

FEB 16 1990

MEMORANDUM FOR: Chairman Carr
 Commissioner Roberts
 Commissioner Rogers
 Commissioner Curtiss
 Commissioner Remick

FROM: Carlton Kammerer, Director
 State Programs
 Office of Governmental and Public Affairs *original signed by Carlton Kammerer*

SUBJECT: MONTHLY STATE PROGRAMS AND REGIONAL REPORT
 FOR JANUARY 1990

The January 1990 Significant Intergovernmental Activities and Issues Report is enclosed for your information. This report is the result of the combined efforts of NRC's Regional State Liaison Officers, Regional State Agreements Officers and the State Programs staff.

Enclosure: Significant Intergovernmental Activities and Issues - January 1990

cc: See Distribution List Attached

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HEADQUARTERS

Meeting with Texas Officials and Tour of Proposed LLW Disposal Site

Harold Denton, Director, Office of Governmental and Public Affairs, Carlton Kammerer, Director, State Programs, Richard Bangart, Director, Division of LLW Management and Decommissioning, and Charles Hackney, Region IV State Liaison Officer, met with David Lacker, Chief, Texas Bureau of Radiation Control, Auburn Mitchell, Assistant to Governor Clements and State Liaison Officer, and Rick Jacobi, General Manager, Texas LLW Authority on January 18, 1990 in Austin, Texas. The purpose of the meeting was to discuss the status of the development of a LLW disposal facility in Texas. The group toured the proposed site for the Texas LLW disposal facility near Fort Hancock in Hudspeth County on January 19, 1990.

CRCPD Executive Board Meeting

Carlton Kammerer, Director, State Programs, participated in the Conference of Radiation Control Program Directors, Inc. (CRCPD) Executive Board meeting on January 22-26, 1990 in Phoenix, Arizona. The Executive Board discussed pending CRCPD policy issues, planned future activities and conducted other routine business.

Council of State Governments Meeting

The Council of State Governments Eastern Regional Conference held a joint meeting of the Environment Committee and the Energy and Public Utilities Committee on January 24-26, 1990 in Washington, DC. The Eastern Regional Conference included legislators and staff from Connecticut, Delaware, Massachusetts, New Jersey, New York, Pennsylvania and Rhode Island. The joint meeting reviewed a variety of energy and environmental policy and legislative issues including the Clean Air Act, the Clean Water Act, global warming and the greenhouse effect, and automobile fuels of the future. There was a session on issues regarding LLW generation and disposal with representatives from the Department of Energy, the Nuclear Information Resources Service and the New York State LLW Siting Commission. William Russell, Region I Administrator, Sheldon Schwartz, Deputy Director of GPA, and Joseph Scinto, OGC, participated in a panel discussion on nuclear-related issues.

Technical Training Center Advisory Group Meeting

Vandy Miller, Assistant Director for State Agreements Program, attended the Technical Training Center Advisory Group meeting on January 30-31, 1990 in Chattanooga, Tennessee. The purpose of the meeting was to discuss and plan NRC training needs.

REGION I

CONNECTICUT

Low-Level Radioactive Waste Activities

The Connecticut Hazardous Waste Management Service Board conducted a public hearing to receive public comments on the 1989 update of the Connecticut LLRW Management Plan on January 3, 1990, in Danielson, Connecticut. The Board announced that the earliest a preferred site, site designer and site technology could be selected would be June 7, 1991.

In other LLRW activities, the Connecticut Attorney General's Office has requested, in a January 16, 1990 letter, an immediate response on the position of the U.S. Navy regarding the interim storage of LLRW and the payment of the pro-rata share assessed upon the Navy for the State's expenses associated with the LLRW program. A spokesperson for the Navy had informed NRC staff that it would cooperate with the State; however, Connecticut was not specifically advised as to the current position of the Navy. An earlier response to the State LLRW survey had indicated that the Navy would not and could not store low-level radioactive waste on an interim basis.

MARYLAND

Neutron Products, Inc. (NPI) Restart

During January, the State of Maryland authorized NPI to reinstitute Co-60 melting operations. The facility had been shut down until the licensee had made modifications to its ventilation system and radiation control procedures.

