

MEMORANDUM TO FILE

The following document is a draft copy of the New Jersey Transition Plan which was for internal use by Region I DNMS staff as a guide for activities conducted during the transition of New Jersey to an Agreement State. The New Jersey transition was the third of three Agreement State transfers that were managed by Region I DNMS within 18 months. The New Jersey transition team members were very familiar with the milestones that are described in this draft document; therefore it was used only as a reference tool.

This draft document should be placed into ADAMS as public, non-sensitive.

Donna M. Janda
06/15/2011

ML111671959

[DATE]

MEMORANDUM TO: John D. Kinneman, Director
Division of Nuclear Materials Safety

FROM: James Kottan, State Agreements Officer
Division of Nuclear Materials Safety

Donna Janda, State Agreements Officer
Division of Nuclear Materials Safety

Sheryl Villar, Team Leader, Licensing Assistance Team
Division of Nuclear Materials Safety

SUBJECT: STATE OF NEW JERSEY TRANSITION
PLAN - STATUS UPDATE – [DATE]

This plan was developed in order to facilitate an effective and efficient Agreement State transition process in which certain NRC regulatory authorities discontinue with assumption thereof by a State through a standard 274b agreement. This plan follows a similar plan developed by the Division of Nuclear Materials Safety of Region III (ML071070394). It provides the tools and tracking mechanisms necessary to ensure a successful transition and includes the recommendations and best practices identified in the “Self-Assessment of the Division of Nuclear Materials Safety (DNMS) Agreement State Process,” performed by Region III, dated September 29, 2006 (ML062790299). This plan consists of five components which are outlined below. The implementation of these five components collectively will promote an effective Agreement State transition and provide regional resource efficiencies.

The State of New Jersey Transition Plan is composed of the following five components:

1. Transition Guidelines:

Enclosure 1 provides general guidelines and a schedule for putting a transition team together. It addresses the composition of the team, duties and responsibilities of the lead team members, and a brief listing of useful reference materials.

2. Activity Milestone Matrix:

Enclosure 2 provides a matrix of significant activities and milestones that can be used to track the progress of the transition. The matrix was established early in the process, it has been revised as necessary. It is the primary tool used by the Project Manager for the agreement transition to maintain a comprehensive “real time” track of the milestones.

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The enclosed matrix includes notes and suggested guidance for scheduling and coordinating activities.

3. Licensing Guidance:

Enclosure 3 provides instructions to the other Regions on how to amend and prepare licenses for the Region transitioning the Agreement State.

4. License File Quality Assurance (QA) Procedure:

Enclosure 4 provides the process to QA the license files prior to transfer to the Agreement State to ensure that all pertinent information is current and accounted for in the license files.

5. Correspondence:

Enclosure 5 includes examples of the types of correspondence that may be used to provide information to internal and external stakeholders during the transition process.

Enclosures:

1. Transition Guidelines
2. Activity Milestone Matrix
3. Licensing Guidance
4. License File Quality Assurance Procedure
5. Correspondence

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DATE							

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Enclosure 1: TRANSITION GUIDELINES

The State of New Jersey intends to enter into an Agreement with NRC on or about September 30, 2009. The Regional State Agreements Officer has been selected by Regional Division management to be the Project Manager to oversee State of New Jersey transition activities. Team members to assist the Project Manager include a Lead from each Branch in the Division for inspection and licensing activities, a Lead from the Decommissioning Branch for decommissioning activities, and a Lead from the Licensing Assistance Team for administrative support. Other regional staff who have involvement with the process and could be considered part of the team are the Records Liaison Officer and the Property and Supply Technician. The general duties of the transition team members are as listed below:

Project Manager (PM) is responsible for the overall activity of transition and reports to management. Most of the PM's duties and responsibilities are captured in the working document called the Milestone Matrix. This document is updated throughout the transition process. The PM also manages and/or oversees the following:

- Prepares the State of New Jersey Transition Action Plan
- Oversees QA of all State of New Jersey license files
- Provides HRMS codes to team members
- Coordinates and directs activities of all transition team members
- Provides status reports to whomever has the need to know, i.e. management
- Coordinates with the Agreement State Officer to establish contact with pertinent Agreement State staff
- Coordinate with the Financial Assurance Instrument Custodian on the transfer of financial assurance instruments to the State of New Jersey
- Coordinates with HQ and Regional support staff to obtain lists and computer printouts that are not available within the Region
- Notifies and coordinates with HQ RLO (Records Liaison Officer) and the Regional RLO at the beginning and near the end of the process
- Generates and updates the Milestone Matrix
- Notifies the appropriate office to prepare for transportation of the files.
- Assigns individuals to perform file box verifications using completed NRC Form 519

Lead Branch Personnel are responsible for ensuring that all inspections due through a predetermined date, in this case three months after the transition date, are completed in a timely manner. The Lead Branch personnel monitor enforcement cases and the status of allegations in the State of New Jersey. The Lead Branch personnel will identify and monitor the status of any pending Office of Investigations (OI) cases, and any cases that may get referred to other Federal agencies, e.g., Department of Justice (DOJ). In addition, the Lead Branch personnel are responsible for ensuring that all new and pending licensing actions received from licensees in the State of New Jersey are processed prior to the cutoff date of August 31, 2009. The Lead Branch personnel coordinate with HQ on the completion of pending Technical Assistance Requests (TARs). The Lead Branch personnel also coordinate licensing activities pertaining to the State of New Jersey with other regions.

