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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
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NRC-AGREEMENT STATE WORKSHOP
ON THE NATIONAL MATERIALS PROGRAM

WORKING GROUP

+ + + + +

WEDNESDAY

FEBRUARY 21, 2001

+ + + + +

ARLINGTON, TEXAS

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The meeting convened at the NRC Region IV Office, 611 Ryan Plaza Drive, Arlington, Texas, at 8:00 a.m.

PANEL MEMBERS:

FRANCIS X. "CHIP" CAMERON, Facilitator

KATHY ALLEN, CO-CHAIR

JIM MYERS, CO-CHAIR

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1 ATTENDEES:
2 DWIGHT CHAMBERLAIN
3 FRED COMBS
4 DONNY DICHARRY
5 MARK DORUFF
6 FRED ENTWISTLE
7 WILLIAM FIELDS
8 TERRY FRAZEE
9 AUBREY GODWIN
10 JOHN HICKEY
11 BILL HOUSE
12 FELIX KILLAR
13 BOB LEOPOLD
14 JAMES MARBACH
15 RUTH McBURNEY
16 DAVE MINNAAR
17 JIM MYERS
18 BILL PASSETTI
19 CINDY PEDERSON
20 KATE ROUGHAN
21 BRUCE SANZA
22 PAUL SCHMIDT
23 CHARLES SHOWALTER
24 ANTHONY THOMPSON
25 MIKE VEILUVA

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P-R-O-C-E-E-D-I-N-G-S

(8:00 a.m.)

1
2
3 MS. HOWELL: Hi. Welcome to Region IV.
4 We're very pleased that all of you could make it here
5 today.

6 A couple of things, just kind of
7 administrative in nature. As most of you walked in,
8 you might have noticed there's two stairwells on
9 either end of the floor. Those are emergency exits in
10 case we decide to launch a fire drill on you while
11 you're here. Restrooms are located in the central
12 corridor.

13 And the building does have a no-smoking
14 policy. There are areas that sit on the perimeter of
15 the parking lot, or further if we could make you. But
16 if you choose to smoke, you can go out to the
17 perimeter, and you'll notice that there are several
18 ashtrays around.

19 When it comes to lunch, Chip will probably
20 speak a little more to this. I think we have you
21 slated to break around noon. There is a small
22 cafeteria/sandwich shop type thing that sits in the
23 building immediately behind us. And then, there are
24 several local restaurants.

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1 There will be several of us here in the
2 room. We can kind of point you in the right direction
3 if you have any questions about where you might want
4 to go.

5 Any questions on logistics or
6 administrative issues?

7 (No response.)

8 MS. HOWELL: Okay. If you need anything,
9 don't hesitate to tap any member sitting on the
10 perimeter. One or more of them are probably members
11 of the working group.

12 Also, for those of you that didn't see it,
13 there is a sign-in sheet up front. I know you're
14 going to be making formal introductions here, but we'd
15 like you to go ahead and sign in on the sign-up sheet
16 so that we can assure that your name gets entered into
17 the transcript as an attendee here at the conference.

18 And having said that, let me introduce Mr.
19 Ellis Merschoff. Mr. Merschoff is the Regional
20 Administrator here in Region IV. And we're going let
21 him kick off this meeting with some opening remarks.

22 MR. MERSCHOFF: Thank you, Linda. And
23 welcome to Texas on behalf of the other Texans here in
24 the audience. Sorry about the weather, but we'll try
25 better later in the day. And on behalf of the NRC,

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1 welcome to the Region IV offices here. Appreciate
2 your coming. This is an important process.

3 I want to first thank the working group.
4 The working group here has been at it for almost a
5 year. I guess it was March 2000 when this kicked off.

6 It's an important process. And all you
7 have to do is look at the demographics to realize how
8 important it is.

9 Back in the early '70s the agreement state
10 program in the NRC reached approximate parity in terms
11 of the number of licensees that we each inspected and
12 regulated.

13 In the past 25 to 30 years, that balance
14 has shifted to about a three-to-one ratio in terms of
15 agreement state oversight to NRC oversight.

16 You don't have to project that trend too
17 far into the future to realize that the bulk of the
18 experience and field knowledge is shifting fully to
19 the agreement state side.

20 The efforts to keep the infrastructure
21 intact, the regulations, the program, the burden of
22 that falls on a smaller and smaller group of those
23 remaining NRC licensees and the few recovery.

24 And so, of course, the purpose of this
25 group is to grapple with that and come up with a

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1 cooperative solution that takes us into the next 25 or
2 30 years. It's a tough job, and the efforts are
3 appreciated.

4 More importantly for this meeting, I'd
5 like to welcome the stakeholders and the members of
6 the public that came.

7 Although the group has been working for a
8 year and has used input from the public, this is the
9 first time we've tried in one place to bring these
10 diverse groups together to allow your voices to be
11 heard. And for that reason, this is really an
12 important meeting.

13 As I look at the attendance list here, we
14 succeeded in bringing those diverse views together.
15 We have public interest groups represented, the
16 states, of course, licensees, Federal agencies,
17 lawyers, academics, professional societies, and
18 industry advocates. That's a pretty healthy mix of
19 diverse views, none of whom tend to be shy.

20 And for that reason, we spared no expense
21 in obtaining the best facilitator available.

22 (General laughter.)

23 MR. CAMERON: That reminds me of that old
24 saying about, You get what you pay for.

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1 MR. MERSCHOFF: Chip told me that there's
2 no group for him. And I'm hoping that today we'll get
3 our money's worth.

4 But seriously, welcome. If there's
5 anything we can do to make this more productive, we'll
6 be happy to do it.

7 I know that nobody is shy in this room,
8 but I would encourage you to say your piece. This is
9 the time to get those issues on the table so that this
10 group can hear them, incorporate them into their work,
11 and move us towards the goal that everybody in this
12 room shares, and that's maintaining public health and
13 safety.

14 So thanks for coming. Good luck. Chip,
15 they're all yours.

16 MR. CAMERON: Thank you very much, Ellis.
17 And let me add my welcome to all of you. I think I
18 know all of you.

19 My name is Chip Cameron. I'm the Special
20 Counsel for Public Liaison at the Nuclear Regulatory
21 Commission.

22 And it's my pleasure to serve as your
23 facilitator for the next day-and-a-half. And my role
24 generally will be to try to help you have a more
25 effective meeting.

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1 And I just wanted to cover three business
2 items with you before we get into the substance of the
3 issues and before we get to the introduction of not
4 only all of you around the table, but the folks in the
5 audience and the members of the National Materials
6 working group.

7 And the three things I wanted to cover are
8 objectives for the meeting; secondly, format and
9 ground rules; and thirdly, just go over the agenda so
10 you have an idea of how we're going to proceed to try
11 to discuss this topic.

12 In terms of objectives, there's a number
13 of objectives.

14 One is to inform all of you about, what is
15 the National Materials Program? It's been a question
16 that's been asked for a while. And the working group
17 is trying to answer that for the Commission and the
18 agreement states. And they want to tell you about
19 that and also inform you of how it might affect your
20 particular interest.

21 Secondly, the people in the working group
22 are here to listen to you to find out, what are your
23 views on the issues, and also, what do you think about
24 the things that other people around the table are
25 saying on these issues?

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1 And the ultimate objective is to take all
2 of what's said over the next day-and-a-half and to use
3 that to enlighten the National Materials working
4 group's decision-making process and report writing to
5 the Commission.

6 In terms of format, we have sort of a
7 round table, I guess a Government round table,
8 designed by the Government. But we want to hear what
9 you have to say, and we want to have a discussion
10 among all of you on what others are saying on the
11 issues. And hopefully we'll get a more productive and
12 richer discussion that way.

13 So to that end, what I'll be trying to do
14 is to follow discussion threads and develop discussion
15 threads rather than just going from one person to the
16 other where we might get different topics introduced.

17 And sometimes that discussion thread
18 concept is more successful than others. Someone at a
19 recent workshop said it's more like a kitten pulling
20 on a ball of yarn and ending up with your whole house
21 or your living room wrapped up, and you would never be
22 able to untangle it. But hopefully we'll try to keep
23 it clear.

24 You have name tents in front of you. And
25 obviously one purpose is to remind everybody about who

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1 you are. But in this type of a format, I've found it
2 useful that if you do want to talk, put that name tent
3 on end like that.

4 Now, these name tents are a little bit
5 challenging in the sense that they may not be easy to
6 turn over, they may be falling. So we gave you a
7 bigger one. Okay? Now, this is going to tell
8 everybody how proficient you are at this. I would be
9 using the bigger one.

10 But that way it will relieve you of the
11 burden of having to raise your hands. Hopefully there
12 will be fewer interruptions that way. And also we'll
13 get a clearer transcript. We are transcribing this;
14 Barbara Walls is here as our stenographer. And she'll
15 be able to capture that more easily by doing it this
16 way.

17 At first, until Barbara learns everybody,
18 if you could just say your name before you talk. I
19 think for those of you around the table, we'll
20 probably be able to dispense with that after a while.

21 This focus is this group around the table,
22 but we're also going to be going out to all of you in
23 the audience after each major agenda item to get your
24 views on the issues. And when we go out to you, just

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1 signal me if you want to say something. And what I'll
2 do is I'll bring you this hand-held mic.

3 And if you could just tell us who you are
4 and what your affiliation is so that we have that for
5 the transcript.

6 Okay. In terms of agenda, we have Kathy
7 Allen and Jim Myers, who are going to start us off by
8 giving us some context on the National Materials
9 Program, and particularly the National Materials
10 working group, which is a joint NRC-Agreement State
11 working group that has been tackling this issue under
12 direction from the Commission.

13 And I think everybody has the background
14 information, the Commission paper that went out, and
15 the staff requirements memo. They're going to be
16 giving us some background, and then we'll have some
17 question/answer.

18 Obviously issues that we're going to be
19 discussing later on could come up at that time. We
20 just want to make sure everybody understands this.
21 And we'll go to the discussion of those issues when we
22 go to later items on the agenda.

23 And that would be our second major
24 discussion area, where we're going to talk about your
25 views on the NRC-Agreement State regulatory framework.

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1 What concerns do you have with those institutional
2 relationships? What opportunities do you see for
3 improvement?

4 And to lead that off, again to give us a
5 little context, we're going to be asking Fred Combs,
6 who is the Deputy Director of the NRC's Office of
7 State and Tribal Programs, to give us an overview of
8 what the NRC's regulatory responsibilities are with
9 the states, okay, so you'll have that backdrop.

10 Then we'll proceed to discuss views on
11 concerns, opportunities for improvement.

12 Again we're looking at the institutional
13 relationship between the NRC and the agreement states,
14 but also, what are the roles of other actors, the non-
15 agreement states, the Conference of Radiation Control
16 -Program Directors, the EPA, other Federal agencies?

17 So I'll try to assist you by organizing
18 those concerns that we identify and end up having a
19 discussion on those concerns.

20 And we'll build on that to move into the
21 afternoon session where hopefully we'll have a list of
22 concerns. And then let's take a look at solutions,
23 potential solutions to that.

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1 And later on in the afternoon Kathy Allen
2 is going to talk about one concept that the working
3 group has been looking at; it's called the Alliance.

4 And we want to try to not -- we want to
5 try to give the working group some reaction to what
6 they have been doing. But we also want to get your
7 views, fresh views, on this issue so that they can
8 remain calibrated on their work.

9 And tomorrow morning we'll come back and
10 look at some specific issues. There is examples of
11 those issues on your agenda. But we're also going to
12 be generating probably other examples to use.

13 Just like any issue that comes up that may
14 be relevant for later discussion, we'll put those
15 issues here in a parking lot, and we'll make sure that
16 we come back and address those at the proper time.

17 Okay. Now what I'd like to do is just
18 have everybody around the table introduce themselves.
19 Tell us who you are, who you work for, and, if you
20 could, one or two sentences of what your interests or
21 concerns are on this particular issue.

22 And I guess, Dwight, since this is your
23 host office and you're one of our hosts here, that I
24 want to start with you.

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1 MR. CHAMBERLAIN: Okay. I'm Dwight
2 Chamberlain. I'm Director of the Division of Nuclear
3 Materials Safety here in Region IV.

4 And my interest, I have an inspection and
5 licensing program with NRC licensees, and we have
6 about 650 licensees now. We had about 850, but
7 Oklahoma recently became an agreement state, so it
8 reduced our licenses down to 650.

9 And I don't think we have any agreement
10 states on the horizon right now. But we're seeing the
11 impact from the agreement states coming on. So I'm
12 interested in this working group and how they're going
13 to view that and what we're going to do about that.

14 MR. CAMERON: And if anybody is having
15 trouble, these mics in front of you are going into the
16 stenographer. Okay? So they're not amplifying. If
17 you are having trouble hearing anybody, we can use
18 this mic here, although it might be a little bit
19 awkward. But could everybody hear Dwight okay?

20 (No audible response.)

21 MR. CAMERON: All right. Well, then,
22 let's -- thank you, Dwight. Let's go to Bill.

23 MR. FIELDS: I'm Bill Fields with the
24 University of Missouri in Kansas City. I'm the RSO
25 and also Director of the Office of Chemical,

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1 Biological, and Radiation Safety, and I teach a
2 Masters degree program in dental radiology in our
3 dental school.

4 I'm the new kid on the block. I was asked
5 to participate in this discussion. I know just a very
6 little bit about the program, but obviously have an
7 interest in it.

8 MR. CAMERON: Thank you, Bill. Charles?

9 MR. SHOWALTER: I'm Charles Showalter.
10 I'm Senior Director for Government Relations for the
11 American College of Radiology.

12 Of course, our members, many of them
13 practice nuclear medicine and radiation oncology and
14 thus are authorized users, licensees, from agreement
15 state and from the NRC. And so we have a great
16 interest in seeing how this program is going to play
17 out.

18 MR. CAMERON: Bill?

19 MR. PASSETTI: Bill Passetti; I'm the
20 Director of Florida's radiation control program. And
21 having a large agreement state program in Florida,
22 we're always looking for ways to work with others in
23 the Federal and state agencies to help reduce our
24 burden on developing regulations and guidance, so
25 we're really interested in this concept.

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1 MR. CAMERON: Thank you.

2 MS. MCBURNEY: I'm Ruth McBurney. I'm
3 Director of the Division of Licensing, Registration
4 and Standards in the Texas Department of Health's
5 Bureau of Radiation Control.

6 And I'm here at this meeting representing
7 the Health Physics Society, which is a national
8 organization that is made up of professional health
9 physicists and people that are involved in radiation
10 safety.

11 One of our primary objectives in the
12 Health Physics Society is assuring that radiation
13 safety procedures and regulations and so forth are
14 based on sound science.

15 And so that's one of our primary interests
16 in this meeting, and also the collaboration of state
17 and Federal agencies in meeting those goals.

18 MR. CAMERON: Thank you, Ruth. Terry?

19 MR. FRAZEE: I'm Terry Frazee from the
20 State of Washington. I'm the Supervisor of the
21 Radioactive Materials Section in that state.

22 We're sort of a medium-sized agreement
23 state, and our interest primarily is maintaining
24 compatibility with the NRC.

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1 MR. GODWIN: I'm Aubrey Godwin with the
2 Arizona radiation regulatory agency.

3 We have several interests, one of which
4 has to do with inspection on Indian territories.
5 We're interested in helping Dwight make those
6 inspections. Now and then we have to talk to him
7 about contracting time.

8 We're also interested in some non-Atomic
9 Energy Act regulated items that we would like to see
10 get regulated.

11 MR. CAMERON: Okay. And I think we'll be
12 putting a finer point on that as we get into the
13 discussion about what items those should be.

14 David?

15 MR. MINNAAR: I'm David Minnaar. I'm with
16 the Michigan Department of Environmental Quality, and
17 that's the state radiation control agency for
18 radioactive materials.

19 And my interests are to represent the
20 views of the non-agreement state. And sort of taking
21 off what Aubrey said, I'm vitally concerned with
22 radioactive materials that are non-Federally regulated
23 and consistency among groups that are involved in
24 standard setting, both at Federal and state levels.

25 MR. CAMERON: Thank you, David. Paul?

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1 MR. SCHMIDT: I'm Paul Schmidt. I'm
2 Director of Wisconsin's radiation control program.

3 We're one of I guess the official
4 agreement state want-to-be's at this point in time, so
5 we're kind of halfway between agreement state and non-
6 agreement state.

7 Very interested in this process as it
8 might impact the state in our current development
9 process to become an agreement state.

10 I'm also here representing the Conference
11 of Radiation Control Program Directors, as well, since
12 this has a potential to impact both agreement states
13 and non-agreement states, the components of CRCPD.

14 MR. CAMERON: Thank you. Kathy?

15 MS. ALLEN: I'm Senior Project Manager
16 with the Illinois Department of Nuclear Safety, in the
17 group that does the licensing inspection and X-ray
18 registration. I'm also co-chair of this working group
19 and representing the organization of agreement states;
20 I'm also chair of that organization at this time.

21 MR. MYERS: I'm Jim Myers. I work for the
22 Office of State and Tribal Programs of NRC. And they
23 call me a health physicist, but I really run our Web
24 sites and servers and do those kinds of things that --

25 (General laughter.)

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1 MR. MYERS: Yes. I know. Everybody is
2 laughing about that.

3 MR. CAMERON: We wonder why they're
4 laughing?

5 MR. MYERS: Yes. Well, me too. I haven't
6 checked my stuff this morning, so --

7 But I'm also co-chair for this working
8 group. And we've found it terribly exciting. And
9 we're really keen on finding out what you all think
10 about it.

11 MR. MARBACH: Good morning. I'm Jim
12 Marbach. I'm just a simple practicing medical
13 physicist. I'm impressed to be at this table. And I
14 practice mostly therapy physics and mostly in the
15 state of Texas, although we do do some consulting in
16 Louisiana and other states.

17 And I guess I'm sort of representing the
18 Southwest Chapter of the AAPM. I'm very pleased to
19 have been invited to be here, and mostly through the
20 efforts of our people in the state, Ruth and her
21 people. We feel very pleased that we can work closely
22 with our regulators in Texas. And I'm here to learn.
23 So I'm very pleased to be here.

24 MR. CAMERON: Thank you.

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1 MR. LEOPOLD: Hello. My name is Bob
2 Leopold. I'm from Nebraska. I work with the Health
3 and Human Services system.

4 I'm responsible for roughly half of the
5 public health programs in the state of Nebraska,
6 including radiological materials, but also including
7 everything from all the public water systems, to all
8 the vital records, to the state laboratories, and on
9 and on and on.

10 I guess one of the things I would like to
11 see is more uniformity as we interact with the many
12 Federal agencies we interact with, because they tend
13 to each want their own separate process.

14 MR. CAMERON: Thank you. Mike?

15 MR. VEILUVA: I'm Mike Veiluva. I'm with
16 the Western States Legal Foundation. We're based in
17 the San Francisco Bay area, which is the land of cheap
18 and abundant energy right now.

19 (General laughter.)

20 MR. VEILUVA: We're an environmental and
21 disarmament organization. We've been involved in NRC
22 matters probably for about the last ten years. And we
23 have a great interest in, as one can imagine, citizen
24 participation, public interest group participation,
25 and like many of you say, standards.

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1 MR. CAMERON: Thank you, Mike.

2 MR. HOUSE: I'm Bill House for Duratek.
3 I'm actually Vice President of Regulatory Affairs for
4 chem-nuclear systems. We're in the waste business, so
5 obviously we're the bad guys.

6 But we are interested in the program for
7 impacts on our company as well as our customers, most
8 of which are licensees that you folks license.

9 MR. CAMERON: Thank you, Bill.

10 MR. ENTWISTLE: I'm Fred Entwistle with
11 the 3M Company. I manage the corporate health physics
12 group there.

13 Our interest is, we presently have three
14 NRC licenses and about a dozen agreement state
15 licenses. With Minnesota, Wisconsin, and Pennsylvania
16 all becoming agreement states, we expect that number
17 to go up.

18 We're looking for anything that makes it
19 more consistent across the different agencies that we
20 deal with.]

21 MR. CAMERON: Thank you, Fred. Mark?

22 MR. DORUFF: I'm Mark Doruff. I'm one of
23 the directors of the Council on Radionuclides and
24 Radiopharmaceuticals. We are an industry group that
25 represents manufacturers and distributors of

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1 radiopharmaceuticals used in diagnostic and
2 therapeutic applications.

3 Also, we represent manufacturers of life-
4 science research radiochemicals and sources for
5 medical use.

6 We have facilities located in many areas
7 in the United States, and our customers, several
8 thousand of them, are located in virtually every
9 state. And because of that we are struggling with the
10 current framework for regulation of these types of
11 materials. And we're always interested in the issues
12 of adequacy and compatibility.

13 We understand and appreciate the need for
14 safe regulation of our materials and their
15 applications, and protection of the public and our
16 end-users is certainly very important.

17 But we need to work to find ways for
18 industry and the agencies both to more efficiently use
19 their resources so that areas in need of improvement
20 can be addressed.

21 MR. CAMERON: Thank you, Mark. Felix?

22 MR. KILLAR: I'm Felix Killar with the
23 Nuclear Energy Institute. NEI is a policy
24 organization for the peaceful uses of the atom.

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1 We represent all of the utilities. We
2 also represent all of the major pharmaceutical houses,
3 major producers of radioisotopes, and a lot of the
4 individual organizations or companies that use the
5 isotopes on products and devices.

6 What we're interested in is similar to
7 what Mark has indicated, is we're interested in
8 consistency.

9 We see that the Agreement States Program
10 and the NRC Program right now, there's a lot of
11 inconsistencies, and we'd like to see about
12 consistencies.

13 Because a lot of our members work with
14 NORM and NARM and also special nuclear materials, we
15 also have issues with dual regulations, we'll have an
16 NRC license, we'll have a safe facility, we'll also
17 have a agreement state license.

18 Or they may have an NRC license for their
19 NORM, but they also may be holding a NARM license from
20 a non-agreement state.

21 So we want to try and see what we can do
22 to get one licensing agent for all the radioactive
23 materials so we can make a little bit more consistent
24 program and policy across the country.

25 MR. CAMERON: Thank you, Felix. John?

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1 MR. HICKEY: I'm John Hickey, Chief of the
2 NRC Material Licensing Branch in Washington, D.C. I
3 have a day-to-day interest in cooperating and trying
4 to maintain consistency with the agreement states and
5 other regulatory agencies and interests.

6 I also have a broad interest, as we get
7 more and more agreement states, as to what the policy
8 and emphasis implications are with respect to what is
9 NRC going to do and what are the states going to do
10 and what is the emphasis going to be?

11 MR. CAMERON: Thank you, John. Kate?

12 MS. ROUGHAN: My name is Kate Roughan.
13 I'm the regulatory affairs and quality assurance
14 manager for AEA Technology.

15 We manufacture industrial radiography
16 sources and devices and also manufacture and
17 distribute radioactive sources for use in oil well
18 logging, calibration, smoke detectors, et cetera.

19 My primary interest is, we have customers
20 and users in all the states, and there does not appear
21 to be a uniform set of radiation safety regulations,
22 so it's very difficult for both ourselves and all of
23 our users to comply with the regulations because we're
24 not sure of what the differences are between each
25 different state.

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1 So my interest is a uniform set of
2 radiation safety regulations and consistency.

3 MR. CAMERON: Thank you, Kate.

4 MR. DICHARRY: My name is Donny Dicharry.
5 I'm with Source Production and Equipment Company. We
6 are also an industrial radiography equipment and
7 source manufacturer located next door, in Louisiana.

8 I also represent the Nondestructive
9 Testing Management Association, as well as the
10 American Society for Nondestructive Testing.

11 Both of those organizations are involved
12 with industrial radiography. And I can tell you that
13 at this moment this program is only just beginning to
14 emerge on their radar screen.

15 Yet I can easily predict that, as they
16 learn more about it, they will be eager to seek ways
17 to participate, to set objective safety standards, and
18 to seek less expensive ways to meet them.

19 MR. CAMERON: Okay. Thank you, Donny.

20 Since we do have only a few people in the
21 audience, I think it might be useful to introduce them
22 now. And if you're on the National Materials working
23 group, please signify that.

24 And during the breaks, lunch, whatever,
25 please, you know, talk to your colleagues off-line.

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1 MR. DeCICCO: Joe DeCicco. I'm with the
2 NRC Industrial Neuromedical Safety Division. And I'm
3 on the work group.

4 MS. HOWELL: Linda Howell. I work here in
5 Region IV in the Division of Nuclear Materials Safety,
6 and I'm also a participant in the working group.

7 MR. COMBS: I'm Fred Combs. I'm Deputy
8 Director of the NRC's Office of State and Tribal
9 Programs, and I'm an advisor to the working group.

10 MS. PEDERSON: Good morning. I'm Cindy
11 Pederson. I'm from the NRC Region III Office. I'm
12 the Director of the Division of Nuclear Materials
13 Safety, and I'm also a member of the National
14 Materials Program steering committee.