MASSACHUSETTS

Inspection Observation

On January 4, 1990, Jeffrey Hausner, Massachusetts State Liaison Officer designee, attended the NRC Pilgrim Restart Panel meeting with Boston Edison on the final assessment report for Pilgrim. Following the meeting, Mr. Hausner discussed with Marie Miller, Region I State Liaison Officer, the status of the State inspection/observation activities. Only limited observation of NRC inspections should be expected during 1990, since Massachusetts did not renew the contract with its onsite inspector because of budget constraints.

Low-Level Radioactive Waste Activities

On February 2, 1990, Marie Miller, Regional State Liaison Officer, met with Carol Amick, Executive Director of the LLRW Management Board, and with Robert Hallisey, from the Department of Public Health. The discussions focused on the schedules outlined in the Massachusetts

Governor's Certification and status of the draft Agreement State regulations. Questions and comments were also received regarding the NRC draft exemption from regulatory control policy.

The LLRW Management Board is planning a public information forum on the exemption policy because of the numerous questions they are receiving from State and local officials. Carol Amick requested NRC provide a spokesperson to discuss the history of NRC exemption practices and the status of the draft exemption from regulatory control policy. It was also stated that NRC should emphasize this policy as an extension of the decommissioning regulations and separate it from the LLRW issues. Concern was expressed that the public's lack of understanding of the exemption policy could organize the public against any low-level waste disposal site. The request to participate in an outreach forum in Massachusetts has been forwarded to the Office of Nuclear Regulatory Research and to State Programs.

Radiation Control Regulations

The Commonwealth of Massachusetts has submitted for NRC review draft radiation control regulations. Massachusetts plans to seek full Agreement State status and the draft regulations cover all aspects of an Agreement State program with the exception of low-level waste management. Low-level waste regulations are being addressed separately and will be submitted for NRC review at some future date.

NEW HAMPSHIRE

BRC Legislation

NRC recently received a draft bill being considered by the New Hampshire legislature which would require the licensed disposal of all radioactive waste "... whether or not such radioactive wastes or radioactive materials have been reclassified as below regulatory concern or declared exempt from regulatory control by the U.S. Nuclear Regulatory Commission" This legislation would appear to preclude the State from adopting regulatory requirements necessary to maintain compatibility. The State of Maine has already passed similar legislation which may preclude NRC from approving the proposed agreement with Maine. This legislation is currently under review.

NEW YORK

Cintichem, Inc.

Region I has been coordinating regulatory actions regarding Cintichem with the various New York State agencies having regulatory jurisdiction over Cintichem. The State Department of Environmental Conservation (DEC) has been closely monitoring the environmental releases of iodine from Cintichem. The State Department of Labor (DOL) has been concerned about the in-plant implications of the iodine problem. The State Department of Health (DOH) has been conducting laboratory analyses of water samples for

DEC. DOL and DEC have participated in NRC inspections and the agencies have met with NRC staff on a number of occasions to discuss and coordinate regulatory action.

RHODE ISLAND

Exchange of Information Meeting

Marie Miller, Region I State Liaison Officer, met with Charles Mansolillo, Director of the Governor's Office of Energy Assistance and Intergovernmental Relations and Rhode Island State Liaison Officer, on January 3, 1990, in Providence, Rhode Island. The purpose of the meeting was to discuss items of mutual interest, including the status of the Agreement State program, the LLW disposal contract with the Rocky Mountain LLW Board and the status of NRC activities at Pilgrim and Seabrook.

VERMONT

Routine Exchange of Information Meeting

Wayne Hodges, Director, Division of Reactor Safety, and Marie Miller, RSLO, met with William Sherman, Nuclear Engineer with the State of Vermont and State Liaison Officer designee, on January 31, 1990, in Vernon, Vermont. The purpose of the meeting was to discuss the status of Vermont's activities with regard to Vermont Yankee and low-level radioactive waste. The Vermont Yankee SALP Management meeting was held in Vernon, Vermont, on January 31, 1990, and was attended by Mr. Sherman.

As part of the discussions on low-level waste, Vermont requested that NRC provide a presentation to the Vermont State Nuclear Advisory Panel in April or May on the relationship of BEIR V to NRC's radiation protection regulations and its draft exemption from regulatory control policy. This request has been referred to the Office of Nuclear Regulatory Research.