Lead Decommissioning Branch Inspector is responsible to gather and provide the PM with all information of decommissioning sites located within the State of New Jersey.

Administrative Support Staff are responsible for ensuring that all administrative tasks are completed to assure a smooth transfer of regulatory authority to the State of New Jersey. Their duties include but are not limited to:

- Updating all State of New Jersey file folders (filing all documents)
- Generating computer lists for the PM and team members
- Ordering labels
- Generating letters for mailout
- Receiving and processing in license amendments
- Updating tracking systems
- Ordering and filling boxes for transport
- Generating and completing transfer of custody forms
- Other duties as assigned by the PM

State Agreement Officer is responsible for coordinating Agreement State transition activities between the Region and the State of New Jersey.

Records Liaison Officer (RLO) along with the Team Leader of the Licensing Assistance Team (LAT) is responsible for all records in the Region. Therefore, this person should be made aware early in the process that the State of New Jersey will go into Agreement State status. Timely notification ensures that the RLO will be available at the appointed time to verify the accuracy of the transfer forms. In addition, the HQ Records Officer should also be notified early in the process so that necessary verifications and paperwork will be completed in a timely manner.

Property and Supply Technician along with the Team Leader in LAT is responsible for arranging for shipment of the boxes of files to the State of New Jersey.

REFERENCE MATERIALS:

1. NRC Inspection Manual
Manual Chapter 2882
Transfer of NRC License Files to Agreement States
2. Volume 3, Part 2 - Records Management
NRC Records Management Program Handbook 3.53 Part II
3. Sample of a completed Transition Action Plan
ADAMS _____
4. SECY 09-0065 "Section 274b Agreement With the State of New Jersey,"
May 20, 2009.

Enclosure 2: ACTIVITY MILESTONE MATRIX

RI DNMS AGREEMENT STATE TRANSFER MILESTONE (MS)

A. Inspection:

MS-①	Identify and complete Inspections that will be due by 12/31/2009:	Villar has the lead to Identify – generates adhoc report (SOV.NJ.IDUE)	Adhoc will be generated mthly	Completion Date =
		Individual Branch has the lead - schedules and complete inspections listed on the adhoc rpt	Target date for completing inspections = 9/30/2009	
SAO Notes:	Once weekly Transition Team meetings begin, Branch representatives will inform SAO about any challenges at the weekly project meeting. As of 5/21/2009, there are 52 inspections that Region I plans to complete by 9/30/2009.			
LAT Notes:				

MS-②	Identify Inspections that will require an “Assist” from another Region	Lead = All branches (adhoc - SOV.NJ.USEAL)	Adhoc will be generated mthly	Completion Date =
SAO Notes:	As of _____, there are _ inspections that Region I plans to request other Regions complete by 9/30/2009. The list is be located on: “G:\SAO\Agreement State Transfers\Reports\[DATE] NJ.USEAL.wpd”.			
LAT Notes:	LAT will continue to monitor and provide updated list monthly.			

MS-③	Identify Inspection-related TARs submitted to HQ.	Lead = Hammann & Villar	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	As of _____, there are _____ open inspection-related TARs.			
LAT Notes:	The staff will continue to monitor to identify new issues.			

MS-④

Identify cases that have been referred to or initiated by Office of Investigations and provide plans for completion.	Lead = Janda with assistance from OI	Target Date = Monthly	Completion Date = not applicable
SAO Notes:	As of _____, there were __ open OI investigations pertaining to NJ licensees. Branch leads are tracking the individual cases and will provide updates as appropriate at weekly Transition Team meetings.		
LAT Notes:	None		

MS-⑤

Identify cases that are referred to DOJ, if any.	Lead = Janda	Target Date = not applicable	Completion Date = not applicable
SAO Notes:	As of _____, there were __ cases that have been referred to DOJ. Continue to monitor.		
LAT Notes:			

MS-⑥

Identify cases that involve issuance of a CAL.	Lead = Janda	Target Date = not applicable	Completion Date = not applicable
SAO Notes:	As of _____, there were _ outstanding CALs issued to a NJ licensee. Any outstanding CALs will be tracked by Branch leads who will provide updates at weekly Transition Team meetings. Continue to monitor.		
LAT Notes:			

MS-⑦

Identify Potential Escalated Enforcement cases.	Lead = All branches	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	As of ____, there are __ potential escalated enforcement actions involving NJ licensees. Branch leads will track all potential escalated enforcement actions and provide updates at weekly Transition Team meetings.		
LAT Notes:	None		

MS-⑧

Identify all open Allegations.	Lead = All branches	Target Date = Monthly	Completion Date = not applicable.
SAO Notes:	As of ____, Region 1 has __ open allegation files involving NJ licensees. Branch leads will track all open allegations involving NJ licensees and provide updates at weekly Transition Team meetings.		
LAT Notes:			

MS-⑨

Identify all IC inspections due by 12/31/09. Complete inspections by 09/30/09 .	Lead = Villar (ICSM Database)	Target Date =	Completion Date = [DATE]
SAO Notes:	As of ____, there are _ IC files for the State of NJ. Transfer of files to occur in conjunction with transfer of docket files.		
LAT Notes:	LAT continues to monitor.		