15 MR. PANGBURN: George Pangburn. I'm the
16 Director of NRC's Region I Materials Program, and I'm
17 also chairing a group within NMSS to -- a Phase 2
18 group that's looking at the Byproduct Materials
19 Program.

20 Part of my interest here is to deal with
21 a concern of the Commission about potential overlap
22 and inconsistency between the group that I'm working
23 with and this group.

24 MS. DALY: Nancy Daly, Director of
25 Government Relations for ASTRO, which is a

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1 professional society that represents radiation
2 oncology.

3 And as like Charlie, I will be the conduit
4 to our members and bring issues here when appropriate,
5 make sure they're informed.

6 MR. MERSCHOFF: Ellis Merschhoff, Regional
7 Administrator here in Region IV. I hope to sit in on
8 various portions of the meeting today to listen to the
9 issues.

10 MR. CAMERON: Thanks, Ellis.

11 MR. LOPEZ: Jose Lopez; I'm the Director
12 of Governmental Health and Safety and Radiation Safety
13 Officer for the University of Texas at Western Medical
14 Center in Dallas. And basically I'm interested
15 because of our broad scope license with the State of
16 Texas.

17 MR. CAMERON: Thank you, Jose.

18 MR. HACKNEY: Charles Hackney, Regional
19 State Liaison Officer, Region IV. And I'm here to
20 listen to the comments, and I'm very interested in the
21 program.

22 MR. CAMERON: Thank you, Charles. Let's
23 go over here.

24 MS. DRINNON: Hi. I'm Elizabeth Drinnon.
25 I'm with the State of Georgia. I do licensing

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1 inspection and emergency response. And I'm
2 representing the CRCPD on this committee, and I'm a
3 part of the National Materials working group.

4 MS. CARDWELL: Good morning. I'm Cindy
5 Cardwell; work with the Texas Bureau of Radiation
6 Control as Deputy Director of Standards there, and am
7 here representing CRCPD on the working group.

8 MR. WALKER: I'm Bob Walker. I'm with the
9 Massachusetts radiation control program, and I am also
10 a National Materials Program working group, and I am
11 one of the three CRCPD representatives.

12 MS. ABBOTT: I'm Carol Abbott with NRC
13 Office of the Chief Financial Officer, and I'm also a
14 member of the working group.

15 MR. WHITE: Duncan White; I'm from NRC
16 Region I and a member of the working group.

17 MR. JACOBY: I'm Jake Jacoby from the
18 State of Colorado representing OAS and a member of the
19 working group.

20 MR. HILL: I'm Tom Hill from the Georgia
21 Department of Natural Resources Radioactive Materials
22 Program. I'm a member of the working group and the
23 third representative of the Organization of Agreement
24 States.

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1 MR. SANZA: I'm Bruce Sanza. I'm the
2 Radiation Safety Officer for International Isotopes,
3 a manufacturer/distributor of radiopharmaceuticals in
4 Denton, Texas.

5 But up until ten months ago I was with the
6 State of Illinois for 14 years in the regulatory
7 program. So I am interested in both sides, mainly on
8 a current role in the impacts of the distribution of
9 radiopharmaceuticals.

10 MR. CAMERON: Thank you very much, Bruce.

11 MR. RAKOVAN: I'm Lance Rakovan from the
12 Office of State and Tribal Programs with the NRC.

13 MR. CAMERON: Thank you, Lance.

14 Well, I think you can see that we have a
15 great group of people around the table. And we will
16 be going to the audience for discussion of some of
17 these points after we get finished with them.

18 And I think everybody is probably pretty
19 familiar with these acronyms. CRCPD, okay, that's
20 Conference of Radiation Control Program Directors. At
21 some point, for those people who are not familiar with
22 CRCPD, it may be useful to describe the function of
23 CRCPD.

24 Likewise, another acronym that we've heard
25 is OAS. That's the Organization of Agreement States.

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1 Some of you also might not be familiar with that group
2 and what it does.

3 And I think what -- what I think that
4 we'll ask you to do is, if you could do that. And
5 Paul, if you want to add anything after that, please
6 feel free to do that.

7 But right now what we have is a context
8 session. And we're going to ask Kathy and Jim to tell
9 us about the National Materials Program and National
10 Materials working group. And they are the two co-
11 chairs. I think they did a good job of introducing
12 themselves.

13 The one thing that Kathy did not mention,
14 I don't think, is the fact that she, before she joined
15 the Illinois Department of Nuclear Safety, she was
16 with the industry with a manufacturer, I guess, of
17 radioactive sources.

18 And Jim said that he's the Web Master, and
19 I guess that's all we need to say about that.

20 MR. MYERS: Don't go any further.

21 MR. CAMERON: Web Master. And this guy
22 over here from the land of cheap and bountiful energy.
23 But at any rate, why don't you go ahead?

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1 MS. ALLEN: Okay. Well, as Ellis started
2 us off, he took most of my talk already, so this will
3 be really short.

4 There are currently 32 agreement states,
5 and there are three more states that have signed
6 letters of intent to become agreement states with the
7 Nuclear Regulatory Commission, plus the NRC.

8 So basically right now we've got 34
9 different entities -- or 33 different entities
10 regulating radioactive material.

11 In addition, there are a bunch of other
12 states that have the authority to regulate NARM. The
13 Nuclear Regulatory Commission doesn't have that
14 authority right now. So there is kind of a patchwork
15 of regulations, and there are some problems with that.

16 Currently the agreement states represent
17 about 17,000 licensees, and the NRC has around 5,000
18 licensees. The crossover occurred back in 1972 when
19 the number of agreement states licensees matched the
20 number of NRC licensees, and that number continues to
21 climb. As more and more states go Agreement, fewer
22 and fewer states are regulated under NRC's blanket.

23 I'll let you go from here.

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1 MR. MYERS: Thanks, Kathy. Let me just
2 kind of give a little perspective on why we're all
3 here and how this got started.

4 Sometime maybe about 18 months ago or so,
5 the Commission became aware of the, I guess the
6 significance of more states applying for agreement
7 state status. And consequently, whenever an agreement
8 state becomes an agreement state, we lose licensees.

9 And we just don't lose licensees from our
10 mix of regulated entities in onesies and twosies, we
11 lose them at hundreds at a time.

12 And I don't remember the number from
13 Oklahoma, but how many went to Oklahoma?

14 VOICE: About 230.

15 MR. MYERS: 230 licensees that NRC
16 regulated went to Oklahoma when they became an
17 agreement state.

18 So the significance of this is pretty
19 important when you start looking at the national
20 program that we have.

21 The Commission then directed that a
22 working group be formed, that it be composed of
23 entities from NRC, the regions particularly be
24 represented in it, as well as the CRCPD and the OAS be
25 represented in that working group.

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1 And they gave us some -- we had to kind of
2 go through their directions and glean out the things
3 that they wanted us to do. And that's represented in
4 our charter, which is at the Website. And I think
5 we've given everybody copies of it; you can take a
6 look at it.

7 But basically it was to figure out how to
8 optimize resources, account for individual needs,
9 promote consensus on regulatory priorities, promoting
10 an exchange of information, and then, harmonizing
11 regulatory approaches.

12 So what we've been working on over the
13 last more than a year really is to come up with some
14 ideas. And at this point we're kind of at a position
15 where we think we want to listen to hear more about
16 what you all think about this whole process.

17 MS. ALLEN: At this point we -- back in
18 '72 and '73 and in the '80s, when there were still
19 more licensees in agreement states than there were in
20 NRC, you know, we just continued to build the number
21 of agreement states and the number of licensees that
22 were regulated by agreement states. But we've sort of
23 reached a critical mass, I suppose.

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1 We all recognize, NRC and the states
2 recognize that we have an obligation to licensees who
3 pay the fees to streamline our activities.

4 Also, there's been a shift in expertise,
5 I suppose. As more and more states regulate more and
6 more licensees, we find that we have a lot of complex
7 licensees to regulate. And NRC, then, basically has
8 less experience in regulating some types of licensees.

9 So the expertise in some situations has
10 actually shifted to the states. Certainly the states
11 have a lot more staffing, and just the sheer number of
12 licensees exceeds theirs.

13 So we want to recognize the expertise and
14 where it lies. We want to maintain safety, improve
15 effectiveness and efficiency in our regulations.

16 And I know even when I was a licensee I
17 wanted uniformity among the states. But there are
18 certain issues and areas where we have to allow states
19 certain flexibilities because of statutory
20 requirements in those states or other legally binding
21 type of requirements, plus licensees are a little bit
22 different in every state.

23 I mean, a particular manufacturer may have
24 a certain type of concern or use of materials.
25 Certainly well logging is more important in Texas than

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1 it is in Minnesota, so there are certain geographical
2 concerns that states are able to address.

3 And so we need to figure out a system that
4 will allow states some flexibility to deal with some
5 of these issues.

6 We want to reduce the unnecessary burden
7 on licensees, especially those that have multiple
8 facilities in multiple jurisdictions, and figure out
9 a way to enhance public confidence in the regulatory
10 process.

11 We want to start sharing more, sharing our
12 resources, sharing our expertise, sharing decision-
13 making responsibilities, and just overall
14 responsibility for radiation safety.

15 The current situation has evolved over the
16 years. But basically what we're looking at now is the
17 Nuclear Regulatory Commission has always taken the
18 lead in setting priorities and requirements for
19 regulations or writing regulations. The states have
20 then followed.

21 And because of our agreements, we have to
22 adopt some of the regulations to NRC. But we don't
23 typically go ahead of them. We wait until NRC
24 determines that there's a need, and they write a
25 regulation. And then we all look at it, and we sort

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1 of massage it a little bit. And then, the 32 states
2 independently have to adopt similar regulations.

3 There are a few too many steps in here.
4 And I think at this point maybe I'll mention the CRCPD
5 and the OAS.

6 The Conference of Radiation Control
7 Program Directors -- and kick me if I go astray -- is
8 a group that represents all states, not just agreement
9 states.

10 And they represent a whole spectrum of
11 activities for those states: emergency planning,
12 dealing with NARM, dealing with NORM, X-ray,
13 mammography, radioactive materials licensing,
14 inspection, the whole gamut relating to ionizing
15 radiation and anything that those states may do or
16 deal with.

17 And they have subcommittees that look at
18 regulations. And then, those groups or those
19 committees focusing on the regulations in areas where
20 there is no Federal guidance or Federal umbrella,
21 these groups gather together experts to write
22 regulations for things like X-ray, diagnostic X-ray,
23 dental X-ray.

24 They write suggested regulations, and they
25 write guidance documents and information for

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1 inspectors to use when they do these inspections. So
2 it's sort of a clearing house and a way for states to
3 sort of coordinate and share information.

4 So far so good?

5 VOICE: So far so good.

6 MS. ALLEN: In addition, they do look at
7 radioactive material regulation. I mentioned NARM and
8 NORM, which are things that NRC does not regulate.
9 But they also look at things that NRC does have
10 jurisdiction over, byproduct material --

11 MR. CAMERON: Can you just, for those who
12 don't know the distinction between -- can you just
13 tell them about NARM and NORM?

14 MS. ALLEN: Sure. NARM is naturally
15 occurring or accelerator produced radioactive
16 material.

17 And NORM is actually a subset of NARM,
18 which stands for naturally occurring radioactive
19 material.

20 Most people think of NARM as radium
21 needles used in hospitals or accelerator produced
22 radionuclides like Thallium, Gallium, Indium 111, and
23 Iodine 123.

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1 NORM is typically diffuse pipe scale type
2 things, things that usually have us out at landfills
3 checking out old water heaters and things like that.

4 VOICE: What does the acronym stand for
5 again?

6 MS. ALLEN: NORM stands for naturally
7 occurring radioactive material.

8 VOICE: Okay. Thank you.

9 VOICE: And NARM is --

10 MS. ALLEN: Naturally occurring or
11 accelerator produced radioactive material.

12 MR. CAMERON: Okay. And NORM is a subset
13 of NARM?

14 MS. ALLEN: Technically. Yes.

15 MR. CAMERON: So unless there is a
16 specific distinction that needs to be drawn between
17 NARM and NORM, can we just use the term NARM? All
18 right.

19 MS. ALLEN: And there is a subset of NORM,
20 which is TENORM, technically enhanced naturally
21 occurring radioactive material.

22 That's when you take the natural stuff,
23 and you mess with it, concentrate it.

24 MR. CAMERON: Okay.

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1 MS. ALLEN: So CRCPD covers all aspects of
2 radiation protection that all the states deal with.

3 The OAS, the Organization of Agreement
4 States, is made up of only those states that have
5 signed agreements with the Nuclear Regulatory
6 Commission or states that, like my friend Paul next to
7 me, have signed letters of intent, and we call them --
8 they want to be agreement states, and they're just
9 working their way up there.

10 So these are agreement states and states
11 going through the process of becoming agreement
12 states.

13 We tend to focus mostly on issues relating
14 to our agreement with the Nuclear Regulatory
15 Commission. We're not a subset of CRCPD; we're a
16 separate entity, a separate organization.

17 There is some overlap between the two
18 groups, and so we try and keep the communication open
19 between the two groups.

20 But we focus mostly on issues of
21 compatibility, adequacy of programs, and issues
22 specific to the relationship between states and the
23 Nuclear Regulatory Commission.

24 Is that kind of making sense? Any
25 questions so far?

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1 MR. CAMERON: And I know a lot of you know
2 this. But just so that we have this down, are there
3 any questions at this point about these two
4 organizations?

5 And this is classically called Atomic
6 Energy Act, AEA material that's dealt with here.

7 CRCPD deals with not only --

8 MS. ALLEN: Not only radioactive material,
9 but --

10 MR. CAMERON: -- AEA material, but also
11 NARM and NORM. Dwight.

12 MR. CHAMBERLAIN: I just have one question
13 about the funding. Is there any funding for these
14 organizations?

15 MS. ALLEN: For the Organization of
16 Agreement States there is no funding. It's all
17 voluntary participation by the states paid by the
18 states. There is one meeting a year where the states
19 pay their own way to get there.

20 There is a little bit of help from the
21 NRC. They pay for microphones at our meeting. That's
22 pretty much it.

23 MR. CAMERON: And they send their chief
24 facilitator.

25 MS. ALLEN: Yes. They send their chief

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1 facilitator in. We're renegotiating his contract
2 right now.

3 (General laughter.)

4 MS. ALLEN: The CRCPD does get funding.
5 And actually, I'd rather have Paul address the funding
6 for CRCPD if that's okay, since he is chair of that
7 organization right now.

8 MR. SCHMIDT: CRCPD is an official,
9 established organization with headquarters in
10 Kentucky. It does receive most of its funding, well,
11 from memberships; there are annual membership fees.
12 But most of the funding comes from the Federal
13 agencies.

14 And CRCPD deals with all the Federal
15 agencies that have some form of radiation regulatory
16 oversight, like FDA, EPA, DOE, NRC, and anyone else.
17 So that's where most of its funding comes from, is
18 from these Federal agencies through contracts and
19 activities in a variety of formats.

20 MR. CHAMBERLAIN: Thank you.

21 MR. SCHMIDT: You're welcome.

22 MR. CAMERON: Okay. And we do have Mary
23 Clark from EPA coming. She's flying in today. And
24 for example, she is the liaison from the EPA, I guess,
25 to the CRCPD. Felix.

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1 MR. KILLAR: Chip, if I can, I would like
2 to talk about three other materials that haven't been
3 discussed so far, but they are important from the
4 industry perspective.

5 One is byproduct material, which you
6 haven't touched on. Basically byproduct material is
7 material that's produced as a byproduct of a nuclear
8 reaction, either in the fuel itself as a fission
9 product which is recovered from the fuel or from
10 irradiation in the reactor.

11 That is regulated by the NRC, but that
12 also is something that is ceded to the agreement
13 states for regulations.

14 In addition, there is source material.
15 Source material is a form NARM -- or NORM. Excuse me.
16 Let me get my acronyms correctly. And source material
17 also is a material that is regulated by the NRC, but
18 they also cede that regulation to the agreement
19 states, so that could also be regulated by the NRC or
20 an agreement state.

21 And then, the third category is special
22 nuclear material, which is basically enriched uranium
23 or some other fission product -- or, I mean -- excuse
24 me -- any other type of product that could cause a

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1 fission like plutonium, things along that line. And
2 that is strictly limited to NRC regulation.

3 And so I wanted to make sure people were
4 aware of these --

5 VOICE: Above certain amounts.

6 MR. KILLAR: Excuse me.

7 VOICE: A large quantity.

8 VOICE: Above certain amounts. Yes.
9 Lower concentrations can go to an agreement state.

10 MR. KILLAR: Excuse me. Critical mass,
11 350 grams of fissile material, if you want to get
12 specific.

13 Excuse me. I'm glad the crowd is awake.
14 I see that you're in this discussion.

15 (General laughter.)

16 MR. CAMERON: I think Fred is going to be
17 going into some of this in his presentation perhaps.
18 But thanks for bringing that up, Felix.

19 This is -- when we talk about Atomic
20 Energy Act materials, these are classically the three
21 categories. And some of the -- we heard the 350
22 distinction that classically is what gets delegated to
23 agreement state. But Fred may put a little finer
24 point on that.

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1 And then, what we were talking about in
2 terms of NORM are materials that are non-AEA materials
3 for the most part. And the states through their
4 what's called police power, I guess, have chosen to
5 regulate that. Then, they don't need any delegation
6 from the Nuclear Regulatory Commission in order to do
7 that.

8 But do you guys have more on the national
9 working group before we follow this rabbit?

10 MS. ALLEN: Just a little bit. What we
11 were trying to stress --

12 MR. CAMERON: Then we'll go for questions.

13 MS. ALLEN: Yes. What we were trying to
14 stress on this was that, even though they're separate
15 states, there are organizations that try and help
16 coordinate some of that activity.

17 Currently for byproduct material and
18 material covered by agreement states, the Nuclear
19 Regulatory Commission typically takes the lead in
20 establishing priorities for writing regulations,
21 establishing inspection frequencies that the states
22 must match, and establishing requirements for
23 maintaining programs that are adequate to protect the
24 public health and safety and compatible with their
25 regulations.

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1 Since the expertise has really shifted and
2 the experience and the knowledge in certain areas has
3 shifted towards the states, states are looking at
4 things lately and saying, Wait a minute, maybe we
5 should be taking the lead on some of these, or maybe
6 we need to figure out a better way to coordinate what
7 our real national priority is.

8 Because there are priorities in states
9 that NRC may not see because they don't have the
10 number licensees asking those types of questions.

11 So the National Materials Program working
12 group is looking at ways to figure out how we can get
13 these different entities to try and work together and
14 recognize where the expertise is and the experience
15 and figure out what kind of roles the different groups
16 should be playing in the future. What role should the
17 NRC have? What role should the states have?

18 And those other two organizations, OAS and
19 CRCPD, should they be playing another role? Should
20 they disappear? Is there a better way to be doing
21 what we're doing? Because right now there's an awful
22 lot of repetition when NRC writes a rule?

23 And lately states have been participating
24 in that rule-making process. But even after a rule is
25 written, the CRCPD creates a suggested rule for the

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1 states to use, and then the states go and write
2 another rule.

3 So you have many different layers, lots of
4 repetition, and it's just not an effective or
5 efficient way of doing business.

6 MR. CAMERON: Okay. And Jim, why don't
7 you do whatever you need to do here? And then we'll
8 open it up for questions.

9 MR. MYERS: I just want to go back and
10 reiterate one thing so that it doesn't get lost here.

11 One of the problems that we have -- I
12 mean, we've beaten this thing about dwindling licenses
13 to death. But I think that it's the issue of, not
14 only are you losing the numbers of licensees, but the
15 agency is losing types of licensees or program codes,
16 if you will.

17 So as we continue to go down this path of
18 more agreement states, we begin to lose touch with
19 particular categories of licensees.

20 For example, I guess up until the time
21 Massachusetts became an agreement state, we had a
22 radiography equipment manufacturer in our domain. And
23 when Massachusetts became an agreement state, that
24 facility transferred to their regulatory control.

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1 So now we no longer have direct hands-on
2 experience, if you will, with that type of an
3 organization.

4 And I think also that, if you look at
5 NRC -- and pardon me, Ellis, for speaking about your
6 region.

7 But you know, this gentleman over here,
8 when you think about it, really regulates a community
9 that covers about the same size as the former Soviet
10 Union, because he goes from the Mississippi River all
11 the way past Guam, thousands of miles past Guam, to
12 the North Pole and maybe down south of the Equator
13 someplace.

14 So this is a huge organization to try
15 to -- or geographic area to try to regulate. And
16 that's an awesome thing to think about how to do that.

17 And as we continue to lose agreement
18 states out of our states out of Region IV -- and
19 there's not too many left -- all we're left with now
20 is looking after the Federal entities and other kinds
21 of things that are there. So I mean, again, we
22 continue to lose that. And we have the communications
23 problems with our licensees.

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1 So we've got to bear that in mind, that
2 it's also the types of licensees that are important to
3 us.

4 MR. CAMERON: Okay. And how about just a
5 few words on what your schedule and products are for
6 the group?

7 MR. MYERS: Right now the product is due
8 to be delivered to the Commission around the first of
9 May. And we're in the process now about halfway
10 through writing up a lot of this. And we needed to
11 have this meeting to get more input into the product.

12 Once it gets to the Commission, it'll
13 probably be, in typical fashion, several months before
14 they finally make a decision about anything. And
15 we're probably not looking for a Commission decision
16 until probably late summer or early fall.

17 MR. CAMERON: And the product is going to
18 be a series of recommendations on --

19 MR. MYERS: It's a series of options. I
20 think that's what the Commission asked for, some
21 options on how to handle this developing situation
22 that we're faced with. And so that's what we're
23 intending to do, is to give them some options.

24 MR. CAMERON: Okay. Well, let's go for
25 questions of clarification here. And then we can --

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1 when we come back for our first discussion area, let's
2 talk about some of these issues that you've heard.
3 Aubrey.

4 MR. GODWIN: Well, there's a couple of
5 issues that haven't been brought up that probably
6 ought to be mentioned and laid on the table. One of
7 them is FUSRAP, which is a form of NORM, I guess. And
8 it was regulated, now it's not regulated.

9 And who knows what standard it goes to?
10 And is it regulated only by states, or is it regulated
11 by anybody in the Federal Government?

12 And it depends somewhat on the history of
13 how it got to where it is, but it's basically a low
14 concentration of radioactive material that is giving
15 the states a lot of problems.

16 I know it's not part of the charge
17 directed to this committee, but it's something that
18 does impact overall.

19 And secondly, there's the issue of the
20 differing standards at the Federal level in terms of
21 the multiple Federal agencies setting radiation
22 standards on a different legal basis from each other.

23 So you end up with the states trying to
24 look at one radioactive material -- or one radiation
25 source I guess would be a better term -- has to meet

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1 this exposure standard to the public, whereas another
2 one -- which, last time I took my physics, had the
3 same effect on the person -- having a different
4 exposure that's safe for the public.

5 It's not only confusing to the public, but
6 I'm losing my mind. Well, I know, it wasn't much to
7 lose. But anyway, these things do impact. And I
8 would hope that there would be some way to at least
9 mention this to the Commission in your report, that
10 this kind of effect is distracting not only to the
11 states but I think to the public and to the national
12 priority setting mechanisms.

13 MR. CAMERON: Aubrey, could you just tell
14 us what FUSRAP means in essence?

15 MR. GODWIN: I wish you hadn't asked that.
16 It's Formerly Utilized Site Remedial Action Program.
17 It's old Atomic Energy Commission sites that were used
18 to produce primarily weapons material, I guess.

19 MR. CAMERON: But the point is that there
20 is another twist presented for the NRC-Agreement State
21 regulatory framework by again another special type of
22 material or perhaps that originated from a --

23 MR. GODWIN: It appears to be source
24 material under the definition in one place, but in
25 another place the definition takes it out, according

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1 to some people's lawyers. And other people don't
2 agree, but that's another issue.

3 MR. CAMERON: All right. And good point
4 here that not only are we looking at a regulatory
5 framework where you're focusing on the states'
6 relationship with the Federal Government, but then
7 there are several Federal agencies who may be setting
8 perhaps differing standards for the same type of
9 materials.

10 Okay. Terry.

11 MR. FRAZEE: I've got a really simple
12 question. How many agreement states do you project?

13 MS. ALLEN: I personally kind of think
14 we'll top out around 40.

15 MR. FRAZEE: So there will always be some
16 states that will not be agreement states. And
17 therefore, in those states in terms of a national
18 program there would always be two regulatory agencies
19 involved?

20 MS. ALLEN: I believe so. But the states
21 that probably won't seek agreement typically don't
22 have very active programs for the NARM material
23 anyway. They don't have very strong radiation
24 protection programs for radioactive material anyway.

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1 They may have some emergency planning
2 functions because of reactors in their area and
3 funding for the reactors, and they might do some X-ray
4 things if they can get some funding for it. But
5 without funding or an interest by the states, I don't
6 see it.

7 MR. FRAZEE: In terms of radioactive
8 materials in the context of a national program, is the
9 NRC -- well, is one of the options you're going to
10 work with the one where NRC would seek broader
11 authority that would cover all radioactive materials
12 within a state?