REGION II

NORTH CAROLINA

Southeast LLW Compact Commission Committee Meetings

Robert Trojanowski, Director of Region II State and Government Affairs Staff, attended the Southeast LLW Compact Commission Committee meetings on January 10, 1990 in Raleigh, North Carolina. The Committees discussed calendar events for 1990 and reviewed other Commission issues such as by-law amendments, sanctions and public outreach.

North Carolina Review Visit of LLW Program

R. L. Woodruff, Region II State Agreements Officer, conducted a review visit of the North Carolina LLW program on January 30-31, 1990 in

Raleigh, North Carolina. The purpose of a review visit is to assess the status of the State's program and to assist the State in preparing for a routine review. LLWM staff participated in the review visit.

REGION III

ILLINOIS

Fitness-For-Duty Rule

Dr. Terry Lash, Director, Illinois Department of Nuclear Safety (IDNS), wrote a letter dated January 12, 1990 requesting the NRC to temporarily exempt IDNS personnel who otherwise qualify for unescorted access at Illinois nuclear power plants from the requirements of the fitness-for-duty rule. In addition, Dr. Lash requested the NRC to authorize IDNS to comply with the fitness-for-duty rule through a program that does not require review, approval, or oversight by the licensee. A reply to this request is pending.

Resident Engineer Program

IDNS is in the process of hiring two additional Resident Engineers, who will be assigned to the Zion and Dresden facilities. IDNS currently has one Resident Engineer at the LaSalle nuclear power plant.

Inspector Accompaniment

B.J. Holt, Region III State Agreements Officer, accompanied IDNS health physicist, James Cameron, on inspections at Interstate Nuclear Services Corporation in Morris, Illinois, and St. James Hospital in Chicago on January 16, 17, and 22, 1990. Violations of IDNS requirements were found at both facilities.

Radiation Control Program Review

The review of the Illinois Radiation Control Program for agreement materials began on January 29, 1990, and continued through February 9, 1990. This was a team review with participation from staff members of Regions III and IV and NMSS. B.J. Holt, Region III State Agreements Program Officer, was the team manager.

OHIO

Memorandum of Understanding

Roland Lickus, Chief, State and Government Affairs, received a telephone call on January 3, 1990 from James Williams, Ohio State Liaison Officer, who had just met with Governor Celeste. Mr. Williams indicated that Governor Celeste wishes to proceed with signing an umbrella MOU with the NRC and is interested in having a signing ceremony in Columbus, Ohio.

Utility Radiological Safety Board (URSB)

Roland Lickus, Chief, State and Government Affairs, attended a meeting of the staff of the Utility Radiological Board (URSB) on January 9, 1990 in Columbus, Ohio. The URSB, which was recently created by State statute, is made up of the Chairman of the Public Utilities Commission, the Director of Environmental Protection, the Director of Health, the Director of Agriculture, the Adjutant General as Director of the Emergency Management Agency, and the Director of Industrial Relations. The URSB is charged with developing a comprehensive policy for the State regarding nuclear power safety. To date the URSB staff has had organizational meetings, however the URSB has not formally met.

A presentation was made to the URSB staff on areas of potential cooperation with the NRC. The Commission's Policy Statement on Cooperation with States was discussed as well as potential cooperative agreements in the areas of inspection accompaniments and participation in inspections at nuclear power plants in Ohio.

State and Local Officials Meeting C. Perry

Roland Lickus, Chief of Region III State and Government Affairs, attended a briefing of State and local officials from around the Perry Nuclear Power Plant by Cleveland Electric Illuminating Company on January 18, 1990 in Perry, Ohio. The briefing was on the series of five unplanned gaseous releases as a result of loop seal failures in the off-gas system in December and January and other recent events at the Perry plant, as well as the significance of these events and reporting requirements to State and local officials. A representative from Governor Richard Celeste's office attended the briefing.

Meeting With Governor Celeste

A. Bert Davis, Regional Administrator, Roland Lickus, Chief, State and Government Affairs, and other Region III staff met with Governor Richard Celeste and other State officials on January 20, 1990, in Columbus, Ohio. The Ohio Governor's Office had expressed concern over the repeated problems that the Perry Plant has had with blown loop seals in the Off-Gas System. The Governor was considering writing a letter to Chairman Carr on this issue. Region III offered to brief the Governor and his staff on the history of loop seal events and NRC's view of the problems, and the Governor accepted. The meeting was cordial, with Governor Celeste expressing his appreciation for NRC's efforts. The Governor expressed the State's concern as being primarily over the repetitive failures of the loop seals in the off-gas system over a short period of time.