B. Licensing:

MS-①	Generate a current listing of pending licensing actions submitted by State licensees.	Lead = Villar (Adhoc SOV.PEND)	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	<p>As of ____, there are _ licensing actions pending. The list can be found on the drive titled: "G:\SAO\Agreement State Transfers\Reports_____.wpd".</p> <p>Region I has issued letters to approximately 500 licensees about State of New Jersey's pending transition to an Agreement State. About __ of these licensees maintain temporary or permanent work locations in Non-Agreement states. Region I plans to contact these licensees via letter to request their response with respect to splitting their licenses. In addition, there are about __ licensees who are located in other states and yet licensed to perform business in the State. Region I will contact these licensees by letter to request their response with respect to the available options. Region I plans to complete this activity by_____.</p> <p>Once the licensees' preferences are known, Region I will prepare revised licenses for issuance on the effective date of the Agreement.</p> <p>Region I will stop non-urgent processing licensing actions that we receive after [DATE].</p> <p>Region I will not accept complex licensing actions that are received after _____, if Region I staff concludes that these actions cannot be completed by the effective date of the Agreement. To date, Region I has identified _____ such licensing action.</p> <p>As of ____, Region I has __ open TARs that have an impact on pending New Jersey licensing actions. See MS-3.</p>			
LAT Notes:	LAT will continue to monitor.			

MS-②

Establish a “drop-dead” date to terminate technical review of actions received from New Jersey licensees to be transferred to New Jersey.	Lead = Janda	Target Date = [DATE]	Completion Date =
SAO Notes:	<p>After discussions with the State staff and DNMS management, Region I agreed to stop processing licensing actions that we receive after [DATE]. However, Region 1 will process licensing actions that we receive after this date if they constitute emergencies. Region I will also stop processing non-urgent complex licensing actions which cannot be completed by [DATE].</p> <p>Branch leads will track all non-urgent, complex licensing actions submitted by New Jersey licensees. The Branch leads will provide updates at the weekly Transition Team meetings and are responsible for providing the SAO with information on these licensing actions to be turned over to the State on [DATE].</p>		
LAT Notes:	LAT continues to monitor/track all incoming licensing actions until [DATE] and will then turn them over to the State after the Agreement is effective.		

MS-③

Identify all licensing related TARs in HQ and monitor progress of completion.	Lead = Hammann & Villar (CKB.HQ.MS19)	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	<p>As of _____. there were __ licensing-related TARs involving New Jersey licensees. Branch leads will monitor all licensing-related TARs and maintain communication with appropriate HQ Office regarding status and estimated completion date. Branch leads will provide updates on TAR status at weekly Transition Team meetings.</p> <p>All TARs still open on effective date of Agreement will be discussed with State of NJ and results of TARs will be provided to NJ.</p>		
LAT Notes:	This list can be located on: “G:\SAO\Agreement State Transfers\Reports_____.wpd”.		

MS-④	Identify Decommissioning actions and monitor progress of completion.	Lead = Hammann & Roberts (SOV.NURECEPT)	Target Date = Monthly	Completion Date =
SAO Notes:	As of _____, there are ___ decommissioning actions. This list can be located on: "G:\Reports\Mgmt Wkly Rpts_____ Adhoc - Rpt on Receipts.wpd".			
LAT Notes:	LAT will continue to monitor.			

MS-⑤	Identify active financial assurance for all Viginia licenses and issue letters to those licensees.	Lead = Hammann & Villar (SOV.NJ.ACTFA)	Target Date =	Completion Date =
SAO Notes:	LAT identified all New Jersey licensees with active financial assurances. On _____, Region I issued letters to all these licensees. These letters inform the licensee about the actions that they must take to transfer the financial assurance to the State. Attachment 3 of Enclosure 5 provides a template of the letter on financial assurance.			
LAT Notes:	Coordinated w/HQ on priority processing. As of _____, there are about ___ New Jersey licensees with approved financial assurance instruments. This list is located on: "G:\SAO\Agreement State Transfers\Reports_____ NJ Active Fin Assur.wpd". LAT continues to monitor.			

MS-⑥	Review broad scopes, 040 & 070 dockets for SNM (critical mass). NRC will retain those with critical mass (ref. 150.11)	Lead = Hammann (SOV.NJ.Broad)	Target Date = Monthly	Completion Date =
SAO Notes:				
LAT Notes:	As of _____, LAT has identified ___ licensee that possesses SNM (critical mass). This list can be located on: "G:\SAO\Agreement State Transfers\Reports_____ NJ broad.wpd". LAT will continue to monitor.			

MS-⑦	Review all licenses to be transferred to identify revisions needed to incorporate special conditions; notify applicable licensees of need to amend the license.	Lead = Branch leads	Target Date =	Completion Date =
SAO Notes:				
LAT Notes:				

C. Administrative Functions:

MS-①	Generate a computer list of all New Jersey licensees & compare it to the docket files in the Materials docket room. Identify any lost files. Create a file for any files that are lost.	Lead = Villar (SOV.NJ.LNO)	Target Date = Monthly	Completion Date = [DATE]
	SAO Notes: Project Manager's weekly meeting will be used to raise and resolve outstanding issues.			
LAT Notes:	LAT has generated the list of files for New Jersey licensees (about 390). This list is located on: "G:\SAO\Agreement State Transfers_____ NJ Lic No Order.wpd			

MS-②	Segregate files that will be transferred from those that will not, e.g., Federal, SNM & Exempt files.	Lead = Villar (SOV.NJ.BROAD, SOV.NJ.FEDS & SOV.NJ.EXMPT)	Target Date = [DATE]	Completion Date = [DATE]
	SAO Notes: Project Manager's weekly meeting will be used to raise and resolve outstanding issues.			
LAT Notes:	LAT has generated the list of files (about ___ licensees). These lists are located on: "G:\SAO\Agreement State Transfers_____ Federal NJ Licenses.wpd and _____ Exempt NJ Licenses.wpd "			

MS-③	Segregate New Jersey files by those that will be straight transfers.	Lead = Villar	Target Date = [DATE]	Completion Date = [DATE]
	SAO Notes: Project Manager's weekly meeting will be used to raise and resolve outstanding issues.			
LAT Notes:	Starting [DATE], files for New Jersey only (no other address or place of use) will be boxed for transfer.			