13 MS. ALLEN: That is one of the
14 presumptions that we started off with, that, based on
15 recommendations from the Conference of Radiation
16 Control Program Directors several years ago and the
17 Organization of Agreement States, it seemed like many
18 states were looking towards uniformity in regulating
19 all radioactive material and that NRC should possibly
20 look to seek authority over NARM.

21 And so that is one of the issues that we
22 sort of are discussing in the paper. And that's
23 another issue we'd sort of like some feedback on from
24 people, if they think that that's the direction the
25 NRC should go.

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1 NRC has also recently sent out a --
2 they're looking at that internally right now, whether
3 or not they should be regulating NARM. And many
4 people around the table have seen copies of that staff
5 requirements memo. Is that what that was coming out?

6 VOICE: That is correct.

7 MR. FRAZEE: In terms of the larger
8 radiation picture, are you at all considering X-rays?

9 MS. ALLEN: At this point I think there is
10 some mention of -- I thought we talked about
11 mentioning this in the paper. But since NRC's
12 authority doesn't go that far, we're just focusing on
13 radioactive material. I think it was just an aside.

14 MR. FRAZEE: Well, NRC's authority doesn't
15 cover NARM, either.

16 MS. ALLEN: True.

17 MR. FRAZEE: But in terms of a national
18 radiation program -- and that may not be exactly what
19 the Commission was setting out to look at -- but can
20 you expand your horizons a little bit and cover
21 radiation and include not just accelerators -- I mean,
22 obviously can produce radioactive materials -- but --

23 MS. ALLEN: Just all ionizing?

24 MR. FRAZEE: Yes. -- machine produced
25 radiation, all ionizing radiation?

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1 MR. MYERS: Terry, I think we've kind of
2 looked at those things and talked about them in terms
3 of working group activities. And I think the best way
4 to characterize it is that what we're looking at is a
5 model that would at some point in time be able to
6 encompass that.

7 Because if you're talking about the NRC
8 taking over let's say things that it doesn't
9 traditionally regulate, it would have to go and get
10 Congressional changes to the AEA to do it.

11 There seemed to be some incentive laid on
12 us by the Commission in their desire to come up, I
13 don't want to say with a quick solution, but a
14 solution that could be used within a very short period
15 of time.

16 And anytime you go down there to change
17 the AEA, number one, you never know what you're going
18 to get out of it. Okay. So you have to take that
19 very carefully.

20 But certainly I think what we have
21 discussed and talked about, we think we're probably
22 able to encompass those things, and then it would be
23 able to grow and expand to accommodate that.

24 MR. CAMERON: And when we get to talking
25 about solutions, we can go into more of this. But I

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1 think two important points that Terry brought up,
2 again for those of you who don't know, the NRC has now
3 expressed an interest in seeking legislation to take
4 over regulation of NARM.

5 And the other point that Terry brought up
6 is the question to Kathy, is that we don't anticipate
7 that all of the states are going to be agreement
8 states, so there is always going to be theoretically
9 this residual need for the NRC to be regulating
10 licensees in those states.

11 Kathy, did you want to add one further
12 thing, or Jim, before we go over to Bill?

13 MS. ALLEN: Yes. I just wanted to clarify
14 a couple things. Even though in my heart of hearts I
15 don't think we're going to get 50 agreement states,
16 NRC has asked us several times to cover the
17 possibility of 50 agreement states. That may include
18 requiring states to actually obtain authority over
19 this.

20 So they're not -- this working group is
21 not trying to limit ourselves within what the AEA
22 already authorizes, the Atomic Energy Act. We have
23 broad enough authority to consider things that go
24 beyond Atomic Energy Act issues and things that are
25 currently happening across the country.

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1 And when we do that, we do have to
2 identify, though, that this would require legislation
3 or this would not.

4 And so one of the issues is, maybe we
5 should require all of the states to become agreement
6 states or maybe require states to have programs to
7 cover all ionizing radiation. And that's one of the
8 issues that we do have to cover.

9 MR. FRAZEE: Okay. So if there were 50
10 agreement states, there would still be a handful --
11 well, more than a handful of Federal facilities,
12 Federal licensees. Is there a thought --

13 VOICE: And Indian nations.

14 MR. FRAZEE: And Indian nations. Is there
15 a thought that maybe the states would also take over
16 that responsibility? I mean, the point being the
17 smaller the program, the less expertise. And you
18 know, it gets dirt poor pretty soon.

19 Well, how competent -- excuse me -- will
20 NRC be to handle, you know, a very small number of
21 licensees?

22 MR. CAMERON: Let me go to Fred Combs from
23 our Office of State and Tribal Program office.

24 MR. COMBS: I'm Fred Combs. One of the
25 issues that the Commission is obviously concerned with

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1 is this resourcing knowledge base to effectively and
2 efficiently regulate the dwindling number of licensees
3 that it sees.

4 As such, the working group has been asked
5 to address those issues.

6 Now, there are a number of things that can
7 occur. And some of the things, such as the regulation
8 of Federal licensees by the states requires additional
9 work.

10 In other words, that's a much larger
11 threshold for activity than you would normally
12 require, because then those other Federal licensees
13 may want to have a say in it, and the Department of
14 Justice may want to talk about that issue.

15 So we haven't tackled that particular
16 issue head-on yet. It's a point that I think we can
17 get to a reduction or right-sizing NRC's role and its
18 realm of responsibilities without addressing that
19 issue.

20 It's clearly an option, but it's an option
21 I think that would be a bit farther in the future and
22 would require a lot more coordination than this
23 working group would do.

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1 So, yes. We're thinking outside of the
2 box. But understand that what we're looking for is a
3 readily implementable solution.

4 What we were also asked to do was to
5 provide the issue with options that would allow it to
6 be effective if all jurisdictions, which includes also
7 for the stake of agreement status of the District of
8 Columbia, Puerto Rico, and Guam, were to sign
9 agreements with the Nuclear Regulatory Commission.
10 And that's the model that we're following.

11 MR. CAMERON: Okay. Thanks, Fred. And
12 what we're trying to do now is to try to give people
13 an idea of the scope of this effort.

14 And let's go to Bill House and then Bill
15 Passetti, and then we'll come over here to this side
16 of the table to David and Aubrey. Bill.

17 MR. HOUSE: Okay. You know, we need to
18 add another type of radioactive material to this list,
19 and that's radioactive waste, and we'll more specific
20 and call it low-level waste, because the licensees
21 that have radioactive materials all have to follow the
22 radiation safety requirements.

23 But it seems obvious by the regulatory
24 process that waste is more hazardous. Because when
25 you take that beneficial rad material in a product or

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1 for its primary intended use, it's very beneficial
2 then. But when you throw it into the waste drum,
3 there's a lot more regulatory oversight that's
4 involved.

5 There's various types of permitting for
6 disposal site use permits, transportation permits, you
7 know, reporting requirements which require certain
8 permitting and so forth, and additional inspection
9 requirements on waste itself.

10 So this gets at the heart really of
11 effective and efficient, you know, regulatory
12 processes and oversight for radioactive materials.

13 MR. CAMERON: What you may be suggesting,
14 Bill, is that there may be certain characteristics of
15 the low-level waste regulatory framework that have
16 implications for how this relationship between the
17 Federal Government and the states operates.

18 MR. HOUSE: Sure. And this program should
19 consider the existing and proposed more efficient, in
20 my estimation, requirements on how to manage low-level
21 waste and to regulate waste.

22 MR. CAMERON: Okay. Thank you. Bill.

23 MR. PASSETTI: I think we may have already
24 gotten close to answering my question. But I was
25 wondering, has your charter or has the NRC put any

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1 constraints on what your recommendations can be as far
2 as options? Is there anything that they say, You
3 can't go this direction, or is everything open?

4 MS. ALLEN: It's open to the extent that
5 we still have to ensure that we protect public health
6 and safety. But NRC has their strategic plan, and we
7 can't go beyond that.

8 So it's the motherhood and apple pie
9 stuff. I mean, we don't want to increase radiation
10 hazards for the public or for workers or increase any
11 risk to the environment and things like that.

12 MR. PASSETTI: But as far as proposing
13 recommendations as options, you don't have any
14 restrictions on that --

15 MS. ALLEN: No.

16 MR. PASSETTI: -- on how you go about it?

17 MS. ALLEN: Correct. And I think we'll
18 end up with a range of options that they can look at.
19 Because at this point we're not sure how open the
20 Commission is to some of these changes, so we may have
21 some things that are very drastic and some things that
22 are minor tweaks but still will improve the system.

23 MR. CAMERON: Okay. And I think that we
24 would welcome as many suggestions on options as people
25 could give us.

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1 MS. ALLEN: Oh, sure. We've gotten a
2 bunch already, and it's still morning.

3 MR. CAMERON: Okay.

4 (General laughter.)

5 MR. CAMERON: And you might want to --
6 since this issue of, what are the boundaries here,
7 everybody in the charter that -- we sent you the
8 charter for this working group.

9 The working group used some screening
10 criteria, okay, that they're going to use to evaluate
11 whatever options come up. Can you just -- I think
12 there's five of them. Can you just reiterate those
13 for people so that they can be thinking about that?

14 MR. MYERS: Let me just take a second, and
15 I'll read those five. And they are in the charter,
16 and, you know, they're pieced together out of the
17 guidance that we received from the Commission.

18 To optimize resources of Federal, state,
19 professional, and industrial organizations; to account
20 for individual agency needs and ability, or you can
21 call that flexibility, if you will.

22 To promote consensus on regulatory
23 priorities. And I guess another way of looking at
24 that would be to say that where there's differences in
25 regulatory requirements between organizations, that

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1 they would somehow kind of be settled on and become
2 more uniform.

3 And that there would be agreement on
4 regulatory priorities.

5 This is one of the issues that the states
6 are keen about because it seems that the agency tends
7 to not only set the goal or set the standard or the
8 type of regulation or the area of regulation that
9 needs to be addressed, and the states need to queue up
10 and follow along behind, but that's not consistent
11 with what the states would like, maybe, to do.

12 I mean, maybe in your state you would want
13 to work on mobile pet [phonetic] issues, and the
14 agency is coming back and saying, No. You've got to
15 stop that and work on Part 71. So that's how that
16 part of it plays out.

17 That there is a promotion of exchange of
18 information. And I think that that's another issue
19 there that talks about consistency and uniformity.

20 If you're talking to the regulated
21 communities, as well as the licensees are talking and
22 exchanging information, we kind of come back in more
23 of a center position and get more uniformity.

24 That there is a harmonization of
25 regulatory approaches while recognizing the need for

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1 flexibility among the state and Federal regulators.
2 So that's kind of where that is.

3 And I'd say, too, Bill, that the
4 Commission really didn't place any constraints on us
5 as to what kind of options we could present. Clearly
6 we're limited only by our imagination and the input
7 from folks like yourselves coming to talk to us and
8 give us new ideas.

9 But the practical side of it is that there
10 are some things that you can quickly consider and
11 discard because they're probably not really practical
12 or that they maybe sound good but they're probably
13 totally unworkable given the regulatory history and
14 the culture that we have as regulators; there's things
15 that you're just not comfortable doing.

16 MR. CAMERON: Okay. And we'll be getting
17 into some of those things that you're looking at as
18 well as what other people have to suggest. So let's
19 go to David and Aubrey.

20 MR. MINNAAR: I just have a question of
21 clarification. We mentioned this issue on the NRC
22 interest in regulating NARM. And they publicly
23 announced it through this staff requirements
24 memorandum.

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1 I was somewhat taken aback by it because
2 it seemed rather revolutionary in terms of NRC's
3 continuing present policy was never to seek further
4 authority under the AEA.

5 I'm wondering, for purposes of
6 clarification, is this an independent action, or is it
7 affiliated with what's going on with the working
8 group? What generated the Commission's statements?

9 MR. CAMERON: Is there anybody who can --
10 I don't know if you guys want to speak to that or --
11 all right. You can. I'm just wondering who is the
12 best person from NRC to answer that question.

13 MS. ALLEN: I believe it came from the
14 Commissioners themselves that actually looked at this.

15 MR. CAMERON: Let's go to Fred.

16 VOICE: Yes. Put Fred on the spot.

17 (General laughter.)

18 MR. COMBS: Yes. That's why I get the big
19 bucks. Actually, it's an independent action. I think
20 what the Commission is concerned with is, how does its
21 regulatory regime fit in with other regulatory
22 regimes, and what consistency or what advantages do
23 you have from having consistent regulations? And
24 that's essentially it.

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1 And as has been indicated, there is
2 another group that's been tasked with this study and
3 with these proposals. And that group has been asked
4 to coordinate with the agreement states and with
5 the -- excuse me -- with states and working group.

6 So you should be receiving some questions
7 sometime this spring on that issue concerning pros,
8 cons, and advantages, disadvantages.

9 MR. MINNAAR: Just as a follow-up, I'm
10 also aware that the National Academy of Sciences has
11 been given some charges to look into issues mostly
12 involving radioactive waste management in a broad
13 scope in terms of recommendations on better
14 regulation. Is this in any way associated with that?

15 MR. COMBS: I don't believe it is. I have
16 no indication that it's associated with the waste
17 issues.

18 MR. CAMERON: Okay. And let's go to
19 Aubrey. And then I want -- we have someone who has
20 joined us and who also has something to say about
21 this. Why don't we let Tony introduce himself now?

22 Tony, we've all introduced ourselves, our
23 affiliations, and one or two sentences about interests
24 or concerns. Let's let him do that now, Aubrey, if
25 you don't mind.

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1 MR. THOMPSON: My name is Anthony
2 Thompson. I'm with Shaw, Pittman. I represent the
3 National Mining Association Uranium Recovery Producers
4 in matters at NRC and individual licensees there and
5 in agreement states.

6 MR. CAMERON: Okay. Thank you, Tony.

7 Aubrey, let's go to you, and then we'll go
8 back to Tony if he has something.

9 MR. GODWIN: Yes. I think they probably
10 addressed the question, but I'm not sure.

11 You could, for example, make some
12 recommendations that require additional Congressional
13 action and perhaps even state legal action in terms
14 of, for example, allowing states to band together to
15 form regional compacts to do regulatory affairs so you
16 could get all the 50 states in. You could recommend
17 that as one way to get the additional states in.

18 MS. ALLEN: We didn't have that one yet.
19 But, okay.

20 MR. CAMERON: Then let's put that --

21 MR. GODWIN: I don't know whether it's
22 practical, but it's --

23 MR. CAMERON: We'll put that in the
24 parking lot for discussion later on when we get to the

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1 options. We'll just use the shorthand term that you
2 used, Aubrey, regional compacts. Okay?

3 MR. GODWIN: Not modeled after the low-
4 level waste compact.

5 VOICE: There you go, there you go.

6 (General laughter.)

7 VOICE: We don't want to use that as a
8 model.

9 MR. CAMERON: Maybe we shouldn't use the
10 term, compact?

11 MS. McBURNEY: I just have a follow-up
12 question for Fred.

13 MR. CAMERON: All right.

14 MS. McBURNEY: Would this include diffuse
15 NORM, this regulation of NARM --

16 MR. COMBS: That's not been decided yet.

17 MS. McBURNEY: -- or just discreet
18 sources? It hasn't been decided?

19 MR. COMBS: Again, it's open. The
20 Commission has asked essentially, Tell us what the
21 world is like out there, for example.

22 MS. McBURNEY: Okay.

23 VOICE: Cruel.

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1 MR. COMBS: And then, make recommendations
2 first with respect to medical NARM and consider
3 possibly other regulations if it makes sense.

4 MR. CAMERON: Can you -- I hate to go down
5 this road because I don't know where it ends. But is
6 it worthwhile telling people what the difference is
7 between discreet NORM and diffuse NORM and, you just
8 used the term medical -- medical NARM. I'm sorry.

9 Can you do that very simply, Ruth, just
10 tell us what the difference is so people know what the
11 implications are?

12 MS. McBURNEY: Basically when you're
13 talking about a discreet source, it's material that's
14 handled like byproduct material, that it is material
15 that you are intentionally wanting to use for its
16 radiological characteristics, such as medical sources,
17 radiopharmaceuticals, industrial sources, et cetera.

18 MR. CAMERON: So medical is equivalent
19 of -- or is one good example of discreet?

20 MS. McBURNEY: Right. Like Cobalt 57.
21 Yes. Right.

22 MR. CAMERON: All right.

23 MS. McBURNEY: Diffuse NORM is what Kathy
24 was talking about, is TENORM, where it's material
25 that's just, in the process of some industrial

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1 situation, has gotten concentrated and is not being
2 used for its radiological characteristics, it's just
3 there.

4 MR. CAMERON: All right. Tony, did you
5 have a comment that you wanted to make?

6 MR. THOMPSON: Well, I just -- I think
7 that there are a couple of things going on at the
8 Commission that are related to the NORM, NARM, TENORM
9 types of issues. And you have the FUSRAP thing up
10 there.

11 And during the testimony on the FUSRAP
12 things, the people on the Hill raised the question of
13 regulating things that present like risks in a like
14 fashion, which of course would change the whole
15 definitional basis of the way the Atomic Energy Act or
16 RCRA, for that matter, are.

17 But that I think has opened that issue up.
18 And so NARM and NORM all fit into that.

19 Plus the Commission was looking at whether
20 or not to redefine licensable source material, which
21 is sort of a related issue, because that brings in,
22 you know, stuff now that is not subject to regulation
23 if you lowered from .05, you lowered the license
24 level.

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1 All of it is part of this, I think, that's
2 been put on the table in a variety of different
3 contexts, that like-risk things should be regulated
4 similarly and that NORM, that's the same thing as
5 11(e)(2) byproduct material shouldn't be regulated
6 differently, and you can put it in a RCRA cell, or you
7 can do this and that.

8 So I think that's where some of the drive
9 for this is coming from politically.

10 MR. CAMERON: Okay. Thank you, Tony.

11 Are there any other questions? What I'm
12 going to do during the break is go back and try to do
13 something coherent with some of the things that we've
14 heard so far, not that you weren't coherent.

15 (General laughter.)

16 MR. CAMERON: I knew that sounded wrong.
17 In terms of what I have up here on the flow chart. So
18 I'll do that.

19 But are there any -- we're getting close
20 to our scheduled time for our break. Are there any
21 other questions about the working group and what
22 they're trying to do?

23 I think you can start to get a flavor of
24 what their task is from what has been said around the
25 table and the questions asked.

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1 Anybody, any other comments from anybody
2 out in the audience on the context here? Yes. Jim.

3 MR. MARBACH: Jim Marbach. Perhaps I'm
4 naive. But when you say you're losing licensees, I'm
5 trying to appreciate what that means. Does that mean
6 you're losing control as far as regulatory authority
7 is concerned, or do the states become independent
8 and --

9 There's always the impression among people
10 like myself that our local people take care of
11 regulation but they always have to answer to you
12 folks.

13 And so now I'm trying to understand what
14 you -- it's as though your agency is disappearing, and
15 I know that's not the case. But you're losing
16 licensees, and I guess I don't really understand what
17 specifically you mean by that.

18 MR. MYERS: The answer is yes to all of
19 that.

20 (General laughter.)

21 MR. MYERS: Well, not to be funny about
22 it. But it is -- first of all, there is that tendency
23 to lose a regulatory authority over, you know,
24 categories of licensees that are in a new agreement

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1 state that have come in. So that's usually the big
2 chunk.

3 But there's also kind of an unstated issue
4 that's been going on at NRC since probably the last
5 ten years or more when we started to charge higher and
6 higher fees, is that NMSS doesn't know it, but we keep
7 book on the licensees in our office just for fun.

8 And what you can really see there is that
9 there is also a steady attrition of licensees from
10 NRC. And that rate, as best we can figure it, is
11 about one licensee every other day. They either
12 consolidate into another license, or they just kind of
13 go out of business, and you lose them all together.
14 And they don't come back. That's part of the issue.

15 So those two things really are what drives
16 the process. There are big chunks from agreement
17 states going where we lose the regulatory control.
18 And then, you just have the normal business process
19 where folks just go out.

20 MR. MARBACH: A fiscal issue.

21 VOICE: Fees?

22 MR. MYERS: Fees is a part of the issue.
23 Particularly we see that in areas of hospitals where
24 there's mergers of hospitals, and they consolidate

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1 licenses. What was once three or four licenses, you
2 know, could be down to two.

3 MR. CAMERON: Does everybody understand
4 the fee issue? Do we need to put a finer point on
5 that for people?

6 I mean, I think that -- can you just
7 summarize what the fee issue is in this context of the
8 National Materials working group? I mean, because
9 that may have been one of the Commission's biggest
10 concerns.

11 MR. MYERS: Well, we are full cost
12 recovery basically for the services. And for every
13 category of licensees, there is a particular fee.

14 If you want to say a category, if it's in
15 industrial radiography or if it's a well logger,
16 there's a specific fee that's applied to them based
17 upon the time and effort that's required to regulate
18 them and the amount of inspection activity that's
19 required.

20 So basically those are the things that
21 drive the component. I can't remember -- Fred or
22 somebody help me out -- what's our base rate now?

23 MR. COMBS: 140 an hour.

24 MS. ALLEN: \$140 an hour.

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1 MR. MYERS: About \$140 an hour times the
2 number of hours that it takes to do things.

3 MR. CAMERON: But the fee issue in terms
4 of the working group is what?

5 MR. MYERS: Well, it's perceived that,
6 because the fees increase -- and if you can appreciate
7 the fact that if you had, let's say, ten licensees in
8 a particular category of licenses, if one of them
9 leaves, that raises the rate by about 10 percent to
10 the remaining nine.

11 If you have half of them leave, that rate
12 goes up by 50 percent, because they're going to get
13 charged back -- I mean, this is kind of fundamental.

14 MR. CAMERON: But aren't the -- the NRC
15 has certain responsibilities that -- and Fred, do you
16 want to talk to this point? Do you know what I'm
17 trying to get at?

18 MR. COMBS: Yes. The -- as Jim indicated,
19 actually, we are a 98 percent fee recovery agency.
20 But let me work on that 100 percent, because that's a
21 small difference.

22 What that requires is that the agency
23 recover from licensees the costs of, quote, services
24 it provides to those licensees. And we break them up

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1 into somewhat direct and indirect costs, depending on
2 how the fees are apportioned.

3 But Jim is right, though, as we -- if we
4 can specifically identify a service, a regulatory
5 service that we provide the licensees, then, we're
6 required to as much as possible charge those licensees
7 for that service.

8 So, Donny, if we do a new radiography
9 regulation, the radiographers will bear the cost of
10 that in their fees as a part of the overall fee
11 structure of the agency.

12 The problem is that we have a number of
13 direct resources that go specifically to licensees,
14 and then, there are a bunch of indirect resources that
15 we have to also bill.

16 For example, we will have to do a
17 radiography regulation if we have 1,000 radiographers
18 or 100 radiographers or one radiographer. If the
19 regulation can be attributed to radiographers, we have
20 to charge as well as we can the costs of those fees.

21 Now, obviously that would become
22 unbearable in some classes where you just have a few
23 licensees. So we try to do things to adjust the fees
24 to smooth them over over time to make it easier to
25 accomplish.

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1 MR. CAMERON: But the NRC has certain
2 regulatory responsibilities towards the Agreement
3 State Program which are charges -- we have -- the NRC
4 has less and less licensees. Those fewer licensees
5 are still being called on to pay the freight for the
6 Agreement State Program. I mean, isn't that the
7 essence of the problem, Fred?

8 MR. COMBS: That's part of the problem.
9 And that was one of the bases for the fee recovery
10 legislation we were able to receive whereby this
11 fiscal year we take 2 percent off the base budget,
12 next year an additional 2, and so on until we get to
13 a total of 10 percent.

14 And that was to acknowledge that there
15 were a number of things that the agency did that were,
16 quote, in the national interest but not directly
17 related to a specific licensee's action.

18 My office, for example, would be that,
19 international programs, Congressional affairs, the
20 Commission itself, and others.

21 MR. CAMERON: Okay. And we'll come back
22 to revisit these issues when we start up again.

23 But I'd like to hear from some people who
24 we haven't heard from before we take a break. And
25 let's start with Kate.

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1 MS. ROUGHAN: I was curious. When you
2 present the options at the beginning of May, do you
3 actually have to submit some funding options, too, at
4 that point, or does that come later?

5 MS. ALLEN: We can cover funding, but I
6 think what we'll end up doing is sort of stressing
7 resources, I mean, overall, not specific costs, but
8 costs to NRC and costs to states for different
9 options, whether the options will actually decrease
10 the resource requirements, because that could be
11 staffing or personnel.

12 But it's going to be very difficult for us
13 to tell states how to get their funding and NRC how to
14 get their funding.

15 MR. CAMERON: Does that answer your
16 question for now?

17 MS. ROUGHAN: Yes. Yes.

18 MR. CAMERON: Okay. Let's go to Mike, and
19 then we'll go to Bob. Mike Veiluva.

20 MR. VEILUVA: Well, I just have a basic
21 question. What is the reporting infrastructure right
22 now for those licensees which have dropped into an
23 agreement state and you've, quote, lost, unquote? Do
24 they directly still report or submit some sort of

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1 reporting to the NRC, or is that just funneled through
2 the agreement state, or none at all?

