davis Agreement") which outlines the procedures for these interactions. Specifically, Mr. Murphy stated that: "The one thing I think we do agree with is that the so-called Morgan-Davis Agreement is not enough in which the State is mentioned as being involved in the process as an observer, and the State will be invited to the various meetings in a capacity as an observer, and that is, to my knowledge, pretty generally has been the case. I don't think the State has been left out of the decision, but we need to be more than an observer from now on. I think we need to be a participant, a real partner in this process." (Taken from page 49 of the transcript of the December 1, 1988 briefing.)

During our telephone conversation on January 3, 1989, we agreed that the Morgan-Davis Agreement does not restrict the role of the State of Nevada to that of an observer. We also agreed that it has been the long-standing practice of the NRC staff to encourage active participation by the State of Nevada in NRC/DOE technical meetings, including site visits and telephone conferences and that this active participation has taken place whenever the State wanted active participation (an example is the December 8, 1988 meeting on DOE's Design Acceptability Analysis for the exploratory shaft facility). In addition, Nevada has and will continue to have direct interaction with DOE, independent of any NRC/DOE interaction.

However, to remove any doubts about NRC's desire to provide for active participation by the State of Nevada in the NRC/DOE technical meetings during the pre-license application phase, my staff will include as part of each meeting agenda an appropriate period for the State of Nevada to present their view of the technical areas being discussed. Since this is consistent with the current practice, I do not anticipate any significant change in the

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current interface. Nevertheless, if situations arise where you do not believe active participation was permitted, please do not hesitate to contact me or Mr. Youngblood on 492-3404.

Sincerely,

Original Signed by Robert E. Browning

Robert E. Browning, Director Division of High-Level Waste Management

Enclosure:
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Transcript

cc: S. Rousso

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brought it to the table so that all of us could start thinking about it. The one thing I think we do agree with is that the so-called Morgan Davis agreement is not enough in which the state is mentioned as being involved in the process as an observer, and the state will be invited to the various meetings in a capacity as an observer, and that is, to my knowledge, pretty generally has been the case.

I don't think the state has been left out of the decision, but we need to be more than an observer from now on. I think we need to be a participant, a real partner in this process.

MR. LOUX: Let me expand just a little bit on that.

I think it has to do also somewhat with our concern about the ability of other parties to really be involved in what's going on in this process.

As you know, we represent the state of Nevada and its citizens. There's also groups of other parties who have an ongoing interest in what's going on here, some of which you may be cognizant of, some of which you may even not in the terms of formal recognized body, the local governments being a classic example where those of us who are in a very — in the informal conversational telephone sort of loop are generally cognizant of the issues that are out there, and what meetings are going to be taking place to at least lay out those issues and talk