MS-④	Segregate New Jersey files by those that may require split licenses (i.e., NRC & New Jersey licenses, [e.g., temporary job sites & permanent locations of use in other NRC states]).	Lead = Villar (SOV.NJ.TEMPS)	Target Date = [DATE]	Completion Date =
SAO Notes:	Region I mailed letters to all 390 licensees during the week ending ____. Region I will start calling about __ licensees who did not respond to the letter. Region I will complete these calls by _____. At the time of the call if a split is requested an action will be opened using the phone log.			
LAT Notes:	Segregation of New Jersey files will commence on _____ or as soon as contact with the licensee has been established. This list can be located on: "G:\SAO\Agreement State Transfers\Reports_____ NJ Lic w Temp Job Sites.wpd".			

MS-⑤	Coordinate with DRM IT staff to setup macros related to licensing actions (e.g., dating cover letters and licenses for [DATE] ahead of time)	Lead = Villar?Nick	Target Date =	Completion Date =
SAO Notes:	Project Manager's weekly meeting will be used to raise and resolve outstanding issues.			
LAT Notes:				

MS-⑥	Generate LTS Adhoc of all NRC licensees located outside New Jersey who are authorized to use RAM in New Jersey. Issue letter to Regional Offices.	Lead = Villar	Target Date =	Completion Date = complete
SAO Notes:	Specific letter will request Regions to communicate w/respective licensees to determine if a split license is needed. For licensees requesting a split license, The respective Regional office will issued a new license that will be sent to Region I for transfer to the State after the Agreement is signed. The existing license will stay w/NRC but be amended to only authorize activities in NRC-regulated states.			
LAT Notes:				

MS-⑦

Generate LTS Adhoc of all NRC New Jersey licensees authorized to use RAM in New Jersey and temporary job sites in NRC regulated states. Issue letter (potential splits).	Lead = Villar (SOV.NJ.TEMPS)	Target Date =	Completion Date = complete
SAO Notes:	Specific letter will request licensees to communicate with Region I to determine if a split license is needed. For licensees requesting a split license, NRC will issue a new license that will be transferred to the State after the Agreement is signed. The existing license will stay w/NRC but be amended to only authorize activities in NRC-regulated states.		
LAT Notes:			

MS-⑧

Generate LTS Adhoc of all NRC New Jersey licensees that have financial assurance with the NRC. Issue letter.	Lead = Villar & all 4 branches	Target Date =	Completion Date =
SAO Notes:	Letter issued to licensees will inform licensees about the actions they must take to transfer the financial assurance to the State. Attachment 3 of Enclosure 5 provides a template of the letter on financial assurance.		
LAT Notes:			

MS-⑨

Generate RTS Adhoc of all Agreement State licensees who recently performed work under reciprocity in New Jersey. Issue letter.	Lead = Villar & Branch 3	Target Date =	Completion Date =
SAO Notes:	Specific letter will inform reciprocity licensees of upcoming Agreement and the actions they may take to continue work in the State of New Jersey (e.g., retain NRC license and file for reciprocity with New Jersey; obtain New Jersey license).		
LAT Notes:			

MS-⑩

Call all temporary job site licensees that did not respond to the specific letters.	Lead = All branches	Target Date =	Completion Date =
SAO Notes:	Calls will start on _____. Licensees will be requested to respond to the letter regarding split licenses.		
LAT Notes:			

MS-①①

Test documents for macros, printing and/or mail out processing issues	Lead = All branches & LAT	Target Date =	Completion Date =
SAO Notes:	To be done early in transfer process to identify and correct problems with processing/mailling out licensing actions.		
LAT Notes:			

MS-①②

Process requests for split licensing actions and assign to reviewers for issuance.	Lead = All branches	Target Date =	Completion Date =
SAO Notes:			
LAT Notes:			

MS-①③

	Lead = All branches	Target Date =	Completion Date =
SAO Notes:			
LAT Notes:			

MS-①④	Make copies of docket files for licensees that request split licenses.	Lead = All Branches	Target Date =	Completion Date =
SAO Notes:	This action can be performed once licensees submit request to split license.			
LAT Notes:				

MS-①⑤	Complete licensing actions for split licenses and TJS authorizations	Lead = All branches	Target Date =	Completion Date =
SAO Notes:	<ul style="list-style-type: none"> • For splits, amend existing NRC license to authorize NRC locations only (this license will remain in RI); prepare new license authorizing New Jersey locations only (this license will be shipped to New Jersey) • For TJS licenses that will not be split, amend existing license to authorize TJS in State of NJ only; this license will be shipped to New Jersey • Reviewers should print out LTS sheet for each licensing action • Recommend that this be done no later than 30 days prior to the transition date. 			
LAT Notes:				

MS-①⑥	Monitor for suspended or revoked licenses.	Lead = Villar & all 4 branches	Target Date =	Completion Date =
SAO Notes:	Monitor for communications from HQ			
LAT Notes:				

MS-①⑦	Request mailing labels from HQ for mass mailings of letters.	Lead = Villar	Target Date = [DATE]	Completion Date =
SAO Notes:				
LAT Notes:	Team Leader will work with HQ on generating labels.			