3 MS. ALLEN: In many cases, that reporting
4 doesn't go back to the -- when you're a licensee in a
5 state that becomes an agreement state, then, you are
6 then regulated by that state.

7 MR. VEILUVA: Completely?

8 MS. ALLEN: Completely. And you deal with
9 that state.

10 If the state has to report information
11 back to the NRC, then, they will go back to their
12 licensees and get it. But --

13 MR. VEILUVA: That's the only mechanism --

14 MS. ALLEN: -- that's very rare, because
15 at this point it's just incident reporting.

16 MR. CAMERON: And then, I think that we
17 need to make sure that -- Fred, when you do your thing
18 in the next --

19 MR. COMBS: I'll complicate the matter,
20 Mike. Okay?

21 MR. VEILUVA: It's already fantastically
22 complicated.

23 MR. CAMERON: Right. And there is a
24 special term that's used, recision of authority. But

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1 we'll get to that. And Duncan, that's what you were
2 concerned with?

3 MR. WHITE: Yes.

4 MR. CAMERON: Okay. Let's go to Bob.
5 Bob.

6 MR. LEOPOLD: A couple questions. Kathy,
7 you mentioned one option would be to force all 50
8 states to be agreement states? Do you currently have
9 that authority?

10 MS. ALLEN: No.

11 MR. LEOPOLD: So that would be something
12 that you would have to --

13 MS. ALLEN: That's just out there,
14 thinking beyond what we're doing today.

15 MR. CAMERON: When you said -- can you
16 clarify, when you said, Do you have that authority, do
17 you mean the working group have that authority?

18 MR. LEOPOLD: Does the NRC currently have
19 that authority?

20 MR. CAMERON: To have every agreement
21 state --

22 MR. LEOPOLD: To require states --

23 MR. CAMERON: -- every state be an
24 agreement state?

25 MR. LEOPOLD: Yes.

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1 MS. ALLEN: No.

2 MR. CAMERON: Oh. To require them? Okay.

3 MS. ALLEN: No. Currently becoming an
4 agreement state is strictly a voluntary move on the
5 part of the state. If the state chooses to become an
6 agreement state and sign an agreement, they just go
7 ahead and do it. There is no requirement, and NRC
8 cannot come back and force a state to become an
9 agreement state.

10 MR. CAMERON: Okay. Mark.

11 MR. DORUFF: I'll be very brief. Mark
12 Doruff with CORAR.

13 Two applications of radioactive materials
14 that I think we neglected to mention back before, when
15 we were listening.

16 One would be the practice of regulation
17 of, in some quantity, distribution of byproduct
18 materials remains with NRC even in agreement states.

19 And the other would be the regulation of
20 export of radioactive waste. That also is under the
21 jurisdiction of NRC and not agreement states.

22 MR. CAMERON: Okay. And Fred, do you want
23 to -- you probably might go into that.

24 MR. COMBS: Yes. I'll also address that
25 as a part of mine.

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1 MR. CAMERON: Okay. Thanks, Mark.

2 Do we -- are we ready for -- I think we
3 probably are ready for our break. Ellis -- again,
4 Fred, can we give Ellis this mic? I don't know if he
5 needs it, but just in case he does.

6 MR. MERSCHOFF: I had to step out for a
7 minute, so I apologize if this question was asked.
8 But I heard a lot about consistency.

9 And in the engineering world, the question
10 of consistency across the 50 states was largely
11 addressed through the consensus standards process,
12 with the American Society of Mechanical Engineers,
13 IEEE, ANS, American National Standards Institute.

14 And then, Federal agencies, the NRC being
15 one of them, can endorse in regulations certain
16 standards to impose a consistency that the national
17 consensus standards develop.

18 My question is, is there an active
19 consensus standards process with the materials and
20 radiation control area?

21 MR. CAMERON: Thanks, Ellis. I think
22 you've raised --

23 MR. MERSCHOFF: It was on you, which is
24 why -- now that I'm fully trained, the next time I'll
25 use the mic.

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1 MR. CAMERON: Could you repeat it?
2 Because we didn't hear it.

3 (General laughter.)

4 MR. CAMERON: There is another actor, so
5 to speak, in this whole mix of agencies, levels of
6 government, consensus standards organizations.

7 Jim or Kathy, do you want to respond to
8 what Ellis said?

9 MR. MYERS: Well, first of all, the NRC is
10 required by Federal law to look at consensus
11 standards, as you well know, and to adopt them if
12 they're applicable. So that's something that the
13 agency has to do under law.

14 There are some examples that we've come
15 across of adoptions of consensus standards like ANSI
16 standards for irradiators, sealed sources and devices.
17 Radiography is another area where there have been
18 adoption of generally consensus standards that have
19 been used.

20 But in terms of regulatory programs and
21 kind of those esoteric things out there, I don't know
22 of any that have gone that far.

23 But in specific areas, usually related to
24 engineering and that, yes. And they work fairly well,

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1 I mean. And it has probably done more to make some
2 degree of consistency applicable across a large area.

3 MS. ALLEN: But in many of the areas that
4 we regulate, there are no standards out there. We
5 haven't really expressed a need or an interest to the
6 standard setting organizations to establish standards,
7 so they don't create any, so we don't use them, so
8 they're not out there, so we can't reference them. So
9 we just haven't been talking to one another.

10 MR. CAMERON: And I guess that one part of
11 what could come out of the National Materials Program
12 is to talk to one another more effectively about these
13 issues?

14 MR. MYERS: One of the things unmentioned
15 was that the Commission also asked us to talk with
16 standard setting organizations, make them aware of
17 this process and see how they could fit into it. And
18 I think we're kind of addressing that issue, too. So
19 we'd be welcome to ideas and thoughts about that.

20 MR. CAMERON: Okay. Let's take just the
21 remaining cards here, and then we'll take a break and
22 come back. But let's go to Ruth, John, and then to
23 Donny.

24 MS. McBURNEY: Yes. I was going to bring
25 this up later. But of course, the Health Physics

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1 Society has its standards working groups that work on
2 specific ANSI standards, I mean, with the intent that
3 they finally do become ANSI standards, and would be
4 willing to approach some sort of joint effort with
5 priorities in developing consensus standards that
6 might be needed.

7 For example, there is a NORM standards
8 working group, and I know in CRCPD there is a group
9 working on NORM. If they could somehow combine their
10 efforts, it might be more efficient.

11 MR. CAMERON: Okay. John, and then we'll
12 go to Donny.

13 MR. HICKEY: John Hickey. I see the issue
14 with consistency as not whether a standard exists but
15 whether NRC and all of the states all agree to
16 implement the standard.

17 One effort we have is to standardize
18 regulations, which is a joint NRC and state effort.
19 And I'm not sure if other parties are involved.

20 Also, when we put our regulations out, we
21 designate what are called levels of compatibility.
22 And some of the levels of compatibility do not require
23 the states to implement the regulation or the concept
24 behind the regulation exactly the way NRC does it.

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1 So there is some effort on the one hand to
2 make things consistent, but there's also an allowance
3 by the system for the states to choose to be
4 inconsistent to some degree.

5 So it's not a question of whether there's
6 a standard there. The states can choose to do things
7 exactly the way NRC does them if they want to have
8 consistency. But in some cases the states don't
9 choose to do that for a variety of reasons.

10 MR. CAMERON: Okay. Thank you for that,
11 John. Let's -- final comment before the break, Donny.
12 And then, if we need to catch up on any other
13 questions when we come back, we'll do that. Donny.

14 MR. DICHARRY: Donny Dicharry. And I'd
15 like to ask Kathy and Jim about the degree to which
16 the working group has sought the input from industry
17 up to this point. I know that for this particular
18 meeting industry representatives have been invited.
19 But has there been any prior activities to seek input
20 from industry prior to this?

21 MR. MYERS: Yes. There has been a small
22 effort to try to get information from industry or
23 groups out there. We have had several adventures with
24 the standard setting organizations through the NRC's
25 working group with them.

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1 But to tell you the truth, I think at this
2 point until today, the results have been meager, not
3 necessarily on our part necessarily, but I think it's
4 because there really wasn't enough of a product or
5 conceptual idea that people could kind of get a grip
6 on to understand how it would affect them or visualize
7 how it would affect them.

8 So it's at an appropriate point now, I
9 think, to look at those things and to get more
10 industry input into it and so forth now that we have
11 something we can really kind of talk about.

12 MS. ALLEN: I think most of us are health
13 physicists, so we've been going through the Health
14 Physics Society. We had some articles in one of the
15 newsletters.

16 And many of the members of the working
17 group have gone to their own local Chapters and had
18 workshops and lists of questions and solicited
19 feedback from their members, who mostly are licensees
20 and representatives of the health physics or radiation
21 safety industry.

22 So it has not been highly choreographed,
23 but it has occurred, but in smaller venues, not in
24 national venues.

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1 MR. MYERS: We have really done quite a
2 lot in terms of outreach issues. I mean, we've
3 performed presentations at the various regional
4 offices; we've done it at NRC Headquarters; we've done
5 it at HPS in different areas; the OAS meeting, we did
6 that -- what is it, NERC in New England?

7 VOICE: Yes.

8 MR. MYERS: There was presentations there.
9 And frankly, you know, everything that we've done has
10 always been open, and we've put it up on the Internet,
11 we've announced it and everything.

12 And to be honest, I mean, the public
13 participation to a great degree has been very, very
14 minimal. There's been a few phone calls. We've had
15 a few people from the public that have attended.

16 And they go, Well, this is all very nice
17 and good, but get back to us when you've got more
18 information or something.

19 MR. CAMERON: Can we put one of the issues
20 for tomorrow morning -- I think that the working group
21 might appreciate -- although, of course, it has to
22 work into their schedule or some future schedule.

23 But can we put, How can the working group
24 and/or the Commission get more input from licensee
25 organizations, citizen groups? Can we have a specific

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1 discussion on that tomorrow? There may be some
2 suggestions.

3 MR. MYERS: Sure.

4 MR. CAMERON: All right. Let's take a
5 break. And that clock says about 20 after. Why don't
6 we try to start up at 20 to 11:00, 20 minutes to
7 11:00?

8 (Whereupon, a short recess was taken.)

9 MR. CAMERON: Okay. I think we'll get
10 started. I tried to weed out some of the issues that
11 we're going to be talking about from the parking lot.

12 And I -- there were four that I left up
13 there. One is this outreach, access to decision-
14 making, okay, the public, nongovernmental
15 organizations, licensees, associations, and not only
16 on working group activities.

17 In other words, how do you comment, how do
18 you gain access to what the working group is doing?
19 But on the regulatory actions of the individual
20 agreement states, the NRC, whatever option comes out
21 of the working group, that's going to be an issue for
22 consideration, is, what are the implications for
23 access to the decision-makers?

24 So that's one issue I think that we need
25 to spend more time on.

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1 Aubrey's regional entities, okay, as a
2 potential option, sub-option.

3 Kate brought up the funding issue. And I
4 put funding of options rather than funding options,
5 because I thought that's what you meant.

6 MS. ROUGHAN: Funding of options. Yes.

7 MR. CAMERON: Okay. And role of consensus
8 standards and consensus standards organizations. And
9 you know, Ruth already offered something from the
10 Health Physics Society standpoint.

11 But in terms of what I've put up here as
12 problems, needs, opportunities -- and some of this is
13 just data, it's a phenomenon that's happening and that
14 may be causing problems or may be presenting
15 opportunities that could be capitalized on to achieve
16 health and safety efficiency, whatever.

17 But dwindling number of NRC licensees.
18 And as Jim pointed out, not only the number of
19 licensees but types of licensees are disappearing from
20 NRC's radar screen.

21 Fewer NRC licensees carrying the burden of
22 NRC-Agreement State activities. And as Fred pointed
23 out, there is some statutory relief that may be coming
24 on that. But it still seems to be an issue as I

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1 remember the Commission's formulation about this
2 working group.

3 And the co-chairs, did I forget to tell
4 you that you're not allowed to speak to this? Put
5 those name tents down.

6 (General laughter.)

7 MR. CAMERON: All right. But, yes. Let
8 me -- we'll get comment, okay, on this. Because I
9 don't want to characterize this in my own frame; it
10 has to be what you guys are saying.

11 More expertise is now concentrated in
12 agreement states. That's an opportunity.

13 Continuing need for NRC activities for
14 non-agreement state licensees, NRC's overarching
15 activities, which is an issue here about how much are
16 the agreement states getting to be involved in those
17 overarching activities?

18 NRC exclusive activities, I think Mark
19 pointed out a couple of those. And Fred is going to
20 talk to that in a minute.

21 Special needs in individual states. They
22 may have particular types of licensees or problems.
23 And you know, the flip side of that, going back to
24 Jim's disappearing types of licensees, NRC may have
25 less interest in some activities.

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1 There's many actors. These are some of
2 the complicating factors. We talked about NRC
3 agreement states, non-agreement states, CRCPD, OAS,
4 other Federal agencies, consensus standards
5 organizations -- the Health Physics Society functions
6 in that mode. Sometimes there's other consensus
7 standards organizations --

8 MR. KILLAR: Chip, would you mind adding
9 licensees to that list? It would be nice.

10 MR. CAMERON: Yes. I wasn't -- notice,
11 Felix, this isn't a list of stakeholders. I'm sorry.
12 This is not the method. But I'll put -- and we're
13 going to get you your -- I know you have a tee-shirt.
14 But, no. I don't mean to exclude what we sometimes
15 call stakeholders. This is like mainly governmental,
16 quasi-governmental.

17 But good point. Non-governmental
18 organizations. Okay. Many actors, we'll just leave
19 it like that.

20 Many materials. AEA -- and Bill made a
21 point on low-level waste. We've had all sorts of NARM
22 and NORM discussions. FUSRAP was brought up.

23 People talked about -- I think Mark talked
24 about the need for efficiency. And this gets into
25 costs of compliance, perhaps issues there,

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1 comprehensive coverage of materials. Conflicting
2 regulations leads into consistency, uniformity, and
3 differing statutory requirements.

4 Whatever option comes out of this, the
5 Federal Government, the NRC, may have statutory
6 obligations that the agreement states don't have.

7 One of the ones that was mentioned was
8 this Consensus Standards -- I forget what the name of
9 the act is. But maybe Jim Lieberman or someone can
10 tell us that. But it was like the National Technology
11 whatever.

12 But it puts certain obligations on the
13 Federal Government in terms of adopting consensus
14 standards that's's not necessarily derivative to the
15 states. So there are different statutory
16 requirements.

17 Now, Felix already -- let me go and ask
18 you before we get Fred up here. We're going to
19 discuss these, but tell me where they're wrong. Okay?

20 As Felix noted, I didn't mean to exclude
21 licensees and others. Okay? So many actors.

22 All right. You guys both put your cards
23 up on --

24 MS. ALLEN: 2.

25 MR. MYERS: Number 2.

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1 MR. CAMERON: Okay.

2 MR. MYERS: I'll try to address the issue
3 that we have with it, is that the way that it's
4 worded, it implies that the agreement states and the
5 licensees have a -- you know, they're increasing the
6 financial burden or something upon the remaining NRC
7 licensees. That's not exactly correct, we think.

8 Basically, yes. There is a burden that
9 fewer licensees bear. But there's a lot of programs
10 at NRC that are not funded outside of the fee base,
11 like international programs, Congressional affairs,
12 among other things. And STP is one of those programs.
13 We concede that.

14 But I think what it's probably -- if
15 you're going to put it like that, you also need to put
16 a bullet in there that says that the agreement states
17 and their licensees also contribute to the agency's
18 program, because they bring in a certain amount of
19 knowledge, experience; we use them in working groups
20 and other activities.

21 And we rely heavily on them today to help
22 us run our diminishing program.

23 So it's, I don't want to say a quid pro
24 quo, but there certainly is an interesting
25 relationship that's there.

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1 Yes. It's a little bit of a cost, but at
2 the same time there is a Hell of a lot of benefit.
3 Gee, I didn't mean to say, Hell of a lot. But there's
4 a heck of a lot of benefit -- I forget that lady's got
5 that recorder running -- that these folks bring to the
6 agency that really improve substantially our
7 regulatory program.

8 And, yes. There's a cost. But there's
9 also a huge benefit to it.

10 MR. CAMERON: Yes. And I hear what you're
11 saying. And I'll put that up here.

12 But in terms of this -- forgetting for the
13 moment what these countervailing or corresponding
14 benefits might be, this is incorrect in the sense that
15 it's not only agreement states' activities, it's --

16 MS. ALLEN: It's the whole agency's
17 activities.

18 MR. MYERS: Right.

19 MR. CAMERON: Pardon me, Kathy?

20 MS. ALLEN: It's the whole agency's
21 activities. The agreement state portion, oversight
22 portion, is an incredibly small portion of the entire
23 NRC budget.

24 MR. MINNAAR: Why don't you just scratch
25 out "agreement state" and replace it with "materials"?

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1 VOICE: Indirect costs might be another
2 suggestion.

3 MR. CAMERON: Indirect activities?

4 VOICE: Just NRC activities.

5 MR. MYERS: Right. There's a whole mix of
6 things that go into it. It's not --

7 MR. CAMERON: Okay. All right.

8 MR. THOMPSON: Except that the NRC
9 licensees in the uranium recovery areas wouldn't agree
10 with that. They find the agreement state -- paying
11 for the agreement states who charge less fees while
12 they're paying what they consider exorbitant fees to
13 NRC both for oversight of the specific license and for
14 the general licensing fees, they find any payment to
15 the agreement states to be unreasonable.

16 Because the agreement state fees are so
17 much less, they find themselves at a disadvantage with
18 similar activities regulated in agreement states. So
19 they wouldn't agree with that.

20 MR. CAMERON: They would want to emphasize
21 the point that's captured in here.

22 MR. THOMPSON: It's a political point.
23 It's captured in there. And there are other costs,
24 you're absolutely right, that they don't like either.
25 But --

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1 MR. CAMERON: Okay.

2 MS. ALLEN: But the stuff that they're
3 paying for in fees to NRC, the portion -- I mean, in
4 NRC's budget space, the portion that goes to office of
5 state programs for NRC oversight of agreement states
6 is incredibly small compared to what they spend on
7 research and on the other things that they pay for.

8 So when licensees pay their fees, if you
9 were to take that fee, then, it's a minuscule amount
10 compared to what -- I mean, there are a lot of other
11 things that fees go towards, not necessarily the
12 agreement state oversight.

13 MR. MYERS: But I think, Tony, we
14 recognize your point.

15 MR. THOMPSON: It's a very sensitive
16 point.

17 MR. CAMERON: Okay. Let's go to any
18 further comment on this. We're not going to -- we're
19 going to discuss these after Fred is done.

20 But is there anything that I didn't
21 capture from this morning or that's incorrect up here?
22 Bob.

23 MR. LEOPOLD: Well, I would like to add
24 something, and that is, while I appreciate that this

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1 is the NRC group working on this, it really isn't
2 large enough to address some of the problems we have.

3 Where is EPA? Where is DOE? Because if
4 we're really going to do up the whole picture, we need
5 those folks at the table, too.

6 You've got states here, you've got
7 licensees, but you don't have the other Federal
8 players participating. And that's to me a significant
9 problem.

10 MR. CAMERON: And we -- FDA could not --

11 MR. LEOPOLD: And I understand that EPA
12 may come tomorrow. But --

13 MR. CAMERON: Yes. But that's a broader
14 point, though, isn't it?

15 MR. LEOPOLD: The big picture is, there's
16 seeming to me a lack of cooperation and coordination
17 between Federal agencies.

18 MR. CAMERON: We can put that down as a
19 specific point. And it's one that Aubrey alluded to
20 before. Lack of coordination and cooperation among
21 Federal agencies.

22 MR. LEOPOLD: You don't even use the same
23 language.

24 MR. CAMERON: Okay.

25 MR. LEOPOLD: Thank you.

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1 MR. CAMERON: Thank you, Bob.

2 Anybody else on any of these issues that
3 we've talked about?

4 Again, we're going to go back. And this
5 is hopefully going to be for the benefit of the
6 working group in terms of identification of what the
7 problems and opportunities are here.

8 But let's go to Fred. Fred, do you want
9 to give us an overview of NRC?

10 MR. COMBS: Yes. What I'd like to do is
11 provide some additional context with respect to the
12 particular nature of arrangements between the NRC and
13 states which have individual agreements with the NRC.

14 And those of you around the table should
15 find copies of the slides that I want to speak from.

16 First of all, just to mention in passing,
17 the ability to enter into an agreement is contained in
18 Section 274 of the Atomic Energy Act. And as such, we
19 define an agreement state is any state which has
20 entered into such an agreement.

21 Then, the significant difference, the
22 first significant difference with these agreements
23 between the NRC and the states is that this is not a
24 delegated program. And I repeat, this is not a

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1 delegated program. States operate under state law to
2 implement the agreement program.

3 What the NRC actually does is discontinue
4 its authority for certain classes of material and
5 certain users of material and certain activities and
6 allows states to regulate in those areas.

7 The string attached to this, the first
8 string, is that NRC then gets to periodically review
9 those agreement states for their adequacy, which is an
10 obvious thing or relatively obvious, and for something
11 called compatibility, which is a lot less obvious. It
12 conveys the sense of consistency between regulatory
13 bodies.

14 If you go from an NRC state to an
15 agreement state to another agreement state as a
16 licensee, the hope is that you will see a very similar
17 structure. Obviously it's not as satisfying as we
18 would think.

19 And of course, the other string is that
20 NRC has the ability to suspend all or part of an
21 agreement in an emergency.

22 The things that the NRC does provide is
23 regulation of byproduct, as Felix indicated, source or
24 special nuclear material. An agreement state could be

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1 a state that would agree to allow them to regulate
2 one, two, or all of these categories of materials.

3 The NRC, then, retains authority over
4 Federal agencies for their uses; production and
5 utilization facilities, which are essentially nuclear
6 reactors and their fuel cycle facilities.

7 Exports and imports. And the way we do
8 that is for the main course we indicate that, if you
9 have a license from an agreement state or the NRC, you
10 are authorized to export or import material, depending
11 on certain security issues and going to certain
12 places.

13 The NRC regulates disposal of radioactive
14 material in the ocean. We haven't seen a lot of
15 activity there for obvious reasons. We thank you for
16 that, though.

17 (General laughter.)

18 MR. COMBS: And also, high-level waste
19 handling and disposal is subject to NRC regulation,
20 not agreement state.

21 As was also indicated by one of the
22 persons around the table, the NRC authorizes the
23 transfer of materials to persons who are exempt from
24 regulation, which means that this is one area of,
25 quote, coregulation.

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1 A licensee in Illinois, for example, who
2 wants to distribute a particular device to persons
3 exempt needs a license from Illinois to possess the
4 materials and manufacture the product, and it needs a
5 license from the Nuclear Regulatory Commission to
6 distribute that product.

7 MS. ALLEN: But you only need a license
8 from NRC to distribute it if it's AEA material.

9 MR. COMBS: Right.

10 MS. ALLEN: If you're distributing NARM,
11 we do it.

12 MR. COMBS: Again I go back to the source,
13 byproduct, special nuclear material, or some
14 combination thereof.

15 And what is listed on here euphemistically
16 as large quantities of special nuclear material, we've
17 addressed that issue. It's any more than 350 grams of
18 special nuclear material. NRC reserves the right to
19 regulate that.

20 NRC also reserves the right to regulate
21 activities in off-shore waters. Although in the past
22 we had entered into a subagreement with Louisiana to
23 do that, Louisiana has since returned that authority
24 to the NRC.

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1 And of course, the NRC as part of its
2 authority regulates certain aspects of mill tailings
3 management, mainly the closure of mill sites.

4 Not included in my sheet, and to make this
5 part a little more interesting, are the optional
6 things that states get to regulate.

7 Because in that category of source,
8 special nuclear, and byproduct material, the states
9 can elect to regulate low-level waste or not regulate
10 low-level waste.

11 The states can elect to review sealed
12 sources or devices or not do sealed sources and
13 devices. And those can be returned back to the
14 Nuclear Regulatory Commission upon request of the
15 Government.

16 And states can agree to regulate uranium
17 mill tailings or not to regulate uranium mill
18 tailings.

19 An additional dimension of the
20 relationship is that there are certain things that
21 don't convey to the states automatically. These are
22 Federal requirements that the NRC is obligated to
23 follow; the states don't necessarily have to follow
24 them.

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1 Examples would be NEPA, the Administrative
2 Procedure Act. States have their own administrative
3 procedures, do their own rules. The Federal
4 requirements don't necessarily convey.

5 Government in the Sunshine Act, and one
6 thing that's been of some interest to us is GPRA, in
7 addition to the requirement to at least review
8 consensus standards and consider their adoption if you
9 have to move into that same area.

10 So these are things that continue to,
11 let's say make the entry into agreement state status
12 even more interesting.