IOWA

Inspector Accompaniment

Ralph Fobair of the Iowa Department of Public Health (IDPH) accompanied Evelyn Matson, Region III Radiation Specialist, on inspections of Federal facilities in Iowa on January 8-12, 1990. Mr. Fobair, a new IDPH inspector, was provided the opportunity to observe an experienced NRC inspector conduct evaluations of licensees having both specific and broad scope licensed programs.

REGION IV

KANSAS

Review Visit to Kansas Radiation Control Program

A review visit was made of the Kansas Radiation Control Program on January 16-17, 1990. It was noted that State regulations that specifically address safety requirements for well loggers are not yet in place. Amended regulations incorporating such provisions have been drafted and it is hoped they will be approved before expiration of the 3-year implementation period in July 1990. The need to minimize the number of out-of-State licensees from non-Agreement states was emphasized. Staffing levels continue to be adequately maintained.

LOUISIANA

Meeting with Louisiana State Officials

On February 5, 1990, Charles Hackney, Region IV State Liaison Officer, met with Robert Warren, Assistant Secretary, Louisiana Office of Emergency Preparedness (LOEP), in Baton Rouge, Louisiana. The purpose of the meeting was to meet with Mr. Warren and discuss any issues of concerns that the NRC could assist in resolving. Mr. Warren had recently been appointed to the office and this was an opportunity to get acquainted. The LOEP staff has been reduced due to reduction in State funding. Presently LOEP is under the State police; however, it may be moved to another department in the near future.

Louisiana Energy Services Fuel Enrichment Facility

On February 6, 1990, representatives from the NRC and the State of Louisiana met in Baton Rouge, Louisiana, to discuss the Louisiana Energy Services fuel enrichment facility. Representatives from the NRC were: Charles Hackney, Region IV State Liaison Officer; William Fisher, Chief, Fuel Cycle Safety Branch; Donald Garrison, Reactor Inspector, Division of Reactor Safety; Charles Haughney, Chief, Fuel Cycle Safety Branch; and Peter Loysen, Licensing Project Manager. Representatives from the State were: Mike McDaniel, Assistant Secretary, Department of Environmental Quality (DEQ); William Spell, Administrator, Louisiana Nuclear Energy Division (LNED); James Friloux, Administrator, DEQ; Vicki Arroyo,

Director, Division of Policy and Planning, DEQ; and additional staff representatives from both LNED and DEQ. The purpose of the meeting was in response to a request from LNED to have the staff brief them on questions pertaining to licensing, and types of material that would be produced by Louisiana Energy Services (LES). The NRC staff gave a brief update of communications that had transpired between the NRC and LES. The State representatives were briefed on the status of uranium enrichment legislation, including Senator Bennett Johnston's amendment which would require NRC to license a uranium enrichment facility under 10 CFR 40 and 70 and not Part 50. The State was also advised that NRC would remain the licensing agency for the facility. The State representatives wanted to know what their role was in the review and licensing process for LES facility. State representatives were displeased because the applicant had pursued purchasing the site property and allowed the previous owner to proceed with removing timber before coming to the State with their plans.

The following are some of the questions asked:

Will the State have the opportunity to participate in the LES licensing review process, if not the formal review, how and when will their comments be solicited?

What criteria will the NRC use for the licensing review, Part 50 or Parts 40 and 70?

The applicant has stated that there will not be any waste. Will the NRC review the application to identify waste streams?

Will the applicant be required to have selected viable alternate sites?

Has the NRC considered transportation problems due to Louisiana having so many bad roads?

Has the NRC developed a review procedure for the licensing process?

The NRC representatives stated that Louisiana would receive copies of previous correspondence between the NRC and the applicant. Additionally, Louisiana authorities would receive future correspondence between the applicant and the NRC.

Mr. McDaniel expressed his appreciation to the NRC representatives for their timely response to the State's request for this meeting. Representatives from DEQ stated that the meeting was quite informative.