MS-①⑧	Request and receive DRM support to transferring materials to New Jersey (e.g., order boxes for packaging files for transfer; prepare mailing labels.)	Lead = Villar	Target Date =	Completion Date =
SAO Notes:				
LAT Notes:	LAT Team Leader will work with RI/DRM on getting enough boxes for the shipping of docket files.			

MS-①⑨	Determine method and extent to which all New Jersey files will be reviewed for completeness of information. Then start final QA of files.	Lead = Kottan & Villar	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	Determine QA method (verify all tie-downs, most recent inspection report and most recent amendment are in file).			
LAT Notes:	LAT has already done several QA checks on the docket file (i.e., remove duplicate material, if a docket file is too big or in bad shape documents are moved to a new folder or split into a 2 nd folder, etc.). This is continuous until the docket file is ready to be placed in the box to be shipped to the State.			

MS-②😊	Verify one last time with New Jersey that they have adequate space for transferred files. Prepare draft 519 form and discuss with HQ.	Lead = Villar & Janda	Target Date = Continuous	Completion Date = [DATE]
SAO Notes:	Provide State of New Jersey with estimated linear feet for docket files.			
LAT Notes:	LAT Team Leader will work with HQ and the Region on the 519 form. 519 has been started, just can not be completed until we know the status of all records (splits, Broads, etc.). This will be completed as the files are boxed and prepared for the transfer.			

MS-②①	Document inventory (e.g., Box licenses and prepare listings of contents.)	Lead = Villar	Target Date = Continuous	Completion Date = [DATE]
SAO Notes:				
LAT Notes:	LAT will prepare and coordinate with HQ, Region and State on pickup & delivery of all files.			

MS-②②	Forward to Fees the following lists: Licenses transferred; Licenses not being transferred; actions that are on hold due to the transfer	Lead = Villar	Target Date = [DATE]	Completion Date = [DATE]
SAO Notes:				
LAT Notes:	NOTE: forward after NRC Form 519 is completed.			

MS-②③	Prepare NRC Form 30 for contract transportation to deliver and unload boxes.	Lead = Villar	Target Date = [DATE]	Completion Date = [DATE]
SAO Notes:				
LAT Notes:	LAT Team Leader has this all ready to go.			

MS-②④	Coordinate with HQ/FSME to update LTS, changing status from active (0) to retired (4), request a global change by contractor in HQ.	Lead = Villar	Target Date = [DATE]	Completion Date = [DATE]
SAO Notes:				
LAT Notes:	LAT Team Leader will work with HQ on this.			

MS-②⑤	Coordinate with HQ/FSME to have a CD prepared of all licenses transferred to the State of New Jersey.	Lead = Villar	Target Date = [DATE]	Completion Date =
	SAO Notes:			
	LAT Notes: LAT Team Leader will work with HQ on this.			

MS-②⑥	Coordinate with HQ (FSME) on specific dates when they should complete their milestones.	Lead = Kottan	Target Date = Monthly	Completion Date =
	SAO Notes:			
	LAT Notes:			

MS-②⑦	Coordinate with HQ on the transfer of NRC list of General Licensees (GL) located in New Jersey and certificates (as applicable).	Lead = Kottan & Villar	Target Date = [DATE]	Completion Date =
	SAO Notes:			
	LAT Notes:			

MS-②⑧	Check for any New Jersey E-Distribution licenses. These will not be transferred.	Lead = Villar & all 4 branches (SOV.NJ.EXMPT)	Target Date = Monthly	Completion Date = [DATE]
	SAO Notes: These licenses will remain with NRC.			
	LAT Notes:			

MS-②⑨

Check for any Federal licenses located in New Jersey. These will not be transferred.	Lead = Villar & all 4 branches (SOV.NJ.FEDS)	Target Date = Monthly	Completion Date = [DATE]
SAO Notes:	These licenses will remain with NRC.		
LAT Notes:			

MS-③☺

Provide to HQ a date when their material should be transferred.	Lead = Villar	Target Date = [DATE]	Completion Date =
SAO Notes:			
LAT Notes:	LAT Team Leader is working with HQ/Records on this.		

ENCLOSURE 3: LICENSING GUIDANCE

The State of New Jersey intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission (NRC) on or about [DATE]. As a result of the transition process some licensees are requesting both a State of New Jersey license and an NRC license. The following is general guidance on the process of splitting licenses:

- The transitioning Region will provide a copy of the licensee's request for a split license (License Amendment Request form) to the appropriate Region.
- Process the amendment request according to standard procedures. The original license number will remain with NRC. The new State of New Jersey license will be the same as the NRC license except the last two digits will be 02, 03, 04, etc. Assign a new docket number to the new State of New Jersey license.
- Amend the existing NRC license to remove the State of New Jersey location(s) of use and make any other necessary changes. Prepare the new license for the State of New Jersey. Examples of the split license process are attached. Date the licenses with the transition date.
- Copy and prepare a new State of New Jersey license file. The file must include all current inspection reports/information and licensing correspondence. Please make sure that all tie down documents are accounted for and copied and are part of the new State of New Jersey file. **Do not copy file documents double sided unless only one document is copied at a time. Please do not copy LTS or Fees information.**
- Send the new State of New Jersey license, the State of New Jersey license file, and the amended NRC license to: Region I, ATTN: Licensing Assistance Team, 475 Allendale Road, King of Prussia, PA 19406. Region I will mail all correspondence, licenses, and files to the State of New Jersey licensees.