13 Why enter into an agreement? Well, it
14 fulfills the intent of Section 274, which will allow
15 the states to regulate in protecting the public health
16 and safety in areas where they traditionally regulate.

17 The other thing is that state radiation
18 control agencies regulate all radiation sources, not
19 just some AEA materials. Therefore, they are closer
20 to their licensees, there is more of a service that
21 can probably be provided to those licensees
22 understanding local conditions.

23 In addition to that, it enhances the core
24 of knowledge that states have by regulating these
25 materials, and it gives a lot of users a single

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1 regulatory agency except for these things on the
2 previous page that I talked about.

3 Obviously a disadvantage is that states
4 have to establish a governmental organization to
5 regulate, and some licensees may still be regulated by
6 the Nuclear Regulatory Commission.

7 And the most significant point is, it
8 requires a lot of coordination between NRC and the
9 states. And this is the topic of my next issue.

10 Because of the fact that the NRC's
11 knowledge base is not all inclusive, we have moved
12 towards developing more of our regulatory products,
13 which are rules, licensing guidance, inspection
14 guidance, and user guidance, in a collaborative
15 manner.

16 We've got about 25 separate working groups
17 with NRC and agreement state staffs working on any
18 number of issues from as broad as this particular
19 issue that we're dealing with, which is, what should
20 be the shape of the NRC, to more focused issues
21 regarding a particular regulation.

22 We share knowledge of unusual events and
23 abnormal occurrences, because what happens in one
24 jurisdiction could very well affect what happens in

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1 another jurisdiction. There are things as sentinel
2 events.

3 If a device fails, we'd like to know that
4 and can gain information from California to share with
5 people in Massachusetts or to share with the Nuclear
6 Regulatory Commission to look for generic defects.

7 We also share sealed source and device
8 evaluation sheets, which is essentially a shortcut way
9 for a manufacturer to have a product approved by one
10 regulatory jurisdiction and to have that product
11 acceptable for licensing in other regulatory
12 jurisdictions.

13 We also coordinate training, and we
14 conduct, as we are doing here, a number of workshops
15 and meetings to assure that the level of coordination
16 is appropriate.

17 My office is solely dedicated to that
18 relationship and easing the communications between the
19 NRC materials regulators and state materials
20 regulators, not just agreement state, but all state
21 regulators.

22 And that's essentially the context that we
23 find ourselves in now.

24 I've described what appears to me to be at
25 least a confusing allonge of things. And it's how we

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1 operate within that allonge that makes the programs
2 effective.

3 And what we're looking for now is a better
4 way of operating given two factors: one, a declining
5 licensee population for the Nuclear Regulatory
6 Commission; and two, an increase in knowledge outside
7 the Nuclear Regulatory Commission or Atomic Energy
8 Commission of regulations and regulators and
9 practices.

10 We lost access to UCLA Medical Center in
11 1962, for example. We don't know what happens there.
12 But there have been a lot of things developed that we
13 were not first aware of.

14 Are there questions? Yes.

15 MR. VEILUVA: You've raised several
16 intriguing points. You mentioned that the regulatory
17 agency is closer to the licensees and can be generally
18 more responsive.

19 Right now I take it there's no formal
20 structure in place for critiquing state programs so
21 that across -- is there one, is there not one?

22 Because one issue which has come up in
23 people I've talked to is whether a potential licensee,
24 someone who is interested, say, in opening a medical

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1 technology facility that uses licensed materials, can
2 they shop for a state?

3 Can you pick out the best agreement state
4 with the best standards and perhaps the laxest
5 enforcement? And is there a body of knowledge that
6 one can go to to find that out?

7 MR. COMBS: I hope not.

8 (General laughter.)

9 MR. COMBS: We do have a fairly highly
10 developed tool which we call the INPEP Program, which
11 is essentially the Integrated Performance Evaluation
12 Program, that we use to evaluate performance of NRC
13 regions and agreement states.

14 And this tool is a performance-based tool.
15 It talks about how well let's say a jurisdiction
16 inspects, the status of its inspection program, how
17 well it writes a license, the status of the training
18 and experience of its staff, and how it responds to
19 incidents and allegations. We have to make a
20 determination of adequacy and compatibility, an
21 overall determination.

22 So you can perhaps shop around for a,
23 quote, lax state. But that state is going to meet the
24 floor requirement for safety; it has to.

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1 MR. VEILUVA: Now, if I can ask a follow-
2 up question. How transparent is that process? Is
3 that publicly available?

4 MR. COMBS: That process is extremely
5 publicly available. All our procedures for conducting
6 an INPEP are on the NRC's Website.

7 In addition to that, following the INPEP
8 review, the INPEP team, which is composed of NRC and
9 agreement state staffs, then meet with a management
10 review board, again composed of senior NRC managers
11 and an agreement state manager, in a public meeting to
12 discuss their findings.

13 The draft INPEP reports and the final
14 INPEP reports are on the Website. You can look and
15 evaluate them.

16 I understand that there are other
17 practices which may make it easier or more difficult
18 for a given business to establish itself in a state,
19 but it won't be on the basis of safety if our program
20 works.

21 MR. CAMERON: Mark, did you want to
22 comment on Mike's question?

23 MR. DORUFF: Yes. I just want to comment
24 from a user's perspective and a licensee's
25 perspective.

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1 First of all, I think that most users
2 don't really have any -- really don't have much of a
3 choice as to what type of regulatory scheme they're
4 subject to, because you've got to have hospitals and
5 you've got to have -- there are academic institutions
6 all over the country.

7 But from a manufacturer and distributor's
8 point of view, I think it is actually in their best
9 interests to be located in a state or a region where
10 you have perhaps the most rigorous and comprehensive
11 regulation, because you are then able to deal with the
12 myriad of other individual, unique regulations
13 throughout the country.

14 You're subject to a number of specific
15 requirements that if you were in a state that wasn't
16 regulated like, for example, a state where they don't
17 regulate NARM if you are a NARM manufacturer, you
18 would be at a disadvantage because you would not be
19 able to get your products registered, you would not
20 have the context in the individual states and other
21 individual regions where you want to do business.

22 So I think that that problem really takes
23 care of itself. I don't think that a major
24 manufacturer would seek a location where regulation
25 didn't exist or where it was relatively lax.

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1 MR. CAMERON: Dwight.

2 MR. CHAMBERLAIN: Yes. I had a question
3 for Fred. On his list of things about what the NRC
4 regulates and doesn't regulate, he left off Aubrey's
5 issue regarding Indian tribal land. And I just
6 wondered if he had anything he'd like to say about
7 that right now.

8 MR. GODWIN: Yes. I'd be happy to say
9 something about it. Tribal lands in Arizona we
10 believe are the state's except for the tribes
11 themselves, tribes being a Federal type entity.

12 Now, if that's shared, I understand, by
13 all of your attorneys. But that's what our attorney
14 says, and I have to follow my attorney.

15 MR. COMBS: And what our attorneys have
16 said is that on tribal lands there is a presumption of
17 Federal authority. And we'll just start the
18 discussion specifically based on that presumption.
19 But we're willing to talk about it.

20 MR. CAMERON: Another actor has been put
21 in here, tribal --

22 MR. GODWIN: We do have these differences
23 from time to time.

24 MR. CAMERON: Thank you, Dwight. Aubrey,
25 did you have a separate point?

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1 MR. GODWIN: Well, I was going to go back
2 to this shopping around. There have been occasions
3 when we've had calls come in from different potential
4 applicants wanting to find out what our requirements
5 were. If it's on AEA materials, the description
6 provided by Fred pretty well applies.

7 There is a 19-volume licensing
8 comprehendium that's out that guides you through what
9 all you have to ask and follow when you get ready to
10 issue a license. And that's starts addressing most of
11 the questions.

12 When you get into a point where something,
13 you know, does not seem to be clearly addressed, then
14 you start talking to your compadres in other states
15 and in other jurisdictions, and you find out if
16 anybody else is licensed. If you're the first one
17 down the pike, then you usually stop and get the best
18 advice you can.

19 And I think all the states I've been
20 associated with and know about, the telephone is a
21 pretty handy instrument for research.

22 And nobody wants to make a mistake on the
23 first one, the first time you write a license. You
24 know, you might do it, but you want to make sure you
25 did everything you could to avoid that.

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1 So shopping around, as pointed out
2 earlier, is not really that practical if they really
3 want to do business elsewhere, because if they end up
4 in the easier ones, like in NORM stuff, there have
5 been several companies that have essentially limited
6 themselves to one or two states by going the NORM
7 route.

8 So it looks good on the surface, but it's
9 not very good as a practical matter. Thank you.

10 MR. CAMERON: Thanks, Aubrey. Kate, do
11 you have something on that?

12 MS. ROUGHAN: Yes. Two separate comments.
13 One on the shopping around, a significant decision
14 there is the fees. The NRC NSSDR for device
15 registration was \$10,000 annually. If you have 20 or
16 30 devices registered, that's a significant chunk of
17 money.

18 Once we became an agreement state, it went
19 down to \$2,000 annually. So that is something that
20 people do look at from a new company perspective.

21 MR. GODWIN: Yes. Now, that shopping
22 around they do.

23 MS. ROUGHAN: Oh, they'll shop around.
24 Yes. You have to do it that way.

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1 The second comment was that the NRC
2 retains authority over Type B manufacturing,
3 distribution, also, and transportation.

4 MR. COMBS: Actually, with respect to
5 transportation of containers, the NRC has entered into
6 an agreement with the Department of Transportation to
7 review Type B and large-quantity containers. And it
8 hasn't conveyed that agreement at all as a part of its
9 agreement with the states.

10 That does cover, however, radiography
11 devices with the Type B containers. But that's
12 authority that the NRC gets not from the act but from
13 an agreement with DOT.

14 MR. CAMERON: Aubrey.

15 MR. GODWIN: Yes. As we talk about exempt
16 materials, I think some fine lines get involved.

17 The agreement states can authorize the
18 distribution of exempt quantities, but they cannot
19 authorize the distribution of exempt devices.

20 And that sometimes causes confusion
21 because the devices, exit signs and things like that,
22 you get the distribution license from the NRC.

23 On the other hand, we could authorize
24 people to distribute various concentrations of test
25 liquids to labs and one thing and another. And it

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1 does come up occasionally and cause an interesting
2 problem, a publicity problem.

3 MR. COMBS: Thanks, Aubrey.

4 MR. CAMERON: Thank you. Are we done with
5 Fred for the moment in terms of context?

6 MR. COMBS: I'll remain here.

7 (General laughter.)

8 MR. CAMERON: Okay. Stay with us.

9 And where we are on the agenda is to try
10 to explore some of either the phenomena -- are you
11 cold?

12 VOICE: Yes.

13 VOICE: Freezing.

14 MR. CAMERON: Do we want some heat in
15 here?

16 VOICE: Yes.

17 MR. CAMERON: All right.

18 (Pause.)

19 MR. CAMERON: Okay. We turned it up.
20 Ellis got the -- did you get the energy saving award
21 last year? But they had to carry people out.

22 (General laughter.)

23 MR. MERSCHOFF: The average temperature is
24 70. It's 110 in the summer, and it's 40 in the
25 winter.

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1 (General laughter.)

2 MR. CAMERON: Okay. Thank you.

3 I think we need to explore for the working
4 group's benefit some of these issues that we have
5 talked about. How big a problem are some of these
6 issues? How big are some of these needs?

7 The Commission apparently thought that
8 there was a need based on this dwindling number of NRC
9 licensees issue to charter this NRC-agreement state
10 working group.

11 And I guess it might be useful to find out
12 from all of you -- we can discuss all of these things,
13 put any finer points that we want on them. But some
14 of you -- I don't know. Some of you may not think
15 that there is a problem that needs to be solved here.

16 The solution apparently is going to be
17 some options for restructuring the way that agreement
18 states and the NRC now do business. Is that an okay
19 summary?

20 MS. ALLEN: Okay.

21 MR. CAMERON: It's okay. Okay. That's
22 all I'm aiming for. But Terry, what did you want to
23 say on this?

24 MR. FRAZEE: Well, following up on that,
25 okay, so NRC has some indirect costs, and a lot of

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1 times I hear, you know, the costs of regulations, for
2 instance, and guidance being, Okay, this is a burden
3 that they have that applies to everybody, and
4 therefore it should be shared by everybody.

5 If NRC had the number of licensees that
6 you have now, and all of the agreement states all of
7 a sudden -- poof -- disappeared, would you not still
8 have the indirect costs, the administrative burden of
9 having regulations and regulatory guides for the
10 remaining licensees?

11 Which sort of implies, Well, that's a cost
12 that's not necessarily going to go away. I mean, it
13 would be nice if we shared it with you, I suppose, but
14 it's not something that's, you know, our
15 responsibility.

16 As states, we still have an administrative
17 burden to implement regulations and produce reg
18 guides. Now, it's nice if we can just model them
19 after somebody else's. But we still have that burden.

20 MR. GODWIN: Yes. You've got to prove it.
21 I mean, legally it's a completely new regulation.

22 MR. CAMERON: Now, did you say your
23 assumption was if all the agreement states
24 disappeared?

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1 MR. FRAZEE: Well, the argument is the
2 burden -- the number of NRC licensees are diminishing,
3 and yet they still have to pay for this horrendous
4 overhead of regulations and reg guides, as though
5 having -- well, let's see how best to phrase it.

6 They're still going to have to pay for
7 that whether there were agreement state licensees or
8 not. That's a burden they'll always have to pay for,
9 regulations and regulatory guidance.

10 MR. CAMERON: Because of the NRC's role --

11 MR. FRAZEE: Because they're licensees.
12 And if NRC has licensees, whether there's one or
13 10,000, they would still have to have a program of
14 developing regulations and providing guidance for that
15 one or 10,000 licensees. No?

16 MR. CAMERON: Okay. Let's follow this.
17 And the implications of what you're saying could be
18 just as simple -- well, what you're saying, Terry, is
19 that this is not necessarily a reason on its own to
20 restructure the relationship?

21 MR. FRAZEE: It's certainly not a very
22 strong one.

23 MR. CAMERON: Okay. All right. Well,
24 let's follow this. And let's go to Dwight, and then
25 we'll go to Aubrey.

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1 MR. CHAMBERLAIN: In fact, one of the
2 Commissioners, in agreeing to this working group, had
3 some reservations about the need for the working group
4 and said, There's always going to be a cost, always
5 going to be things that the NRC needs to do.

6 Why not just go to Congress and say, Let's
7 take that out of the fee base and just acknowledge
8 that there's always going to be things that NRC is
9 going to have to do and let Congress fund that
10 separately from collecting fees?

11 To me that's a big option. I don't see
12 necessarily that the only answer is restructuring the
13 interface between the agreement states and the NRC.
14 You might gain some efficiencies there.

15 But one answer may be, let's just go to
16 Congress. And the states could support that. They
17 could -- you know, if all the states got behind that
18 you might be able to get Congress to do something in
19 that area.

20 MR. CAMERON: Okay. Thank you. Thank
21 you, Dwight.

22 Aubrey, a comment? And we're going to
23 discuss this fee issue -- indirect costs, rather.

24 MR. GODWIN: In looking at this cost
25 because of a regulatory thing, I think Terry's comment

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1 is very close to accurate when it comes to parts of
2 the regulations like Part 20, talking about general
3 exposure. It applies to essentially any kind of
4 program regulated.

5 And that kind of cost, they would have to
6 have something equivalent to Part 20 if they had one
7 licensee or if they had 1 million licensees. In fact,
8 they've got to have it as long as they've got the
9 reactor program.

10 So you could argue that, you know, that
11 all that administrative cost of Part 20 can be for the
12 most part carried over to the reactor program. I'm in
13 the wrong ball game there, I guess, but whatever.

14 However, there are certain types of
15 licensees that they may never see and would not really
16 have to develop a program on.

17 For example, now they -- for a long time
18 they haven't had a low-level radioactive waste site.
19 So certainly in theory they would not need any Part 61
20 requirements, I guess it is.

21 MR. CAMERON: So you're caveat that you're
22 adding is that it's not the development of regulations
23 for every type of licensee. There's going to be some
24 that would not be included?

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1 MR. GODWIN: Right. But the other part of
2 it is, if one of their functions is to maintain an
3 oversight and to support consistency among the various
4 regulatory bodies through the compatibility comments
5 in the agreements, then, they would have to have some
6 expertise there.

7 Even though they don't have to have the
8 regulations, they would certainly have to have some
9 expertise there to review those states where they do
10 have a low-level waste site or now in industrial
11 radiography manufacturing or certain major types of
12 medical research that might be unique and no longer in
13 their jurisdiction.

14 So you know, you can make these kind of
15 cases on the individual basis where the expertise may
16 not be required for the licensees and is required for
17 perhaps oversight that looks less toward their
18 regulatory program and more toward their program of
19 oversight of the Agreement State Program.

20 MR. CAMERON: So what you're saying,
21 Aubrey, is that, because of the required oversight
22 activities that the NRC has, whether we had one
23 licensee or 100, that these oversight activities would
24 still need to occur?

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1 MR. GODWIN: Yes. And speaking of
2 oversight, I think if you look at the 274 Section,
3 there's an implication that at some point Congress
4 might want to revisit and see how to change or might
5 want to change the relationship between the Federal
6 Government and the states in terms of how that
7 oversight is managed.

8 And if you look at that, that may change
9 some of the shifting and need for the NRC to have some
10 of these dollars.

11 MR. CAMERON: Okay. Let's go down the
12 table here, and then we'll go over to Tony. And then
13 we'll check in with Bruce and others. Okay? John.

14 MR. HICKEY: Well, I agree with Aubrey
15 that one of the issues is NRC's oversight function,
16 that the oversight function costs a lot of resources.
17 And if the number of licensees are reduced, even if
18 the licensees were paying for it, still a lot of
19 resources would be expended per NRC licensee. So that
20 needs to be assessed.

21 The other aspect of this is whether you
22 should ignore the agreement state licensees in
23 determining, what is the national program? If you
24 view the national program as just what NRC is doing
25 and the agreement states are extraneous, then you can

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1 have NRC continuing to operate the way it operates
2 regardless of the resources.

3 And by the way, most of the Part 20 costs
4 are charged to the reactors, not to materials
5 licensees.

6 But if you view -- as the percentage of
7 state licensees keeps going up to 75, 80, 85 percent,
8 then you may take a different view, that the national
9 program is what the states are doing, and so you need
10 to change the role of NRC and reduce the number of
11 resources that NRC is expending.

12 MR. CAMERON: Okay. Thank you, John. I
13 think that's what we're going to here, is, you know,
14 identifying, what is the need for a so-called national
15 program that implies some type of restructuring,
16 perhaps. Felix.

17 MR. KILLAR: Yes. I have a question for
18 Fred on this funding, because I'm not 100 percent sure
19 I understand exactly how it all works.

20 From a licensing perspective, the
21 agreement state Program, up until this past year, has
22 been under the total NRC budget, which was 100 percent
23 funded by the licensees. And so therefore, the
24 agreement state Program, up until this past year, was
25 paid for by NRC licensees.

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1 So all the agreement state Program and
2 what-have-you was being paid for by the NRC licensees
3 even though the licensing may be going to the
4 agreement state Program.

5 As Fred mentioned, we now have this 2
6 percent per year, 10 percent over the next four or
7 five years, and the agreement state Program is part of
8 that capture, it's part of that 2 percent. I don't
9 know if you capture 100 percent of your funds out of
10 that 2 percent or not.

11 MR. COMBS: Actually, the Commission
12 hasn't determined how that's going to be apportioned.
13 So it remains to be seen how it's going to be done.

14 MR. KILLAR: And so this goes to the point
15 that, even though you have now part of the NRC's
16 budget being funded by the national taxpayers rather
17 than the licensees, the existing NRC licensees
18 continue to pay for the agreement state Program and
19 support the agreement state Program.

20 And so when you get to the issue of
21 licensees moving from the NRC to the agreement state
22 Program under a state, the NRC just lost all that
23 revenue, yet the NRC still has to maintain that
24 agreement state Program and support that agreement
25 state Program.

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1 Going to the second point, is the
2 development of national regulations in this area.
3 Even though the states take on the implementation of
4 those regulations under the agreement state Program,
5 the NRC still has the responsibility for developing
6 those regulations. And what we're talking about here
7 is principally Part 30.

8 As John alluded to, Part 20 is principally
9 picked up by the reactors and stuff. Part 30 is
10 almost exclusively picked up by the licensees, the NRC
11 licensees.

12 So when you look at the activities that
13 the agreement states are taking on, these are
14 principally Part 30 licensees that the agreement
15 states are taking into their programs.

16 And as you lose more and more of these
17 Part 30 licensees from the NRC going to the agreement
18 state Program, there are fewer left to pay for this
19 program. And this is the point we made earlier, is
20 that those remaining licensees get hit with a higher
21 burden to develop those generic regulations which the
22 nation are using.

23 This is where we're coming from from the
24 fee aspect.

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1 MR. CAMERON: Let me ask you a question
2 about that, though. Even though that may be true, is
3 it necessarily a restructuring issue, okay, a need for
4 a national program issue, or is it something where it
5 shouldn't just be the 2 to 10 percent, it should be a
6 larger percentage?

7 MR. KILLAR: That has been an issue we've
8 had between the various licensees for some time,
9 because the nuclear power plants have traditionally
10 carried the bulk of the NRC fees and also the bulk of
11 the NRC programs, which they did not get much benefit
12 from, such as the international programs and the
13 agreement state Program, because that's all grouped
14 into overhead.

15 Since the reactors pay the principal
16 expenses of the NRC, that overhead is being borne by
17 the reactors. So the reactors have been, to an
18 extent, subsidizing -- and I don't want to use that
19 term, but I did -- the material licensees and the Part
20 30 licensees. And so when we talk about
21 restructuring, we may need to look at restructuring.

22 Now, it took a lot of effort for Congress
23 to understand this and to actually put in this program
24 now for the 2 to 10 percent. But as Fred alluded to,
25 the NRC Commissioners themselves have not determined

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1 how they're going to divvy up where that overhead goes
2 to and who is paying for it.

3 MR. CAMERON: Okay. Well, let's continue
4 to explore this indirect cost burden.

5 And Kathy, did you have a question you
6 wanted to ask Felix about something that he said? I
7 always want to check in with you guys, if you need to
8 get more information from someone about a particular
9 comment.

10 MS. ALLEN: I'm going to let it go for now
11 and see where the rest of the discussion leads.

12 MR. CAMERON: Okay. Good. Bill.

13 MR. HOUSE: We've heard a number of
14 comments about the NRC fees being so much more or so
15 much higher than agreement states.

16 And I think we need to ask the question,
17 why? Is it because the agreement states are not
18 getting full recovery of their costs, or is it because
19 agreement states operate more efficiently? I mean,
20 why is this, is one point. And I'd like to hear some
21 more about that.

22 The second point is following up on
23 Aubrey's comment. We don't necessarily need a full-
24 blown set of regulations for a very limited number of
25 licensees. One prime example is the Barnwell site.

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1 It was licensed and operated and regulated through
2 license conditions for 12 years before Part 61 ever
3 came into vogue.

4 MR. CAMERON: Okay. Let me maybe put your
5 first statement in a different context, is that, you
6 asked, why are the fees so much different?

7 Going to Mark's efficiency statement --
8 and I don't know what all he intended to include in
9 there. But is there -- would this restructuring, this
10 national program, okay, given the fact that we don't
11 know what it is, but would one possible option of that
12 be some equalization of fees? Is that a possibility?

13 I mean, I don't know if that's naive or
14 not or whether the working group thought of it, but
15 it's just another thing to think about, I guess.
16 Kathy.

17 MS. ALLEN: I'll address a couple of your
18 questions. In a recent poll of agreement states, not
19 all agreement states are necessarily 100 percent
20 funded by fees from their licensees.

21 But there is a large -- I was surprised at
22 the number of states that really are 100 percent fee
23 based, I mean, they get all their cost recovery from
24 their license fees. So they're structured that way.

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1 There are some licensees that have adopted
2 NRC fees, and they have a surplus. They don't know
3 what to do with all that extra money. What a shame,
4 huh? Because they sort of have adopted NRC's fees by
5 default or a percentage of NRC's fees.

6 There are some states that are structured
7 so that it doesn't really matter what they collect in
8 fees. The legislature determines their budget, and
9 they get their money from general revenue, and all the
10 fees paid by licensees get tossed into general
11 revenue.

12 So even if they have a need to expand
13 their program, if they raise their fees for their
14 licensees, they may or may not get equivalent bumps in
15 their revenue or the amount of money that they can
16 spend on that particular program.

17 So every state is structured a little bit
18 differently in the way material is shared -- or money
19 is shared.

20 And a lot of states are facing some big-
21 time cuts now. For example, even Illinois, we're not
22 100 percent full cost recovery from our licensee fees.
23 I think we're at maybe 40 or 50 percent recovery, and
24 the rest of it comes from general revenue from

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1 licensees that pay actual full cost and some other
2 sources. But we're not there yet.