NEBRASKA

Potential LLW Disposal Site Selected in Nebraska

U. S. Ecology has selected a site near Butte, Nebraska in Boyd County as a potential site for the Central Interstate Low-Level Radioactive Waste Compact's LLW disposal facility. The Butte site was chosen from three locations which were examined as potential sites. The site must be licensed by the State.

URFO ACTIVITIES

Dawn Mining Company

URFO representatives Ed Hawkins and Gary Konwinski met with representatives from the Washington Department of Health and Dawn Mining Company to discuss actions necessary to facilitate site closure of the Dawn facility on January 17, 1990. The meeting centered on the need to implement a corrective action program based upon exceedance of groundwater protection standards at the point of compliance wells. It was noted that an 18-month timeframe for implementation of a corrective action program was in effect and that there is no provision for extension. Dawn was concerned that the Spokane Indians may be somewhat concerned over a corrective action program that may cause flows in a Tribal stream to vary. It was suggested that Dawn should immediately proceed with negotiations to resolve this situation.

UNC Church Rock

URFO representative Gary Konwinski met with regulatory agencies in Albuquerque, New Mexico on January 23, 1990 to discuss the annual performance report for the UNC Church Rock corrective action program. The meeting represented an interagency review of the annual performance summary of the corrective action implemented at the UNC site. A joint review was conducted under the terms of the Memorandum of Understanding between EPA Region 6 and NRC.

Ferret Exploration Corporation

The Director and Deputy Director of URFO participated in a telephone conversation with Ms. Kate Allen, a staff member to Senator Sandy Scofield of the Nebraska Senate on January 25, 1990. Ms. Allen called regarding the issuance of the commercial license to Ferret Exploration Corporation for a solution mining operation in Dawes County, Nebraska. Ms. Allen's questions were primarily directed at waste disposal and the options open to Ferret for disposing of radioactive waste generated at the facility. The Director emphasized that Ferret's license did not allow them to initiate operation until they have an approved disposal site.

REGION V

ARIZONA

Arizona Radiation Control Program Review

Jack Hornor, Region V State Agreements Officer, conducted a review of the Arizona Radiation Control Program on January 8-12, 1990 in Phoenix,

Arizona. Preliminary staff findings will be reviewed by Regional and Headquarters offices and the results will be confirmed in a letter to the State.

CALIFORNIA

LLW Forum Meeting

The Low-Level Radioactive Waste Forum held its quarterly meeting on January 24-26, 1990 in San Francisco, California. The Forum participants discussed a draft report on significant policy and institutional problems in LLW site development and received State and Compact progress reports. NRC, DOE and the three sited States gave a 1990 milestone (Governors' certifications) compliance report. The sited States' representatives indicated that the Governing Board of the South Carolina Department of Health and Environmental Control is scheduled to meet on February 1, 1990 in Columbia, South Carolina to determine State compliance with the milestone and that the Nevada and Washington determinations would be made at the staff level. The Technical Coordinating Committee gave an update on a variety of issues, including uniform manifest, mixed waste coordination, waste characterization/source term, and performance assessment. Representatives from EG&G reviewed DOE technical assistance for FY 1990 and provided a demonstration of a automated pricing schedule computer model. The chairs of the Material vs. Waste Working Group and the Mixed Waste Working Group gave reports. EPA and NRC representatives gave status reports of their activities. On the final day of the meeting, there were general discussions on LLW disposal fees, LLW policy and legislative developments, site characterization updates by California, Texas, Illinois and Nebraska, and State experiences on public participation. NRC representatives participating in the meeting were Chairman Carr, Margaret Federline, Senior Policy Advisor to the Chairman, John Greeves, Deputy Director of the Division of Low-Level Waste Management and Decommissioning, Frederick Combs, Assistant Director for State, Local and Indian Relations, Larry Camper, LLW, Dean Kunihiro, Region V State Liaison Officer and Stephen Salomon, State Programs.

WASHINGTON

State of Washington Submits Petition for Rulemaking

The State of Washington submitted a petition for rulemaking to the Secretary to the Commission on January 2, 1990. This petition concerns the classification of high-level radioactive waste at the Department of Energy's Hanford site. The State of Oregon and the Yakima Indian Nation joined in the State of Washington in petitioning the Commission to exercise its rulemaking authority, to offer opportunity for public comment, and to adopt a regulation concerning the wastes currently stored in the Hanford double-shell tanks.