Your cooperation is appreciated. Should you have any questions regarding this matter, please contact Sheryl Villar at (610) 337-5239.

Attachments:

1. Original license
2. NRC split license
3. State of New Jersey split license

ENCLOSURE 4: LICENSE FILE QUALITY ASSURANCE PROCEDURE

A. Generic Guidance

1. When reviewing the file, if there is an obvious duplication of documents, e.g., copy of an inspection report **plus** the NUDOCS copy of the same report (one with an accession sticker), **remove** the document without the sticker and **discard appropriately**.
2. If the file or files are packed with documents so they are unwieldy (stuffed), split the file as necessary; make new docket folders, and re-file.

B. Materials Licensing Section

1. Verify that the last amendment issued in the file matches the last amendment number on the computer G: Drive.
 - (a) If the Amendment Nos. match, proceed to Item 2.
 - (b) If the Amendment Nos. do not match, make a note of the most recent amendment in the file and the most recent one on the computer and contact Materials Processing Assistant for assistance before proceeding to Item 2.
 - (c) Review License Condition No. 10. License files with locations of use **only** in the State of New Jersey are to be marked as **Straight Transfers (ST)**; locations of use at temporary job sites in other NRC states are to be marked as **Temporary Job Sites (TJS)**; permanent location(s) of use in another NRC state, e.g. Indiana, are to be marked as **Permanent Location of Use (PLU)**; and NJ mailing address only with locations of use in an NRC State are to be marked as **Not Transferred (NT)**.
2. Verify that all of the tie-down documents listed in the last license condition of the last amendment are in the file. Make a pencil checkmark above the document, and include your initials.
 - a. If all tie-down documents are present in the file, proceed to the Materials Inspection Section.
 - b. If tie-down documents are missing, make a list of those that are missing and retrieve from NUDOCS; microfiche or ADAMS, and coordinate with the Materials Reference Assistant in LAT. Place a copy of the documents in the docket file.

C. Materials Inspection Section

1. Locate the most recent inspection report in the file.
2. By using the computer (License tracking system (LTS) Data Entry Screen #3), or a computer printout, compare the date of the most recent inspection report in the file against the last inspection date entered in the LTS screen. They should match unless an inspection is currently due. If they do not match, contact the Materials Licensing Assistant Team Leader in LAT.

D. Documentation of QA Results

After both the licensing and inspection sections in the file have been reviewed and found to be acceptable or updated to make it acceptable, the physical condition of the file is adequate and not falling apart or unwieldy, affix a QA sticker to the outside as verification that the file was QA'd and is in order for transfer.

NOTE: DO NOT AFFIX A STICKER TO THE FILE UNLESS IT HAS BEEN QA'D IN ITS ENTIRETY.

Checklist for the Materials Docket File to be Transferred

License No. _____ Docket No. _____

Licensing:

1. Review for duplication of documents _____
2. Split due to over stuffed or poor condition _____
3. Verify last Amend issued matches ADAMS & Word (G Drive) _____
4. Verify tie-downs in last Amend matches ADAMS & Word _____

Inspection:

1. Verify most recent report is in ADAMS & Docket file _____
2. Compare LTS against report (e.g., Last Inspt & Next Inspt Date; Rpt #, etc.) _____

This Docket file has been QA'd by: _____ and is in order and ready for transfer to Agreement State

ENCLOSURE 5: **CORRESPONDENCE**

Attachments 1 and 2 are examples of letters that may be sent to the State of New Jersey licensees informing them of the 274(b) Agreement; Attachment 3 is an example of a memorandum for Regional management coordination regarding licensing actions, and Attachment 4 is an example of a letter regarding Financial Assurance for decommissioning for the transitioning Agreement State licensees.

ATTACHMENTS:

1. Sample first letter to NRC licensees authorized to conduct licensed activities in the State of New Jersey
2. Sample letter regarding Financial Assurance
3. Letter to the NRC Regions



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

[DATE]

TO: ALL NRC MATERIALS LICENSEES AUTHORIZED TO CONDUCT LICENSED
ACTIVITIES IN THE STATE OF NEW JERSEY

SUBJECT: PROPOSED AGREEMENT WITH THE STATE OF NEW JERSEY

Dear Licensee:

As you are probably aware, the State of New Jersey intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission (NRC). Under the Agreement, the NRC would relinquish to the State of New Jersey regulatory authority for certain licenses for byproduct, source, and special nuclear materials. It is anticipated that the Agreement would become effective on or about [DATE].

To assist you in understanding this proposed change in regulatory authority, the following conditions would apply on the effective date of the Agreement:

1. As an NRC materials licensee (other than as described in Item 3. below) located in and/or authorized to conduct licensed activities only in the State of New Jersey, your existing NRC license will be transferred to the State. The NRC license will eventually be converted to a State of New Jersey license at the time of next renewal, amendment, or as determined by the State.
2. As an NRC materials licensee located in the State of New Jersey and authorized to conduct licensed activities in Non-Agreement States (i.e., States regulated by the NRC), one of two situations may exist:
 - a. If your NRC license authorizes activities in the State of New Jersey and at one or more permanent locations in any Non-Agreement State (e.g., New Jersey, West New Jersey, etc.), upon the effective date of the Agreement, you will be issued two licenses. Your current NRC license will be amended to remove the State of New Jersey location (leaving those locations that authorize activities in Non-Agreement States), and you will be issued a new license by NRC authorizing activities only in the State of New Jersey. There will be no fee assessed for these actions; however, you will continue to be assessed annual fees to maintain the NRC license. The State of New Jersey will also charge you license fees for the license authorizing activities in the State. The expiration date of both licenses will remain the same; the license authorizing activities in New Jersey will eventually be converted to a State of New Jersey license at the time of the next renewal, amendment, or as determined by the State.