3 But if we were to become 100 percent full
4 cost recovery, I don't think our fees would be as high
5 as NRC's because our overhead is not as high. We
6 don't have the buildings and the other groups that NRC
7 has. They have research groups that spend time doing
8 research. There --

9 MR. CAMERON: One of the things that the
10 working group is looking at is how provision of
11 research, clearing house, all of these types of things
12 might lead to more efficiency on a national level, so
13 theoretically there could be some impacts on costs?

14 MS. ALLEN: Yes. We're kind of looking at
15 functions. Who does what? Who maintains clearing
16 houses of information? Who is writing the regulations
17 now?

18 As you mentioned, NRC has been taking the
19 lead in writing regulations. But there have been some
20 instances where states have actually come forward and
21 taken the lead.

22 The whole NORM issue the states are
23 driving. The fairly recent change for industrial
24 radiographers to a two-person crew and the industrial

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1 radiographer certification really started in the Texas
2 program. And they had no support from NRC on that.

3 But Texas -- and did you have a couple of
4 other states that joined you? But Texas basically
5 created a program and --

6 MS. MCBURNEY: We did have a grant from
7 NRC to start the bank.

8 MS. ALLEN: The testing?

9 MS. MCBURNEY: Uh-huh. But I mean, it was
10 a limited thing.

11 MS. ALLEN: But states have actually tried
12 to take the lead in writing regulations. We see a
13 need, and we share information, saying, Gee, we really
14 need this. And we try and work together to try and
15 create a regulation.

16 But it doesn't necessarily become used on
17 a national level until NRC steps in and is willing to
18 say, Yes. Okay, we'll take a look at it.

19 But then, they don't necessarily just take
20 that rule and adopt it. They take it, and they run it
21 through their process, which costs money, too.

22 So we're looking at ways of trying to
23 streamline this rather than having the same good idea
24 recreated by so many different groups.

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1 MR. CAMERON: All right. Well, let's go
2 to Tony and then to Terry and then hear from Jim
3 Marbach on this issue. And then we'll move on to
4 segue into something else. Tony.

5 MR. THOMPSON: I think there's a
6 fundamental difference between the fee issue and the
7 substantive component of a radiological health
8 program.

9 The fee issue is a practical problem that
10 is compounding, you know, causing difficulties. But
11 you know, I don't think it has anything to do with
12 whether or not you need to have some sort of a
13 national program on radiological safety.

14 And so I think that, while the fee thing
15 is important -- and it's certainly important to the
16 uranium recovery people that I work with quite a
17 bit -- the substantive question is a separate
18 question.

19 And one of the reasons you have a Part 61
20 now is because you had a variety of sites around that
21 were licensed by conditions, and they caused problems.
22 They've caused problems for a variety of the states,
23 Kentucky, Illinois, New York, and so forth. So they
24 brought all that expertise together.

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1 The reason you don't have low-level waste
2 sites being developed now isn't because you don't have
3 a regulatory program that gives you a clear approach
4 to developing them, taking into account site-specific
5 circumstances. It's a political problem, not a
6 technical problem.

7 So that's a good example of where the need
8 for a national program I think demonstrates itself.
9 And I think that when you start talking about --
10 you've got to recognize that if you're going to change
11 this there going to have to be some fundamental legal
12 changes.

13 For example, EPA has authority under the
14 Reorganization Plan Number 3 of 1970 to develop
15 generally applicable standards for the nuclear fuel
16 cycle. So EPA could step in and trump everything that
17 an agreement state or group of agreement states and
18 NRC did on issues that would relate to the whole fuel
19 cycle, like decommissioning.

20 You look at the fight that's gone on
21 between NRC and EPA over the 15 and the 25-millirem
22 standards. And you know, it isn't just the agreement
23 states. That introduces a conflict and a lack of
24 consistency and problems.

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1 In fact, EPA jumped all over the agreement
2 states and the CRCPD for their draft NORM regulations
3 in the same way, they jumped all over NRC.

4 So there are going to have to be some
5 fundamental legal changes in the Atomic Energy Act if
6 you're going to change this relationship dramatically,
7 in my opinion, to make it a whole different thing,
8 which is that it's state driven. Even if you have 85
9 percent of the licensees in agreement states, you're
10 going to have to change the Atomic Energy Act.

11 MR. CAMERON: So, Tony, what you said is
12 that -- or what I captured from what you said is that
13 this indirect cost burden is important, too. It's
14 more important, perhaps, for some sets of licensees
15 than others.

16 But the real issue for a need for, you
17 know, a national program which equates to some type of
18 restructuring, whatever that is, is that the big
19 problem is conflicting regulations --

20 MR. THOMPSON: Is consistency in some --
21 is consistency. And you know, I mean, I don't care
22 what anybody says, NRC's new regulations as they deal
23 with compatibility are pretty squishy.

24 And it really isn't clear in some cases,
25 you know, what do you really mean by it has to be

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1 essentially the same thing but not exactly the same
2 thing? It's pretty squishy. And so, consistency.

3 And then you throw in, as the gentleman
4 pointed out, you throw in EPA or DOE into the mix when
5 you're looking at long-term stewardship issues.

6 I guess what I'm really saying is it's
7 going to require more than just restructuring the
8 relationship between NRC and agreement states if
9 you're going to have a national program that has some
10 level of consistency that can be implemented on a
11 state or other level, regional level, however you
12 change things, in a way that makes sense for that
13 particular region or that state.

14 MR. CAMERON: Okay. Squishy. I think we
15 all know what he means by squishy. I'm not sure how
16 you spell it.

17 But I think we're segueing into, what is
18 the real need here? But I want to make sure we
19 capture everybody else on this fee issue. And then
20 let's go into exploring the issue that Tony brought up
21 and other issues.

22 Terry, you have more?

23 MR. FRAZEE: Yes. To sort of close out
24 the fee issue.

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1 The state of Washington has been 100
2 percent fee supported since the mid-1980s. And at
3 first we were the highest fees in the nation, bar
4 none, particularly in the early years.

5 When NRC instituted fees, then all of a
6 sudden it flip-flopped, and NRC was charging higher
7 fees than ours. And it varied by category. Some
8 categories were much higher, in others that wasn't the
9 case, different sorts of licensees and different ways,
10 practical matters, how we define licensee categories
11 versus NRC.

12 But when it gets down to it, the
13 differences between our programs, NRC is paying for
14 the research and development of regulations and policy
15 guidance and so forth, and that's sort of the real
16 root of where the differences in fees would be.

17 And from a National Materials Program
18 perspective, if you're going to have a national
19 program, you can't have NRC reducing its role in that
20 area. And I think we were talking about
21 restructuring, and all of a sudden I heard NRC's
22 reduced role. And it's like, wait a minute. I'm not
23 sure that that's such a good idea.

24 In fact, for our state, because of our own
25 state law and the agreement, for that matter, we need

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1 NRC to maintain a strong viable focal point for us and
2 be the one that establishes the rules, the regulations
3 which we then have some latitude in adopting.

4 But from our perspective and our state
5 law, I can easily adopt an NRC rule as written or, you
6 know, change NRC to State of Washington. I can do
7 that fairly easily.

8 If I want to do anything more restrictive,
9 then I've got a real burden. In fact, state law
10 almost discriminates against us being able to do that.
11 So you're not going to find the state of Washington
12 being more restrictive than NRC.

13 So bottom line for us is we want to see a
14 strong national program, but that's a strong NRC
15 regulatory development and guidance, because then we
16 can easily adopt those, and then we won't have to do
17 it ourselves.

18 MR. CAMERON: And before we go on over to
19 Mike and Jim, let me just make sure that we know all
20 that you're saying about this.

21 This need for a strong NRC role in this
22 national program is mainly in the development of
23 regulations?

24 MR. FRAZEE: Right. Now, obviously as a
25 state I want to have significant opportunity for

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1 input, real input into those rules, because I'm going
2 to have to live up to them according to my state law.
3 Then we'll have to adopt them.

4 MR. CAMERON: But in your state and maybe
5 in many others, is it because of the fact that if the
6 NRC says this should be done, then it's easier for you
7 to go out and develop the regulations, so that NRC
8 mandate is helpful?

9 MR. FRAZEE: Our regulatory format for
10 developing regulations says we've got to jump through
11 a huge number of hurdles to implement any kind of a
12 regulation.

13 But there is an exception category. And
14 that exception category is, If it's a Federal rule,
15 oh, here is the fast track. It's not real fast, but
16 we have a fast track of sorts, and we can adopt the
17 Federal rule without material change.

18 MR. CAMERON: Okay. Aubrey, do you just
19 want to put a little footnote on it?

20 MR. GODWIN: Yes. That's not necessarily
21 true in every state. We have sort of a fast track in
22 Arizona, but we still have to go back and develop all
23 of the economic statements, all of the environmental
24 comparisons and all of that to go with the Federal

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1 rule. And we have to reword the Federal rule to meet
2 the state statutes.

3 So even though we have the statutory
4 authority that opens up and allows us to get into the
5 rule making a little quicker because a Federal rule
6 has occurred, we are not relieved of all these other
7 things. So you have variations on that theme.

8 MR. CAMERON: Okay.

9 MR. GODWIN: And just one other point on
10 fees. This is one case where I've heard of states
11 trying to promote the shop around as at least one
12 state at one time said that they were purposely
13 keeping their fees low to attract industry. To my
14 knowledge, it didn't work.

15 MR. CAMERON: All right. But just to go
16 back to summarizing this, whatever the restructuring
17 is is because of the particular circumstance in a lot
18 of states perhaps with some variations, that the
19 mandate is helpful and that, you know, from particular
20 perspectives, that this national program should still
21 have an NRC mandate to the states on the regulations.

22 MR. THOMPSON: If you think a national
23 program on radiological safety is a good idea, then,
24 there's got to be somebody who takes the lead role.
25 That's really the bottom line.

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1 MR. CAMERON: But your rationale for the
2 lead role is a little bit different than the rationale
3 that was just expressed by Terry.

4 MR. THOMPSON: I think mine fits in with
5 what he said. Mine is that, again, if you think a
6 national program is valuable, then, somebody has to be
7 the coordinator or take the lead.

8 And that doesn't mean the states, as Terry
9 suggested, can't participate in the rule making and
10 make all their views known and don't have some leeway
11 to make things fit within the state.

12 It just means that, however you fund it,
13 if you think it's a good idea, you've got to have
14 somebody who is leading the pack, if you will.

15 MR. CAMERON: Okay. Let's continue to
16 explore these. Let's go to Mike, and then we'll go to
17 Jim.

18 MR. VEILUVA: There really isn't any
19 consensus, I think, among NGOs on how to approach the
20 delegation of authority -- not the delegation of
21 authority -- ceding of authority to the states on this
22 question.

23 In practice, depending upon the day of the
24 week, I think many NGOs would prefer to still see a
25 significant Federal role, in part because it's

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1 something that they know about, that they have access
2 to. The notice and comment procedures, it's at least
3 a somewhat established process.

4 I think why you haven't seen NGOs involved
5 with state rule making is a matter of local resources,
6 and that system is just not going to be as accessible.
7 The national groups are not focused on the state rule
8 making and the state standard settings at all. That
9 might be considered a good thing for some people.

10 But ultimately having some level of
11 national oversight and national structure I think
12 will, ironically, aid citizen participation in a way
13 that the more you spread it out to the states it might
14 not, even though that runs contrary to the standard
15 political science model of more local control is
16 better. In this particular area I don't know that
17 that plays out.

18 MR. CAMERON: Okay. Thank you. Three
19 things that need to be factored in, or we've at least
20 heard three issues that need to be factored into
21 whatever restructuring comes out of this.

22 One, that the NRC mandate is useful for
23 state regulators in being able to adopt rules.

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1 Tony said someone needs to lead. The
2 implication might be that the NRC is the most logical
3 to lead.

4 Mike's perspective from the NGO community
5 is that the citizen group community knows the national
6 structure, knows their way around that better, can
7 have more influence perhaps there than doing it on
8 some other model that's more diffuse with the states.

9 MR. VEILUVA: That's fair.

10 MR. CAMERON: All right. Jim, and then
11 we'll go to Bob.

12 MR. MARBACH: On the funding issue, I want
13 to get something clear in my mind. Are the agreement
14 states presently assessed a fee for oversight from the
15 NRC?

16 VOICE: No.

17 MR. MARBACH: So this comes out of general
18 revenue funds, and perhaps appropriately. The support
19 that you need for oversight? Your funding comes out
20 of general Federal revenue funds?

21 VOICE: No.

22 MR. COMBS: No. The funding comes from
23 licensees 98 percent.

24 MR. MARBACH: Well, I was sort of leading
25 to the point, if the NRC no longer had licensees, it

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1 would certainly seem appropriate that all your funding
2 should come out of general revenue. And if your
3 function was oversight --

4 MR. GODWIN: If they had no licensees,
5 what would that function be?

6 MR. MARBACH: Pardon me?

7 MR. GODWIN: If they had no licensees,
8 there would be an argument about what their function
9 would be.

10 MR. MARBACH: Well, an oversight function
11 and this very function that I think we're talking
12 about from the point of view of regulation formulation
13 and control, but perhaps not in a unidirectional way
14 but in a cooperative way with the states. Perhaps
15 that's an idealistic view.

16 But if you had no licensees that you had
17 to draw funds from directly to support yourself but
18 were providing an oversight for all 50 states and
19 territories, then it would certainly seem legitimate
20 that any efforts you need to support in that regard
21 could come from general revenue funds.

22 MR. CAMERON: That would be --

23 MR. HICKEY: Chip --

24 MR. MARBACH: And fees would be left up to
25 the states.

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1 MR. CAMERON: Go ahead, John. You want to
2 comment on that?

3 MR. HICKEY: Let me just clarify a couple
4 points. Our budget is from general revenue funds.
5 The collection of fees is just an illusion for the
6 Congress that money is coming in. It doesn't -- we
7 don't -- our operations are not based on how much
8 money we collect.

9 But the other point is, we just heard a
10 couple arguments that, even if NRC had no licensees,
11 it still should perform all the functions that it's
12 performing now to lead the agreement states. So
13 that's part of what this working group is supposed to
14 be looking at.

15 MR. MARBACH: Well, I have gotten the
16 impression that there is a difference between
17 oversight and handling your licensees.

18 MR. COMBS: Let me just answer that. The
19 issue is that, if we had no licensees under the
20 current structure, if we would change nothing else,
21 just the number of licensees dropped, we would still
22 have to maintain the regulations. We would still have
23 to use that as a basis for adequacy and compatibility.

24 We would still have to enter into
25 agreements with states. We would still have to look

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1 at those states for their program administration and
2 how adequate and compatible they were.

3 There would be some real problems. Having
4 no licensees means that you have no access to
5 information or you have now reduced access to
6 information. You can't make regulations as smart as
7 you used to without experience.

8 MR. MARBACH: But it would be incumbent
9 upon the states to work with you on that, I would
10 think.

11 MR. COMBS: Or incumbent upon us to work
12 with the states on it.

13 MR. MARBACH: Yes. And vice versa,
14 obviously.

15 MR. COMBS: Right. And set up a structure
16 where that can happen in the most let's say effective
17 and efficient manner as we could. And that's
18 essentially what this working group is looking to do.

19 The issue of the source of funding is at
20 some point irrelevant to doing it smart and doing it
21 in the best possible way and doing it such that it
22 makes sense and that you have a trained cadre of
23 people to implement the programs.

24 MR. CAMERON: There's people, you know,
25 shaking their heads on that, because I guess Jim's

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1 point is that if it's just a question of it's the
2 money, there's another way to do it besides
3 restructuring.

4 MR. MARBACH: Well, at least you would be
5 in the position that your role is clearly oversight of
6 the states. And certainly there shouldn't be a --
7 well, there's always a problem getting funding. But
8 at least your basis for getting general funding would
9 make a lot of sense, and I think all the states would
10 be supportive of that. Otherwise, you would have to
11 bill the states.

12 So that seems like that issue might clean
13 up a bit. I'm not sure you can implement it, because
14 as soon as you force non-agreement states to become
15 agreement states, they're going to ask you where the
16 funds are coming from to do that. So --

17 MR. COMBS: I'll just add that forcing is
18 a significant threshold, and I --

19 MR. MARBACH: Yes. That was a poor choice
20 of words. I'm sorry.

21 MR. COMBS: That would require
22 legislation. It's a very significant hurdle that we
23 would have to work on, and I'm not quite sure it's --

24 MR. GODWIN: It's called an unfunded
25 mandate, and somebody ran an election or two on that.

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1 MR. CAMERON: Let's hear from Bob and then
2 check in with one of the --

3 MR. MYERS: Do the rest and then --

4 MR. CAMERON: You say you're okay. Let's
5 go to Bob and then go over to Charlie and Ruth and
6 then Felix and Mark. Okay?

7 MR. LEOPOLD: It strikes me that the best
8 argument for a Federal role in setting the standards
9 is that you're going to have uniform standards.

10 The best argument against it is often the
11 uniform standards don't work in different places. I
12 come from a very small state. Some of your standards
13 don't make a whole lot of sense in our state, quite
14 frankly.

15 It is entirely possible to operate systems
16 without the Federal Government deciding what's going
17 to happen.

18 An example is emergency medical services.
19 They used to be Federally regulated; they aren't
20 anymore. So ambulances have different colored lights,
21 but we still have ambulances all over the country.

22 You don't have to have the Federal
23 Government telling you what to do in all cases, and I
24 think we need to remember that.

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1 However, if you're going to have
2 uniformity -- and I hear the licensees like
3 uniformity -- you have to have some mechanism of
4 setting up a nationwide standard so that then we can
5 adopt it. It doesn't always have to be a Federal
6 standard. You can come up with other standards as
7 well.

8 MR. COMBS: Well, and that's why we
9 develop compatibility categories. And in some cases,
10 those categories are -- to coin a term -- squishy.
11 But they have to make sense where they're implemented.

12 And one size does not necessarily fit all.
13 But there are certain things that everybody needs to
14 have. And it's making those individual determinations
15 and distinctions the important part of the
16 communication between NRC, states, and licensees.

17 MR. CAMERON: And Bob, you raised the
18 point of this. We always have this tension, it seems,
19 between this need for uniformity, but also there's a
20 need for flexibility to recognize special situations.

21 And of course, you did put a caveat in
22 there that that Federal Government lead would be a lot
23 better if the regulations made sense, which may go to
24 how they're developed.

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1 But how would you change the -- in order
2 to provide the best resolution of that tension between
3 the need for uniformity and flexibility, do you think
4 that the program the way it is now needs to be
5 structured? Could that tension be reduced by
6 something to change the way the NRC and the agreement
7 states relate?

8 MR. LEOPOLD: Well, my experience is the
9 NRC pretty much mandates and the agreement states
10 follow.

11 There are a few areas where that isn't
12 entirely true, but it's not a partnership. It's sort
13 of, You tell us what to do, and we either do it or we
14 don't do it. If we don't do it, then we're not
15 agreement states. So --

16 MR. GODWIN: Well, that's not exactly what
17 the agreement says. The term is not squishy, it's
18 flexible, stealing Michigan's line.

19 The compatibility requirement, if you look
20 at your agreement, it says that you will use your best
21 efforts to remain compatible. It says that they will
22 revoke the agreement if you don't protect the public
23 health and safety.

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1 So there is a zone in there between
2 protecting the health and safety and maintaining
3 compatibility that you argue about.

4 You must in any case protect the public
5 health and safety. That's when you lose your
6 agreement.

7 Until, oh, some years ago, you couldn't
8 even give up the agreement once you got it.

9 The way it was written, you could not give
10 up the agreement unless the Atomic Energy Commission
11 or, after a while, the NRC made a formal determination
12 that you were not protecting the public health and
13 safety. Then they would take it away from you.

14 They've changed the rule a little bit in
15 that regard so you can -- the Government can give up
16 your agreement.

17 But maintaining compatibility is one of
18 these flexible areas in there, because you need some
19 flexibility for different state circumstances. And
20 you need to recognize that you can't say, Well, you're
21 not compatible, you're out of agreement. That's just
22 not the way it is.

23 MR. CAMERON: Okay. Aubrey, what you seem
24 to be saying is that there -- I'm going to just leave

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1 this here as an open question: Need to restructure to
2 reduce this tension?

3 What you're saying is maybe the existing
4 nature of the agreements, the existing compatibility
5 requirements may give people that flexibility.

6 MR. GODWIN: I think it works pretty well.

7 MR. CAMERON: Okay. All right. Let's go
8 to Charlie and then Ruth, and then we'll go over to
9 the other side of the table.

10 MR. SHOWALTER: Speaking for another group
11 of licensees, I think we do sort of appreciate some
12 level of consistency between states where we have
13 people going from one state to another and, you know,
14 they're qualified here, they're not qualified there.
15 It's kind of an unfortunate situation to be in.

16 I think that from our point of view in
17 terms of participating in the process -- and we like
18 participating in the process.

19 That it is somewhat easier to do on the
20 national level for us than it would be if there were
21 50 rule-making processes going on in 50 different
22 states and we had to try to keep up with each one of
23 them and get our local chapter involved and, you know,
24 trying to make sure from our point of view that they
25 came out in some reasonable way.

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1 And so I think there's some strong appeal
2 for having a national focus and a national leadership
3 in this from our point of view. And I guess the
4 question is -- I also hear what Bob is saying, is that
5 there needs to be some flexibility locally, and I
6 certainly appreciate that.

7 And so I think that this tension will
8 always be there. And what level it reaches, you know,
9 is a matter of how strong the states are versus the
10 Federal Government at any one point and how much
11 flexibility can be built in.

12 But I think if you don't have this sort of
13 national consistency at some level, you know, that
14 chaos is likely to develop from our point of view.

15 MR. CAMERON: Let me just ask you a
16 question about terminology. People keep using the
17 terms consistency and uniformity. Are we talking
18 about the same thing here?

19 MS. MCBURNEY: Almost.

20 MR. CAMERON: Ruth, what?

21 MS. MCBURNEY: I said, almost.

22 MR. GODWIN: That means no. Right?

23 MS. MCBURNEY: Yes.

24 (General laughter.)

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1 VOICE: Uniformity implies less
2 flexibility.

3 MS. McBURNEY: Right. Uniformity would
4 mean it's absolutely the same across the board.
5 Consistency means it may give the same level of
6 protection or --

7 MR. CAMERON: So that goes maybe to what
8 John's comment was earlier --

9 MS. McBURNEY: Yes. Right.

10 MR. CAMERON: -- that you can set up a
11 regime perhaps as the NRC has tried to do, where there
12 can be consistency to recognize -- give some
13 flexibility, but it doesn't require uniformity.

14 MR. COMBS: Yes. It could, for example,
15 mean that you get to the same point, but you might get
16 there by different means.

17 And getting there by different means could
18 cause a lot of problems if you're going from one state
19 to the other, understanding the process. The
20 objectives are the same, the process is somewhat
21 different.

22 MR. CAMERON: Okay. Let's go to Ruth, and
23 then we'll come over to Felix and Mark and Kate.

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1 MS. MCBURNEY: My comments had to do with
2 the NGOs, the ability for them to comment. And, yes.
3 It is easier to comment on I guess a national effort.

4 The Health Physics Society has a
5 legislation and regulation committee that looks at
6 significant rule and law changes that are out there.

7 However, we've seen in our state there is
8 a big public participation in rule making and
9 licensing actions.

10 We probably have more requirements for
11 opportunities for public participation in licensing
12 actions, for example, and rule making than maybe some
13 other states. We have to notice opportunity for
14 hearing on every licensing action.

15 And we do have a lot of public
16 participation through the regional chapters of the
17 non-Governmental organizations, the Health Physics
18 Society, the American Association of Physicists in
19 Medicine. Sierra Club participates in a lot of that.

20 Although it is easier for a lot of these
21 national organizations to, you know, focus their
22 efforts on national rule making either through NRC,
23 EPA, or like when CRCPD is developing a suggested
24 state regulation. They would be interested in that.

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1 MR. CAMERON: Okay. Thank you, Ruth. How
2 about Felix? You've had your card up for a while.

3 MR. KILLAR: Well, let me talk a little
4 bit about some of the pragmatic issues that the
5 licensees have. And it goes to the question of
6 uniformity and consistency.

7 It is that, while we have what I call
8 uniform regulations across the country because of the
9 compatibility regulations in the NRC and the agreement
10 states, what we have is inconsistency in the
11 application of those.

12 A good example or a couple of examples is
13 that when Texas first started to put in their
14 certification program for radiography and stuff,
15 people would go to another state and say, I want to
16 put in a program.

17 And they would say, Well, you go down to
18 Texas and get certified, and after you get certified
19 in Texas we'll let you do it here in our state,
20 because we like Texas's program, which was fine. The
21 only trouble is now Texas is basically being the
22 reviewer for some other state.

23 Similarly, you go to the state of New
24 York, you have an agreement state in an agreement

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1 state. New York City is a separate agreement state
2 within the state of New York.

3 If you go to get licensed in the state of
4 New York and you want to do something in New York
5 City, you have to go and get certified in the City of
6 New York in addition to the state.