- b. If your NRC license authorizes activities in the State of New Jersey and at temporary job sites in Non-Agreement States, you will be given the opportunity to declare to our office whether or not you need both State of New Jersey and NRC materials licenses. If you want to maintain an NRC license, our office will amend your NRC license for temporary jobsites only in Non-Agreement States, and we will issue a new license authorizing licensed activities in the State of New Jersey only. There will be no fee assessed for these actions; however, you will continue to be assessed annual fees to maintain the NRC license. The State of New Jersey will also charge you license fees for the license authorizing activities in the State. The expiration date of both licenses will remain the same; the license authorizing activities in New Jersey will eventually be converted to a State of New Jersey license at the time of the next renewal, amendment, or as determined by the State.

If you determine that due to limited work activities in NRC-regulated states you do not need an NRC license, we will amend your existing NRC license to delete authorization for temporary job sites in Non-Agreement States. The license will then only authorize work activities in the State of New Jersey. After the Agreement is effective, you can conduct work at temporary job sites in Non-Agreement States pursuant to 10 CFR 150.20 (i.e., reciprocity). However, please be aware that reciprocity is only allowed for a maximum of 180 days in any calendar year. You are required to file NRC Form 241 for reciprocity with the NRC whenever your work brings you into NRC jurisdiction, or into areas of Exclusive Federal Jurisdiction within an Agreement State. The current application fee for reciprocity is \$1,400 per calendar year.

If your NRC license is as described in Item 2.b. of this letter, please respond in writing within 30 days of the date of this letter and provide your plans for possessing, upon the effective date of the Agreement, both an NRC license and a State of New Jersey license or only a State of New Jersey license. Please mail your response to:

U.S. Nuclear Regulatory Commission
Division of Nuclear Materials Safety
Licensing Assistance Team
475 Allendale Road
King of Prussia, PA 19406

3. Notwithstanding the above two categories, licenses issued by the NRC to Federal Government agencies, or licenses authorizing the possession of special nuclear material in quantities sufficient to form a critical mass, or licenses authorizing exempt distribution, will remain under NRC jurisdiction.
4. If you believe you have a license situation outside of the above categories, please contact the NRC individuals listed at the end of this letter.

For your information, communications with the State of New Jersey should be addressed to:

Mr. Leslie P. Foldesi, CHP, Director
Division of Radiological Health
New Jersey Department of Health
James Madison Bldg.
109 Governor Street, Room 730
Richmond, NJ 23219
Telephone: (804) 864-8151

If you have any questions regarding this letter, please contact either of the Region I State Agreements Officers, Donna Janda at (610) 337-5371 or James Kottan at (610) 337-5214.

Sincerely,

John D. Kinneman, Director
Division of Nuclear Materials Safety

If you have any questions regarding this letter, please contact either of the Region I State Agreements Officers, Donna Janda at (610) 337-5371 or James Kottan at (610) 337-5214.

Sincerely,

John D. Kinneman, Director
Division of Nuclear Materials Safety

SUNSI Review Complete: JKN (Reviewer's Initials)

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

[DATE]

TO: NRC MATERIALS LICENSEES AUTHORIZED TO CONDUCT LICENSED
ACTIVITIES IN THE STATE OF NEW JERSEY WHO HAVE A
DECOMMISSIONING FINANCIAL ASSURANCE INSTRUMENT

SUBJECT: DECOMMISSIONING FINANCIAL ASSURANCE INSTRUMENTS AND
THE UPCOMING AGREEMENT WITH THE STATE OF
NEW JERSEY

Dear Licensee:

The State of New Jersey intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission. Under the Agreement, the NRC will relinquish to the State of New Jersey regulatory authority for certain licenses for byproduct, source, and special nuclear materials. It is anticipated that the Agreement will become effective on or about [DATE].

In accordance with NRC requirements described in 10 CFR 30.35, 40.36, and 70.25, you have provided the NRC a decommissioning financial instrument. This instrument names the NRC as a beneficiary, grants NRC specific powers, and contains specific NRC notification provisions. As part of the transfer of regulatory authority from the NRC to the State of New Jersey, we have determined that your financial instrument will need to be re-issued so that provisions currently specifying the "U.S. Nuclear Regulatory Commission" are changed to specify the "State of New Jersey." Please note that the State of New Jersey has model financial assurance forms prepared by the New Jersey Department of Health (NJ DOH). You may use these forms to assist in preparation of your new financial assurance instrument for the State of New Jersey. You may request copies of these model forms by contacting the NJ DOH staff member identified below.

To implement the transfer of decommissioning financial assurance instruments in the most timely and effective manner, we request that you begin to prepare, with the issuer of your current instrument, a modified financial instrument with the changes described above. This modified instrument should be executed on the effective date of the signing of the Agreement. NRC staff will notify you of the effective date of the Agreement. After you have executed the changes to your financial instrument and provided the original instrument to the State of New Jersey, we will cancel and return to you the financial instrument that we currently hold in our office. Please note that if you fail to execute a modified instrument on the effective date of the Agreement, it is likely that you will be out of compliance with the State of New Jersey regulatory requirements.