7 And so while the regulations are uniform,
8 they're not being consistently applied. And that
9 causes us as licensees additional costs and burdens,
10 and it doesn't help the public as far as the
11 perception of, you know, why is this regulation
12 different in this state than that state?

13 Another example is that, while we have the
14 registry for devices and sources -- or devices -- I
15 can't remember what --

16 VOICE: Sealed sources.

17 MR. KILLAR: -- sealed sources and
18 devices and what-have-you, that reciprocity doesn't
19 even apply there. Someone may have got something
20 certified or registered in the state of Illinois.

21 If they take that same certification to
22 another state, they say, Well, you know, I know what
23 Illinois does, and they do a really good job, but we
24 like this aspect over here; we want to put this

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1 additional license condition on top of that Illinois
2 certification.

3 So once again it involves additional cost
4 and additional regulatory burden for the licensees.

5 The industry has been working in the last
6 month or so on a suggested proposal to address these
7 issues and stuff. And I'd like to present that
8 sometime later today as an option for this group to
9 consider. That addresses all these various issues.

10 MR. CAMERON: Good. Let me -- I know that
11 you won't let us forget, but I'm going to put it --
12 can I call it an NEI?

13 MR. KILLAR: That's fine.

14 MR. CAMERON: An NEI proposal. Okay.
15 Thanks, Felix. Mark.

16 MR. DORUFF: Well, I thought I was ready
17 to make a few comments. And then I heard what Felix
18 had to say and light bulbs started going off. And so
19 I might -- I'm going to try and get back to where I
20 was ten minutes ago when I first put my card up.

21 Efficiency, I mentioned in my opening
22 statement there was a need for that under a National
23 Materials Program. To me, I think efficiency really
24 means optimization of resources on both sides, both

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1 the regulators and those that are regulated, the
2 regulated community.

3 And there are various different ways you
4 can meet that objective. I think one is to identify
5 synergies. Where are the activities of the states and
6 the local agencies duplicative with regard to what NRC
7 is doing?

8 A second thing to consider is, what is NRC
9 doing right now that they maybe shouldn't be doing
10 even if there continue to be NRC licensees?

11 You know, one example is, why do we need
12 to have two separate licenses in an agreement state
13 for somebody who is distributing exempt quantity
14 materials? You've got one license with the NRC for
15 byproduct material, and you've got another for NARM.
16 You know, there's really no need for that.

17 And under a National Materials Program I
18 could see that that could be very easily eliminated.

19 There are other things where perhaps NRC
20 is regulating things -- and I may open up a can of
21 worms here. But take, for example, Part 35, where the
22 NRC may not even be meeting their own policy statement
23 with regard to intrusion into areas where based on
24 level of risk regulation may not be needed, diagnostic
25 nuclear medicine one example of that.

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1 With regard to the need for consistency
2 yet a need for flexibility, I think you can have both.
3 I think for the sake of consistency you can have
4 standards and regulation that originate from a
5 national standards or regulatory body.

6 But you can address the need for
7 flexibility through the licensing process, where
8 specific licensees can have conditions that meet the
9 local needs and the specific applications in their
10 areas need for additional requirements that go above
11 and beyond what the standards call for and to meet
12 local concerns, local needs. It can be addressed
13 through specific license commissions.

14 But I think you can achieve an
15 optimization of resources and still achieve protection
16 of public health and safety through things like
17 synergy, avoiding duplicative requirements, and maybe
18 taking another look at what NRC is currently doing
19 that could be improved.

20 MR. CAMERON: But what you're suggesting,
21 Mark, is that there is a need for some type of
22 restructuring, a national program, that the best way
23 to do these identification of synergies,
24 identification of duplication and unnecessary, would

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1 be through some new type of working relationship
2 between the states and the NRC and perhaps others?

3 MR. DORUFF: And I think the NRC should
4 consider what's been done in some of the agreement
5 states.

6 I can speak most specifically about
7 Illinois, where I have a lot of experience. And I can
8 say that we don't always agree with the way they have
9 regulated us, but they do things very well.

10 They do optimize resources, they do
11 consider regulation on a case-by-case basis under the
12 provisions that can be placed into a specific license.

13 Not all their licensees are the same in
14 Illinois. But they are very capable of regulating
15 with some consistency. By not making their
16 regulations too prescriptive, they can get the
17 specificity they need by putting those additional
18 requirements into the licenses.

19 MR. CAMERON: So some states may have
20 approaches in various areas that are better than other
21 states' approaches, and so if there was that sharing
22 of information on a national basis, that that might be
23 helpful.

24 MR. DORUFF: I think we could benefit from
25 the experiences of the various agreement states in

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1 developing a national model for regulation that is
2 consistent yet provides flexibility.

3 MR. CAMERON: Okay. Thank you. Kate.

4 MS. ROUGHAN: I endorse both Mark's and
5 Felix's comments.

6 Just to add a little bit more meat to it,
7 as a licensee that does business in all 50 states and
8 along with our customers, a lot of times before we
9 deliver a product we have to check out the specific
10 regulations in an agreement state.

11 And while we make an effort and get
12 everyone's regulations on file, you know, at least
13 once a year or every two years, it's very difficult if
14 not impossible to keep up with the changes.

15 And I can make a very strong point. I
16 think about 95 percent of the licensees want to comply
17 with the regulations. But if it's difficult to find
18 out what those regulations are, you can't do it. So
19 it raises a question of compliance in a lot of cases.

20 One thing that might be helpful -- it goes
21 along with the uniform standard.

22 If there was a lot more up-front effort in
23 establishing the regulations by NRC, the agreement
24 states, and any stakeholders, if at that point in time
25 people could determine what the differences are, there

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1 could be some type of table where Arizona needed to do
2 something a little bit differently, then licensees
3 would know at that time what the compliance issues
4 are.

5 Obviously with the compatibility there's
6 different time frames. You have three years to
7 implement the regulations.

8 So there's a lot of regulations changing
9 after the NRC changes its regulations. And that's
10 very difficult to keep track of.

11 MR. CAMERON: So on that last point, that
12 would go to the development of the regulations?

13 MS. ROUGHAN: Right.

14 MR. CAMERON: Okay. And Bruce, I didn't
15 forget about you back there, at least not entirely.
16 I'm going to let you have a question.

17 But we are -- why don't we take -- let's
18 hear from Tony and then hear from Bruce and anybody
19 else in the audience and give Jim a final word, and
20 we'll take a break for lunch. Tony.

21 MR. THOMPSON: With respect to flexibility
22 and the point that Aubrey was making, I mean, I think
23 anybody who has been involved with, say,
24 decommissioning a complex site knows that if you don't
25 have flexibility it ain't going to happen.

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1 There is actually a model in place that
2 was inspired by agreement states, and that is in the
3 Mill Tailings Act which was amended in 1982, to allow
4 agreement states to propose different regulations at
5 NRC, and this subsequently then applied to NRC
6 licensees, to allow them to propose an alternative to
7 any EPA or NRC requirement as long as you could show
8 that it was as protective or more protective.

9 And then NRC actually -- it does change
10 the relationship between the agreement state, the
11 typical agreement state relationship with NRC, because
12 NRC does then have a final say involved in it, whether
13 or not that's --

14 But it is a model that's actually in the
15 Atomic Energy Act, and it provides flexibility in a
16 very specific licensee situation for the licensee and
17 the regulator, for that matter, to come up with an
18 alternative to a requirement.

19 And I think that NRC recognized the value
20 of this, because it was a comment that the uranium
21 recovery people made in the decommissioning
22 regulations that NRC came out with.

23 And NRC has the 25-millirem rule, but they
24 also have specific alternatives that you are allowed
25 to apply for.

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1 And it's different than an exemption. If
2 you have a right to propose an alternative, then it
3 gives the regulator -- you know, an exemption has a
4 bad flavor to it. You know, it puts the regulator in
5 a difficult position, I think.

6 And so if you have a right to propose an
7 alternative, it means that the regulator and the
8 licensee can work together to see if there is a site
9 specific problem to be solved, and it gives this
10 flexibility. So I would encourage taking a look at
11 that.

12 MR. CAMERON: Okay. Thank you very much,
13 Tony. Let's go to Bruce and then other in the
14 audience who might want to talk at this time.

15 Bruce, just give your full name again for
16 Barbara.

17 MR. SANZA: Bruce Sanza. Well, my comment
18 went way back to the hidden costs of the NRC.

19 And one of the things that I've noticed
20 over the years is that there's an awful lot -- no one
21 gets to say what the NRC does but the NRC, even though
22 those costs are sent on to their fee base, so to
23 speak.

24 And so if these hidden costs are being
25 paid for even euphemistically by fees or even a

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1 fraction of fees, then, the people that pay those fees
2 ought to have at least a voice in which of those
3 hidden programs are actually useful to anyone.

4 MR. CAMERON: And I think I probably
5 should go to the NRC, Fred, for comment or
6 clarification on Bruce's use of the term, hidden
7 costs, and on whether people get to comment on those
8 or --

9 MR. COMBS: I don't think that we have
10 hidden costs. We publish on an annual basis the basis
11 for our fees in the Federal Register.

12 MR. SANZA: Well, I was talking about some
13 of the programs at NRC that don't seem to have any
14 direct use to most people.

15 MR. COMBS: Oh. You mean direct and
16 indirect costs?

17 MR. SANZA: Right.

18 MR. COMBS: Yes. They are also included
19 in that Federal Register notice. Again, every entity
20 that can charge a fee or a price has these type of
21 costs that go into the product.

22 MR. CAMERON: So you're saying that the
23 indirect costs that are apportioned to licensees are
24 identified?

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1 MR. COMBS: I believe they are. And the
2 fee requirements.

3 MR. CAMERON: All right.

4 MR. COMBS: Yes.

5 MR. CAMERON: Okay. Anybody in the
6 audience want to make a comment?

7 (No response.)

8 MR. CAMERON: Okay. Jim, do you want to
9 give us a final word before we break for lunch?

10 MR. MYERS: Yes. Thanks. I want to just
11 kind of touch on a number of things, but first of all,
12 I think some of the points that Aubrey brought up
13 about costs and fixed costs. And I think we refer to
14 them in the working group as the cost boxes. They
15 tend to add up.

16 And we recognize that some of them you can
17 squish a -- that's not a good word. Sorry.

18 (General laughter.)

19 MR. MYERS: Some of them you can reduce in
20 size, and some of them you look at them and it's
21 really difficult to figure out whether you can get it
22 smaller or not. But those cost boxes are really, you
23 know, tied into a program.

24 And the working group took a bottom-up
25 approach when we started this process. We looked at

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1 this and said, Well, we could go top-down or bottom-
2 up. But we started from the bottom up. What we did
3 was to identify what we would call elements of any
4 program.

5 So if you have a program, whether you've
6 got one licensee or 1 million licensees, there's going
7 to be certain things that you have to do like
8 regulations in some form, you're going to have to do
9 some kind of licensing in some form, you're going to
10 have to have an enforcement process in some form.

11 And then, there are some things that are
12 optional. Like if you want to choose to do source and
13 device registration reviews or low-level waste, you
14 could pick those out.

15 And those really come out of the INPEP
16 process, because those are the review areas in INPEP.

17 And one of the few conditions that the
18 Commission placed on the working group was basically,
19 Don't mess with INPEP. You can do a lot of things,
20 but everybody is pretty happy with that process, and
21 we've spent a lot of time and effort on it, it works
22 well. Don't mess with that. So that's the one
23 constraint.

24 I hear a lot of things that lead us back
25 to something that we discussed as comfort level.

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1 Terry mentioned the fact that there is a
2 great comfort level in being able to point back to
3 Rockville and say, Well, it's those nasty fed guys;
4 they're making us do this regulation, something like
5 that.

6 Or if it's something you really want, you
7 can rely on the Federal entity as a supporter, if you
8 will, to get your point in the right places.

9 There's also probably a comfort level in
10 going too far the other way where, you know, you're
11 going to just throw everything away.

12 And I think the working group recognized
13 that that's probably not good, either, because neither
14 the regulators nor the licensees or manufacturers are
15 going to be happy with that option, because that's
16 just ultimately chaos, everybody is doing their own
17 thing.

18 And we have a process that's been around
19 with all its flaws and good points for probably 50
20 years. I mean, this is what we do, and it's
21 perfected, and everybody knows and trusts it.

22 The question really came about as to how
23 to best manage the process, to try to figure out what
24 the right mix of players at any particular table might

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1 be in order to kind of facilitate, to speed up the
2 process, to get a better product and so forth.

3 And the questions also were asked, you
4 know, is NRC the lead for that, or is that something
5 that maybe the states take the lead for, or are there
6 some other options that we haven't considered?

7 MR. CAMERON: Okay.

8 MR. MYERS: And I have one last thing,
9 just as a point of order.

10 MR. CAMERON: Okay.

11 MR. MYERS: I think Felix mentioned
12 something, said that the City of New York was like a
13 separate agreement state.

14 For those that don't know, New York is an
15 agreement state. But under their agreement they have
16 four separate offices that we deal with, there's four
17 separate agencies. One of them is the New York City
18 Health Department, which runs all of the medical
19 licenses in the City of New York. So that's what he
20 was referring to.

21 All the other stuff is either run by the
22 Department of Labor; all the other health things are
23 in the New York Health Department. They also have
24 environmental conservation. I can't remember those
25 guys.

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1 But basically they have a multi-sectored
2 program there. But City Health is the one that runs
3 their health program or radiation control program in
4 the city.

5 MR. CAMERON: Okay. Thank you, Jim.

6 Let's take a break. We were originally
7 scheduled for an hour-and-a-half. Why don't we try to
8 cut that down a little bit and be back at quarter to
9 2:00. Is that okay with you, or do you want people
10 back at 1:30?

11 MS. ALLEN: Let's give them an extra 15.
12 Have you told them where the way is to get across
13 or --

14 MR. CAMERON: Well the options -- there's
15 a sushi place -- I'm thinking about squishy.

16 (General laughter.)

17 MR. CAMERON: But I don't think there's a
18 sushi place. But there's a sandwich place that you
19 reach through a walkway. Is that what you're -- I was
20 hoping that one of our Region IV people --

21 MS. ALLEN: Okay. There's a walkway on
22 one of these floors, or you can just go down to the
23 first floor, and it's in the building --

24 MS. McBURNEY: What happened to all the
25 Region IV people?

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1 MR. GODWIN: They went to lunch.

2 MS. ALLEN: If you go down to the first
3 floor, you can cross over to the other building. And
4 there's a little snack shop. They've got like a
5 little hot line.

6 (Whereupon, at 12:50 p.m., the meeting was
7 adjourned, to reconvene at 1:45 p.m.)

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(1:50 p.m.)

MR. CAMERON: And the highlight is the thin mints back there on the table from Mike Veiluva's sister.

MR. VEILUVA: They're Girl Scout cookies.

MR. CAMERON: Girl Scout cookies. So help yourself.

VOICE: All right. For the Girl Scouts. They're one of our sponsors, by the way.

(General laughter.)

MR. CAMERON: They will be part of the new restructuring.

(General laughter.)

MR. CAMERON: No one complained that I didn't have them up there on, Many Actors.

I thought what we might do is, we want to get into looking at so-called solutions to some of the problems we have identified.

But I just want to make sure that we have explored these problems and these opportunities as much as we can before we go on.

I also had a request that it might be -- Mark mentioned a couple of what I call regulatory dysfunctionalities. I think that maybe the NRC people

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1 or working group might be interested in hearing some
2 more examples of that.

3 But I want to put a big caveat on that, is
4 that to fix those dysfunctionalities -- for example,
5 why do you need two licenses? I forget the exact
6 example it was, but you had another one, too, Mark.
7 Do you need a restructuring to fix those types of
8 problems?

9 And then, if you do need a restructuring,
10 what type of restructuring is it? And you know, Kate
11 and others may have examples of that.

12 And then we're back to, again I'll
13 announce the thin mints from Veiluva's sister again.

14 But then I thought we could go into
15 solutions and go back through some of the discussion
16 that we had this morning on some of these issues and
17 see what types of solutions there might be.

18 Kathy Allen this afternoon is going to
19 talk about one specific idea that the working group
20 has been discussing called the Alliance.

21 And we have -- Felix has a proposal that
22 he wants to put forward to us.

23 So that's my idea on where we might want
24 to go. And I would just ask, does anybody have any

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1 problems with that? Anybody want to add anything?
2 Terry, you want to say something?

3 MR. FRAZEE: Right. Not a problem
4 necessarily. But the working group has been working
5 for months, and they've got some sort of at least
6 draft report out. And surely they have some
7 suggestions, options. I would find it useful if we
8 had some sort of feel for what they've come up with.

9 MR. CAMERON: Do you want to -- and I'll
10 put this open to the group. Do you want to get an
11 idea of what the working group has come up with in
12 capsule form? And I don't mean just the Alliance, but
13 other options, and then maybe go back in and see --
14 and then discuss these?

15 (No audible response.)

16 MR. CAMERON: Okay. Anybody have any
17 problems with that? Yes. Dave.

18 MR. MINNAAR: Let me understand something.
19 The Alliance concept is what we're going to be getting
20 into in particular on the agenda. But do I understand
21 what you're saying is that the working group has
22 explored many other options different than the
23 Alliance concept?

24 MR. CAMERON: Yes.

25 MS. ALLEN: Yes.

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1 MR. MINNAAR: Oh. Okay. Well, the
2 Alliance, it seems like that's very evolving and very
3 at this moment quite flexible yet far-reaching. So if
4 there are alternatives to this, I guess I'd be
5 interested in knowing how they were compared.

6 MS. ALLEN: Okay.

7 MR. CAMERON: And I think the working
8 group wants to hear from all of you on all of these
9 options.

10 And I just want to make sure that we tie
11 them back in to some of these issues that we talked
12 about in the morning.

13 But maybe it would be a good idea to get
14 that overview.

15 And Kathy, will you be able, when we get
16 to that point, to just give us just a layout of the
17 options?

18 MS. ALLEN: I can talk really fast.

19 MR. CAMERON: Okay. All right. So good
20 suggestion, Terry.

21 Anybody else have anything to say before
22 we go back to see if we have addressed all of these
23 things that we talked about this morning?

24 (No response.)

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1 MR. CAMERON: Okay. I think that we've
2 pretty much handled this dwindling number of NRC
3 licensees and this carrying the indirect costs issue.

4 How about this, More expertise
5 concentrated in agreement states? It's not a problem,
6 but it may be an opportunity. The idea is that, how
7 do you recognize that? How do you tap into that?

8 And maybe there's not much to say about
9 that other than to look for, when we get to solutions,
10 how you try to recognize that expertise. Dwight.

11 MR. CHAMBERLAIN: My sense is that the
12 agreement states are already stretched thin. You
13 know, there's 20 working groups, and they're
14 supporting those in different ways.

15 And if we try to tap into these, you know,
16 the agreement states have got to think whether they're
17 really able to support all these things we're talking
18 about if they have to fund with FTE or whatever.

19 I think even the Phase 2 group we're
20 trying to put together, we're asking for agreement
21 state support on that, and we're not getting much
22 support for that group yet.

23 So, yes. There are resources out there.
24 But can the states really afford to cough them up to
25 work on things like this?

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1 MR. CAMERON: Okay. That's a good point.
2 And I think we're going to, you know, we're going to
3 turn to our state representatives to see what the
4 answer is to that, that although they may have the
5 expertise --

6 MR. CHAMBERLAIN: They're using them for
7 their own --

8 MR. CAMERON: Right. And can they use it
9 on this national program?

10 Terry, did you have a comment on --

11 MR. FRAZEE: Well, I think that's right.
12 But I think that's universally right. NRC is also
13 stretched thin. We're all stretched thin.

14 As the number of regulatory programs
15 increases, the number of licensees get spread out.
16 And so we're all going to be stretched thin in that
17 regard.

18 I think, if you want solutions, it's sort
19 of --

20 MR. CAMERON: Maximizing or optimizing --

21 MR. FRAZEE: Yes. My thought of having,
22 you know, the focus on NRC as being the main lead
23 agency in this funded program, this national program,
24 they're going to have to step up and be in charge of
25 developing regulations and guidance and so forth. But

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1 they're going to have to use the expertise that exists
2 in the individual states.

3 Somebody has got to be in charge. And for
4 a national program, I think NRC needs to be that
5 entity. And I think what they have to do, the one or
6 two people that are assigned to any particular task,
7 is they have to go out and find the agreement states
8 that have expertise. It may be one individual in a
9 number of states. But pull those resources together.

10 It's a lot easier for me to support having
11 one of my staff -- he's the expert on who knows
12 what -- Okay, work with NRC; you know, one of them
13 rather than, for instance, a state, particularly our
14 size, saying, Well, we're going to develop a
15 radiography certification program. No. It's not
16 going to happen.

17 We can contribute to the cause, but we
18 certainly can't, you know, take the whole burden on by
19 ourselves.

20 MR. CAMERON: So when we get to discuss
21 all of these various options, one thing that we need
22 to take into account is this issue that's been raised
23 about resource burden, how to do that.

24 Okay. Bill, did you have something?

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1 MR. PASSETTI: Well, I don't think I have
2 a solution to what I was going to say. It had more to
3 do with the dysfunctionality. It's kind of the flip
4 side of what we were talking about this morning.

5 We talked national organizations are
6 familiar with the Federal promulgation of rules, and
7 then, they try to keep up with, you know, the states.

8 And we kind of have the opposite problem.
9 Our licensees are familiar with how we develop rules.
10 They're familiar with the state process. And they
11 don't -- they're not aware and don't get involved with
12 the Federal process.

13 And so a lot of times it'll come down, and
14 we'll say, We have to adopt this rule because it's
15 compatibility, and we're having a workshop but you
16 don't have any say over it because it was decided
17 three years ago that this is a rule and we have to
18 adopt it.

19 So the agreement state licensees are not
20 familiar with the Federal process and don't get
21 involved with it most of the time, and it just gets
22 sprung on them at the last minute.

23 So if we could find a way to get them more
24 involved with the Federal process or Alliance process

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1 or whatever it is, I think it would solve some
2 problems.

3 MR. CAMERON: Okay. And I think that
4 that's good. That's emphasizing a point we heard
5 before, that if there is a restructuring, that one of
6 the things that has to be in that restructuring,
7 whatever the form is, is that there has to be easy,
8 early access to the decision-making process.

9 All right. And Aubrey, did you have
10 something you wanted to add?

11 MR. GODWIN: Yes. It occurs to me that
12 one of your policies has created somewhat of a
13 disincentive, particularly when you start taking your
14 requests for personnel to be used to help you to your
15 upper management in some states.

16 You say, Well, we can't train your
17 personnel anymore. We're going to charge you for the
18 training. But now we want you to come and help us do
19 this other stuff.

20 And the state looks at it, you know, Hey,
21 I had to pay to get the person trained, I had to go
22 through all this other stuff, and now you want a free
23 ride on the end after I got him trained and give him
24 all this experience.

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1 MR. CAMERON: So that's not just a
2 resource issue that you're raising. It is sort of an
3 equity issue?

4 MR. GODWIN: Right. It's an equity issue,
5 and it's resource, too. I mean, if you can't get them
6 off to training, you have to figure out some other
7 way.

8 It's one of those things, it's -- I don't
9 know how you would ever quantify it. But when your
10 management realizes that, hey, that they're having to
11 pay for training to the NRC, and then, later you'll
12 come in and ask to assign somebody for a few weeks
13 work to NRC, they, you know, begin to question, Well,
14 hey, why are we paying for all this training?

15 MR. CAMERON: Okay. All right. Dave.

16 MR. MINNAAR: Well, I just wanted to make
17 a comment with regard to solutions. I just really
18 feel that there needs to be an expanded Federal
19 involvement, as well. And I'm thinking about ISCORS
20 and what's that all about, Interagency Steering
21 Committee.

22 MR. CAMERON: Yes. That's another
23 acronym. We haven't heard from them for a while.

24 MR. MINNAAR: Yes. And maybe that's part
25 of the problem, too, recognizing that, if there's a

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1 need for a national standard setting program in
2 radiation protection, it doesn't exist just because of
3 states' needs. And I think the Federal needs are out
4 there.

5 ISCORS is an attempt, I think, on paper to
6 recognize that as an issue. And I see that as being
7 part of a solution.

8 And we're not just talking state
9 standards, but what other Federal agencies do that
10 impact standard setting or produce conflicts.

11 MR. CAMERON: Can you just tell everybody
12 what ISCORS is, including what the acronym -- it's the
13 Interagency Steering Committee on Radiation Standards.
14 It used to be a group called CHRPIIC [phonetic]. And
15 we don't need to explain that, because they don't
16 exist now. So I don't know what it means.

17 But anyway, ISCORS was created to -- can
18 someone explain ISCORS?

19 MR. MINNAAR: Well, you can look it up on
20 the Website and get a pretty good definition of what
21 they're all about, but you won't see many products.

22 And I think that's part of the problem, is
23 we have a lot of fragmentation at the Federal level.
24 We recognize we have it at the state level, too.

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1 But if we're going to make efforts that
2 involve national efforts and the resources of all of
3 us, then, all of us should include other Federal
4 entities that have a stake in this, and not just EPA,
5 but all of them.