Questions applicable to the State of New Jersey requirements should be directed to:

Mr. Paul Baldauf, Assistant Director for Radioactive Protection Programs &
Release Prevention Element
Division of Environmental Safety & Health
Department of Environmental Protection
P.O. Box 415
Trenton, NJ 08625-0415
Telephone: (609) 984-5636

If you have any questions regarding this letter, please contact Donna Janda of the NRC at (610) 337-5371.

Sincerely,

John D. Kinneman, Director
Division of Nuclear Materials Safety

Questions applicable to the State of New Jersey requirements should be directed to:

Mr. Paul Baldauf, Assistant Director for Radioactive Protection Programs &
Release Prevention Element
Division of Environmental Safety & Health
Department of Environmental Protection
P.O. Box 415
Trenton, NJ 08625-0415
Telephone: (609) 984-5636

If you have any questions regarding this letter, please contact Donna Janda of the NRC at (610) 337-5371.

Sincerely,

/RA/

John D. Kinneman, Director
Division of Nuclear Materials Safety

SUNSI Review Complete: DMJ (Reviewer's Initials)

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DATE							

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

[DATE]

MEMORANDUM TO: Steven A. Reynolds, Director
Division of Nuclear Materials Safety
Region III

Leonard D. Wert, Jr., Director
Division of Nuclear Materials Safety
Region IV

FROM: John D. Kinneman, Director
Division of Nuclear Materials Safety
Region I

SUBJECT: REGIONAL LICENSES INVOLVED IN THE TRANSFER OF
REGULATORY AUTHORITY TO THE STATE OF NEW JERSEY

On or about March 31, 2009, the proposed Agreement between the Commission and the State of New Jersey will be signed. We are currently in the process of preparing for this upcoming transfer of regulatory authority and have identified certain licenses issued by other Regions with a place of use in New Jersey. A computer generated list of these licenses is enclosed (Enclosure 1). On [DATE], we issued a letter to NRC licensees with authorization to use licensed material both in the State of New Jersey and NRC regulated states (Enclosure 2). Those licensees listed on Enclosure 1 also received the [DATE] letter. The purpose of the letter was to determine which licensees require both NRC and State of New Jersey licenses.

We ask that each Region review the enclosed list to: 1) verify its accuracy; and 2) determine if you have additional licenses that have a location of use in New Jersey that are **not** included on Enclosure 1. If so, please communicate that information to us, and forward Enclosure 2 to those licensees for their review and response.

We request that the responsible Region perform the necessary licensing action for those licensees on Enclosure 1 that are located in your Region. Furthermore, we request that you forward all completed licensing actions to Region I for transfer to the State of New Jersey.

CONTACT: Donna M. Janda, Region I SAO
(610) 337-5371
Donna.Janda@nrc.gov

James Kottan, Region I SAO
(610) 337-5214
James.Kottan@nrc.gov

We appreciate your assistance and support in this matter, and will keep you updated as we approach the signing of the Agreement. If you have any questions, please contact the individuals identified.

Enclosures: As stated

cc w/encls:

FSME

SAO, DNMS, RI

SAO, DNMS, RIII

SAO, DNMS, RIV

We request that the responsible Region perform the necessary licensing action for those licensees on Enclosure 1 that are located in your Region. Furthermore, we request that you forward all completed licensing actions to Region I for transfer to the State of New Jersey.

CONTACT: Donna M. Janda, Region I SAO
(610) 337-5371
Donna.Janda@nrc.gov

James Kottan, Region I SAO
(610) 337-5214
James.Kottan@nrc.gov

We appreciate your assistance and support in this matter, and will keep you updated as we approach the signing of the Agreement. If you have any questions, please contact the individuals identified.

Enclosures: As stated

cc w/encls:

- FSME
- SAO, DNMS, RI
- SAO, DNMS, RIII
- SAO, DNMS, RIV

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NAME	SVillar/sv		DJanda		JKottan				
DATE									

** see previous concurrence

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LICENSING ACTION ACKNOWLEDGEMENT FORM

Licensee Contact: _____

Company: _____ License No. _____

Address: _____ Docket No. _____

City, State: _____

Zip Code: _____

Based on your response during our telephone conversation on [INSERT DATE], the option checked below applies to your request regarding use of licensed material under an NRC license:

- We have reviewed our current license and have determined that we need to maintain both an NRC license and a State of New Jersey license. We therefore request that our existing NRC license be amended to remove authorization for use of material in the State of New Jersey and authorize work activities only in non-Agreement States. In addition, we request that the NRC issue us a new license for work activities only in the State of New Jersey. We understand that our new license will then be transferred to the State of New Jersey in conjunction with the effective date of the Agreement between the NRC and the State of New Jersey. We further understand that we will be assessed annual fees to maintain both the NRC and State of New Jersey licenses.
- We have reviewed our current license and no longer find it necessary for authorization to conduct licensed activities in NRC-regulated states, and therefore request that our existing NRC license be amended to authorize the use of material only in the State of New Jersey. We request that this be effective on the date the Agreement between the NRC and the State of New Jersey is signed. We understand that upon the effective date of the Agreement between the NRC and the State of New Jersey, we will be licensed by the State of New Jersey to conduct work at temporary job sites in the State and as such, must file a NRC Form 241 (reciprocity) prior to performing any work in NRC jurisdictions (non-Agreement States) or in areas of Exclusive Federal Jurisdiction within an Agreement State.

DRAFT