6 And just as CRCPD has a lot of programs of
7 interest to many Federal agencies, and there's Federal
8 support from all of those agencies, maybe we should
9 look at expanding the funding and support and
10 resources to include other Federal agencies.

11 I agree with what we heard earlier from
12 Terry about NRC ought to be the lead. And I certainly
13 don't disagree with that.

14 But something involving the charge or the
15 problem-solving needs of ISCORS I think should be
16 folded into this solution process.

17 MR. CAMERON: Okay. Well, we'll put that
18 in there. And you know, we may have a discussion
19 later on on what would make ISCORS not work now or
20 work, as the case -- you know, whatever people want to
21 say --

22 VOICE: Those are other issues.

23 MR. CAMERON: -- and how -- any of the
24 options Kathy is talking about, is ISCORS or a beefed
25 up ISCORS any sort of solution to that? Donny.

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1 MR. DICHARRY: In the way of solutions, I
2 just wanted to comment on the issue that Bill raised
3 regarding licensees are familiar with the regulatory
4 process within their state but generally are not that
5 familiar with what goes on at the Federal level.

6 And I would suggest that the solution is
7 the involvement of industry organizations such as the
8 ones that are represented at this table.

9 Typically national industrial societies
10 and other trade organizations really do not address
11 state issues, and they focus more on the Federal
12 issues, particularly Federal rule making.

13 And what I expect will grow as discussions
14 of this program continue to evolve is, exactly what
15 sort of resources might industry be willing to
16 contribute to the whole process?

17 And that is -- which I don't know that I'm
18 in a position to comment on right now other than to
19 say that obviously the two resources that are relevant
20 is manpower, expertise, and money.

21 MR. CAMERON: Okay. Well, we may -- I
22 don't know. We'll get to those issues, I think, this
23 afternoon. I don't know what Felix is going to be
24 proposing, but it may bring in those issues.

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1 Let me just make sure -- we're sort of
2 jumping into solutions here. But I think we covered,
3 Continuing need for NRC activities. We talked about
4 that. There seemed to be a pretty strong opinion of
5 NRC having some sort of a lead role. And I'm not
6 saying that's a consensus around the table. Okay?

7 Special needs in individual states, I
8 guess that that was the discussion we had with Bob,
9 for one, about this tension between the need for
10 uniformity and individual items.

11 And Mike, let me go to you while you have
12 your card up.

13 MR. VEILUVA: Well, it seems like with
14 every hour that goes by I learn about five other
15 working group committees. And to me it's fascinating.
16 And I don't know how anyone would possibly keep track
17 of them all.

18 If there is a structure that's going to be
19 developed to facilitate the state and Federal
20 communication on these issues, it seems to me that the
21 reins have to be taken in hand by somebody to really
22 consolidate this process.

23 You know, I would think this would be a
24 universal problem not only by licensees and NGOs but
25 frankly the Federal agencies themselves, as there are

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1 way too many subgroups, suborganizations, out there
2 working on tiny little pieces of the problem.

3 From the NGO perspective, I learn of these
4 groups, and I think, Well, gee, that's kind of useful
5 to know about. But would I go? Heck, no. Nobody has
6 the time.

7 If there's one or two umbrella
8 organizations or liaison organizations or working
9 groups or committees, that would be a different thing
10 altogether.

11 But it seems like every time a problem is
12 identified, these things spawn pseudopods like amoeba.
13 It's really remarkable.

14 (General laughter.)

15 MR. CAMERON: Well, I think that, you
16 know, that's another comment that is going to sort of
17 criteria or parameters, things that need to be
18 considered in setting up this restructuring.
19 Resources, early access to decision making, and now
20 the need perhaps to try to consolidate rather than
21 proliferate.

22 If one of the restructuring options puts
23 another actor on the scene, that's something that
24 needs to be considered unless it's somehow going to

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1 fold other groups into it. And I think that's your
2 point. Okay.

3 So let's see if there's anything here that
4 we -- here's Bob Leopold's, lack of coordination and
5 cooperation among Federal agencies.

6 And Tony raised a point. Tony gave us
7 sort of a solution that, if you put some restructuring
8 together, unless it deals with the capability of one
9 agency to overrule another agency, then, you may come
10 up with a great cooperative scheme, and it could go
11 down the tube.

12 So how do you fold that idea into it?
13 Tony, do you want to say more about that?

14 MR. THOMPSON: Well, I mean, I think
15 that's, you know, ISCORS and CHRPIIC reinvented. I
16 mean, the reason they changed CHRPIIC to ISCORS was EPA
17 was getting beaten up by everybody else in there on
18 some of their rigid positions, and so they changed to
19 the ISCORS thing.

20 And it's a slightly different format, and
21 it isn't -- but I mean, you see the same problem, the
22 basic fundamental problem that exists between EPA and
23 NRC right now on how we look at risk and how we look
24 at regulation, one which is more performance based,
25 one is more prescriptive. And I don't know how you're

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1 going to fix all that without some fundamental
2 restructuring.

3 You can do the best -- I mean, I guess if
4 the agreement states and DOE and NRC all agree,
5 somebody like EPA, if they're being difficult, is
6 isolated to some extent. But it still poses a
7 problem. It poses a problem for disruption. And I
8 don't think --

9 You know, obviously ISCORS isn't the
10 answer. I mean, it isn't doing -- as you said, you
11 get a lot of meetings, but you don't have an awful lot
12 of product that's coming out.

13 So there really are some difficult issues
14 about how you could restructure.

15 MR. CAMERON: I guess that the fundamental
16 issue is, how do you incorporate in your restructure?
17 How do you try to deal with that particular problem?

18 Okay. Let's see what else was mentioned
19 by all of you this morning and just make sure that
20 we've covered it.

21 I think we more than got into the many
22 actors, which also includes licensees.

23 MR. MARBACH: Can I make a comment on
24 that, though? Can I make a comment on that area?

25 MR. CAMERON: Yes. Sure. Go ahead, Jim.

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1 MR. MARBACH: As far as recognizing
2 collateral standards, I would strongly urge the NRC to
3 look, if they haven't already -- and they probably
4 have -- at the IEC standards that are under continual
5 development for international standards.

6 And I just happen to work on a national
7 committee that works on the IEC standards. And --

8 MR. CAMERON: Can you tell us, IEC is --

9 MR. MARBACH: It's the International
10 Electrotechnical Commission. And it's got about 25 or
11 30 participating nations.

12 But the important thing that we on the
13 committee see in that standard is that once it's
14 adopted -- and believe you me, it takes a long time,
15 this is a United Nations type issue. But once they're
16 adopted, these standards become law in most of Europe.

17 And from the vendors' point of view, this
18 is very important. And the vendors play a very active
19 role in developing these standards.

20 And so equipment that's developed has to
21 meet IEC standards if it's going to be sold in Europe.

22 And once the U.S. -- and there's hope that
23 the U.S. maybe through ENC will adopt that -- it would
24 be a big benefit to manufacturers of equipment. In

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1 the area that I'm in this involves a lot of expensive
2 therapy equipment.

3 But they also address issues that
4 involve -- we just had a meeting this past weekend in
5 which we talked about after-loading devices. And for
6 those of you who are not familiar with that, it's a
7 device that uses a very high activity radiation source
8 to treat specific diseases in patients. And that
9 standard is moving along very rapidly.

10 And it would make sense to me that we
11 would look at those collateral standards.

12 MR. CAMERON: And you called it a
13 collateral standards organization. Is that -- can we
14 use that as synonymous with consensus standards?

15 MR. MARBACH: Well, I guess so. My choice
16 of words might be inappropriate. It's --

17 MR. CAMERON: Well, I'm not saying it's
18 inappropriate, but just to make sure everybody knows.

19 MR. MARBACH: Yes. It's a so-called
20 international standard, but it appears that the U.S.
21 is on the tail-end of accepting it. Most of the
22 European market and Japan accepts those standards to
23 the point of turning them into law. And they all
24 involve safety issues.

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1 So although they're not perfect by any
2 means, they're I think another source to look at if
3 you're going to nationalize some set of regulations.

4 MR. CAMERON: And that's interesting in
5 that we do have this consensus standards organizations
6 issue in the parking lot for when we get into the
7 discussion of solutions. And IEC is another example
8 of that.

9 And some of these solutions like, Well,
10 why not make more use of consensus standards
11 organizations, they might help you achieve some
12 things. But for example, kind of appropo is the
13 conversation that some of us had this morning, that
14 there may be very little public or non-Governmental
15 organization input into the development of those
16 standards. Where do they come in?

17 So if that accessibility helps achieve
18 public confidence, then, you may not get it there. So
19 that may not solve that problem, but it may solve
20 others.

21 Mike.

22 MR. VEILUVA: Yes. Following up on that,
23 I think you have -- there has been some discrimination
24 among NGOs between consensus standards which are

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1 engineering in nature versus the broader radiological
2 standards.

3 And I note that it's been an attitude
4 toward consensus based, because I know there is
5 concern out there that, certainly when you get to the
6 broader radiological standard setting that has been
7 done internationally, that certainly the physics NGOs
8 have been involved, and they always will be involved.

9 But the non-physics, non-health-based NGOs
10 have not traditionally been involved in the broader
11 radiological standard setting that has occurred
12 overseas. And that was one of the points that was
13 raised earlier.

14 MR. CAMERON: Okay. And we'll come back
15 to those.

16 And Jim, I'm going to get to you in a
17 second.

18 Mark gave us sort of a readout on ways
19 that efficiency could be achieved in terms of
20 identifying areas of duplication, synergism, lessons
21 learned from particularly good programs, and other
22 things. So I think we've talked about that.

23 Many materials and comprehensive coverage
24 I think go together. We've talked about that.

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1 So does anybody have anything more on any
2 of these issues that they want to offer before we get
3 into a request from Fred on the specific types of
4 dysfunctionalities that licensees see?

5 (No response.)

6 MR. CAMERON: Okay. But --

7 MR. THOMPSON: Can I --

8 MR. CAMERON: Yes. Tony.

9 MR. THOMPSON: I just want to clear up one
10 thing on the bottom of that page, with the Mill
11 Tailings Act thing.

12 What I was referring to was the provisions
13 of the Mill Tailings Act that allow alternatives as a
14 model to provide flexibility. It's not the whole Mill
15 Tailings Act. It's the specific provisions that allow
16 alternatives.

17 MR. CAMERON: Yes. The agreement state
18 alternative model.

19 MR. THOMPSON: Or even licensee
20 alternatives are allowed, as well.

21 MR. CAMERON: Okay. All right. We'll
22 just use that shorthand, and we'll --

23 MR. THOMPSON: Yes. That's fine. I just
24 wanted to make sure we understood.

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1 MR. CAMERON: All right. How about,
2 then -- we started talking about solutions. Jim, go
3 ahead. Sorry.

4 MR. MYERS: Well, I was just going to say
5 that I think the discussion about consensus standards
6 and so forth is very good.

7 But the agency has got an initiative with
8 another working group that is to work with these
9 organizations.

10 But the term of art that we've been using
11 is SDOs, which was standard development organizations,
12 which kind of included, I guess, the process of
13 developing -- which is one aspect that I heard -- that
14 would develop something into a consensus standard that
15 could be used.

16 So I don't know if you want to put SDO up
17 there at the risk of more alphabet soup.

18 MR. CAMERON: Well, see, we don't -- I
19 think it's useful to know. I don't know if SDO is
20 just a term of art that the NRC is using. I mean, I
21 think that the term in the act that I mentioned this
22 morning is -- and Jim Lieberman isn't here -- I don't
23 know if anybody --

24 MR. MYERS: I think it's consensus --

25 MR. CAMERON: Consensus standards bodies?

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1 MR. MYERS: Something like that.

2 MR. CAMERON: Okay. And then, we heard
3 Jim call them collateral standards organizations. And
4 you called them SDOs. But I think that it's the same
5 concept, isn't it?

6 MR. MYERS: It's the same concept. It's
7 just another term that's used in NRC I guess in its
8 attempt to better --

9 MR. CAMERON: Okay. Well, let's quickly
10 run through some of these dysfunctionalities.

11 And Mark, I'm going to just ask -- go to
12 Kate. But I wanted to just ask you those two examples
13 that you gave before. And we can do this, then. And
14 at least the working group will have some specific
15 examples.

16 But you said, Why do you have to have
17 two --

18 MR. DORUFF: The two examples that I gave
19 were my assessment of where I think the NRC needs to
20 go regardless of whether or not we go to a National
21 Materials Program. I mean, it's the way things are
22 now.

23 The first was dual licensing. The
24 specific example I gave was a licensee in an agreement
25 state is currently required to have two -- well, their

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1 exempt quantity distribution or their distribution of
2 exempt quantity materials is regulated under two
3 licenses, one with the agreement state for NARM
4 materials, and one under the NRC for byproduct
5 materials.

6 MR. CAMERON: Okay. So an agreement state
7 licensee needs two licenses, one from NRC and one from
8 the agreement state for exempt quantity materials?

9 MR. DORUFF: Yes.

10 MR. CAMERON: Okay. All right.

11 MR. DORUFF: The other example of a
12 dysfunctionality that I gave had to do with certain
13 deviations that at least our industry believes NRC has
14 taken against its own certain policy statements. One
15 specifically was Part 35.

16 MR. CAMERON: Oh. That's right.

17 MR. DORUFF: And where I'm going with that
18 is, whereas the policy statement said that NRC would
19 not intrude into areas of low risk and where other
20 standards or requirements adequately protected the
21 public or patients, they continue to regulate certain
22 low-risk activities under Part 35, a specific example
23 being diagnostic nuclear medicine.

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1 They continue to regulate in that area,
2 and their proposed revision continues to maintain that
3 position.

4 MR. CAMERON: And does that -- this one,
5 it's an example from NRC. But there probably are not
6 only other examples from NRC but examples that people
7 might raise about agreement states' interpretations,
8 which may go to -- and sorry, Kathy, I know that never
9 happens out there.

10 MS. ALLEN: No.

11 MR. CAMERON: But it sort of goes to
12 Felix's point about the application of some of the --
13 the point you made about the rules themselves may be
14 okay, but the application of the rules is inconsistent
15 or may deviate from what is said in the rules.

16 Let me go to Kate. Kate, do you have some
17 examples?

18 MS. ROUGHAN: Well, the first one, that's
19 very true. We have to have two licenses to distribute
20 exempt quantity radioactive material, one from the
21 state and one from NRC.

22 Another example is that there are some
23 isotopes that are being regulated either as NARM or
24 byproduct material.

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1 A good example is Cadmium 109. And
2 basically when we distribute to our customers, we have
3 to know the origin of that Cadmium 109 to determine
4 what license we have to ship it under and to see if
5 they're even authorized to have it, because they may
6 just have a state license that authorizes the NARM,
7 but they can't get byproduct.

8 MR. CAMERON: Let me make sure I capture
9 this correctly and that everybody understands it.
10 It's that some isotopes -- and you're using Cadmium
11 109 as an example -- they're regulated as NARM and --

12 MS. ROUGHAN: It can either be produced by
13 reactor or by accelerator. So based on its method of
14 production, it can be distributed as either NARM or
15 byproduct.

16 So we have to determine the customer and
17 which one they're allowed to receive, check it against
18 the origin and make sure everything matches up on
19 that.

20 MR. CAMERON: So the reason you call it a
21 dysfunctionality is that it shouldn't make any sense
22 to regulate it either as one or the other just because
23 of the method of production?

24 MS. ROUGHAN: Right. Doesn't matter.

25 MR. CAMERON: All right.

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1 MS. ROUGHAN: It's the same thing.

2 MR. CAMERON: Now, Tony is excited about
3 this.

4 MR. THOMPSON: I mean, that's getting back
5 to this thing we talked about earlier, the idea that
6 you regulate similar risks with similar standards.

7 But the fact is that an agreement state's
8 authority is broader generally -- the ones I'm
9 familiar with -- over radioactive materials than just
10 the Atomic Energy part of their jurisdiction, for
11 example, radium, and NORM and NARM and all that.

12 So I don't know that it's a dysfunction.
13 It's just a fact of life that there's a difference
14 between their AEA jurisdiction and their state
15 jurisdiction over other types of radioactive
16 materials.

17 MR. GODWIN: The problem is the Feds
18 aren't keeping the same standards between two
19 different types.

20 MR. CAMERON: What did you say, Aubrey, to
21 make sure everybody heard?

22 MR. GODWIN: The problem is that the
23 Federal agencies don't regulate the similar risks the
24 same way.

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1 MR. CAMERON: And someone -- Aubrey, I
2 guess it was you this morning -- and others alluded to
3 it as this comprehensive coverage, that it would be
4 useful if all the materials with the same risk were
5 regulated in the same way.

6 MR. THOMPSON: It's a big political fight
7 right now over FUSRAP material. Okay? Was it pre-
8 1978? And it's exactly the same thing as uranium mill
9 tailings. And is it subject to AEA jurisdiction or
10 not?

11 And you get into all kinds of difficult
12 questions because the standards that are applicable to
13 byproduct material, 11(e)(2) byproduct material, under
14 the Atomic Energy Act are more stringent than what's
15 applicable to a RCRA facility. So it's just --

16 MR. CAMERON: So this is one other factor
17 that whatever this restructure should be should take
18 into account, is that even if you didn't have -- that
19 it should facilitate the regulation of like material,
20 like risks in the same way?

21 MR. THOMPSON: It's on the TV screen now.
22 I mean, it's on the radar screen in Congress and other
23 places. So I think it's something you have to think
24 about. Now, what you can do about it is another
25 matter.

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1 MR. CAMERON: All right. Donny. Oh. I'm
2 sorry. Kate, did you have more?

3 MS. ROUGHAN: That's all right. Just one
4 quicky.

5 MR. CAMERON: Okay.

6 MS. ROUGHAN: Another example of that is
7 in the radiography industry. They may use both
8 byproduct material and X-ray units, but the NRC only
9 regulates the byproduct. Yet in Part 20 you're
10 limited to the total dose to an individual to what's
11 in the NRC regulations.

12 The radiography company may be getting a
13 good amount of exposure from the X-ray, which the NRC
14 has no jurisdiction over. So that's a very big
15 disconnect there, also.

16 MR. CAMERON: So in radiography, the only
17 exposure that is regulated is the exposure from the
18 byproduct?

19 MS. ROUGHAN: The byproduct material.

20 VOICE: No. No. The X-rays are by NRC.

21 MS. ROUGHAN: By NRC. Sorry. By NRC.

22 MR. CAMERON: Oh. Okay. I see.

23 MS. ROUGHAN: Potentially NRC.

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1 MR. THOMPSON: But NRC is only going to
2 enforce on that portion of it that's subject to their
3 jurisdiction.

4 VOICE: No.

5 MR. THOMPSON: So you have to -- oh, yes.

6 MS. McBURNEY: No. It's from all sources.

7 MR. THOMPSON: It's from all sources. But
8 if you go talk to Dennis Sullenberger and ask him,
9 What does it mean when you say you have responsibility
10 for occupational exposure from all sources under the
11 control of the licensee, the only thing that NRC can
12 force you to do is make sure that the NRC portion of
13 that exposure doesn't put you over 100 or 5,000 for
14 occupational.

15 They can't enforce against the stuff that
16 isn't under their jurisdiction.

17 MR. CAMERON: Unless it's intermingled
18 or --

19 MR. THOMPSON: Well, I mean, I don't know
20 how it's intermingled. Just because it's on the same
21 site, though, doesn't change anything.

22 VOICE: Medicine is full of that.
23 Medicine is actually dominated by that.

24 MR. CAMERON: Okay. The working group
25 understands it.

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1 MR. THOMPSON: Well, that's very
2 difficult.

3 MR. CAMERON: Okay. We have some people
4 back there. And Kate, are you done with those?

5 MS. ROUGHAN: Yes.

6 MR. CAMERON: Okay. Well, let's go to
7 Donny, and then we'll go to Ruth and go to Cindy. Did
8 you want to offer something on this example?

9 MS. PEDERSON: I was going to talk about
10 the total dose example a little bit that was just
11 discussed.

12 MR. CAMERON: Cindy, why don't we continue
13 with that same example, then? Go ahead.

14 MS. PEDERSON: Okay. If I could just add
15 on just a little bit to the total dose issue.

16 We recently have had experience in this
17 area, and it's something that the working group is
18 aware of.

19 We had a radiopharmaceutical manufacturer
20 that the significant doses were in the area of non-AEA
21 material, but they also had byproduct material, and
22 the total dose was exceeded, and it ended up being
23 escalated enforcement. So it is a real issue.

24 The predominant dose, however, was state
25 regulated material, but we did enforce the total dose.

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1 MR. CAMERON: Now, when you use the term,
2 working group, you're talking about --

3 MS. PEDERSON: The National Materials
4 Program working group was aware of that issue.

5 MR. CAMERON: Okay.

6 MS. PEDERSON: There is a separate working
7 group on the particular task.

8 MR. CAMERON: I just wanted to be clear on
9 that.

10 MR. THOMPSON: I'm not questioning that
11 the total dose is applicable under the NRC regulations
12 in Part 20.

13 I'm just saying that, even if the larger
14 dose is from non-AEA materials, what NRC can enforce
15 on -- if I'm your lawyer, and I've got the dose from
16 non-NRC materials way down and it's clearly the dose
17 from something else that's doing it, we're going to
18 have a serious question about any escalated
19 enforcement, I guarantee you, because --

20 MR. CAMERON: By the NRC?

21 MR. THOMPSON: Yes. By the NRC. Because
22 you can't regulate what you don't have authority to
23 regulate, period. But that is a dysfunction. I mean,
24 that is a real dysfunction.

25 MR. CAMERON: All right. Ruth.

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1 MS. MCBURNEY: Another example of this,
2 one we're dealing with recently, is intravascular
3 brachithery that is going to be done in special
4 procedures X-ray rooms.

5 The shielding for those rooms was done for
6 the X-ray. However, once you start doing many
7 hundreds of intravascular brachithery procedures in
8 that same room for a year, the outside evaluation of
9 dose to members of the public is going to be
10 completely different, and the shielding is going to
11 have to be completely different.

12 But that's going to have to be added
13 together. It's not one or the other, it's additive.

14 MR. MARBACH: If you roll in the
15 radiotherapy source, then the room has to change.

16 MS. MCBURNEY: Right.

17 MR. MARBACH: I mean, that's facetious,
18 but that's what the rules are.

19 MS. ALLEN: But if you segment those, then
20 licensees don't necessarily think about them as a
21 single thing. That's the problem.

22 MR. GODWIN: Yes. Under NRC jurisdiction
23 they might could get away without having to change the
24 room, whereas under state jurisdiction they would
25 probably have to change the room.

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1 MR. CAMERON: Okay. And Donny, I'm sorry.
2 Can we go to you now?

3 MR. DICHARRY: I'm not sure if this is an
4 issue that the NRC would consider a dysfunction. But
5 with regards to the fact that Government and commerce
6 have to operate hand in hand, I'm going to mention one
7 problem that I consider to be a dysfunction.

8 And it is that some of the cost recovery
9 fees that the NRC charges for services are
10 unpredictable. And it becomes very difficult for
11 businesses, licensees, to build a business plan around
12 some of those fees.

13 The fee that I am speaking of is the fee
14 for approval of a Type B transport package. The
15 regulations for those packages really have not changed
16 over the past couple of decades, and yet the fees in
17 some cases have escalated 1,000 percent.

18 And so it makes it difficult for a
19 manufacturer to know whether or not they can even
20 afford to pursue the development of a new device that
21 has to be transported and try to put it into the
22 stream of world commerce if we don't know how much
23 it's going to cost before we even start the project.

24 MR. CAMERON: Okay. And again, these
25 issues may not translate into a need -- this is a good

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1 example of one that maybe this doesn't transfer into
2 a need for a restructure. Maybe this is just
3 something that the NRC needs to figure out.

4 George, do you want to say something about
5 this one? This is George Pangburn.

6 MR. PANGBURN: George Pangburn from Region
7 I. I think it just gets back to part of the initial
8 reason that the group was brought together, and that
9 is simply, you know, the Materials Program costs are
10 a relatively static portion to the NRC budget.

11 But as the number of licensees go down,
12 those costs, staying the same, are going to go up. I
13 mean, we're seeing that in every category, whether
14 it's fuel cycle facilities, mill tailings, the
15 individual materials licensees.

16 I think there is rhyme or reason to it.
17 I don't particularly like the rhyme or reason, but you
18 know, it's a denominator change here. There is little
19 place for it to go but up absent a significant -- and
20 I mean significant -- decline in the size of the NRC
21 Materials Program.

22 MR. CAMERON: George, are you saying that
23 the reason for this unpredictability is the fact that
24 because the number of licensees are going down? Is it

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1 that we never know what we're going to be using to
2 divide up to get to --

3 MR. PANGBURN: It's the same issue that
4 was talked about earlier, namely that the sheer number
5 of people that have to bear the burden of the costs is
6 declining.

7 It may not be necessarily transferrable to
8 the exact example that you gave. But I think it's
9 fair to say that for most materials licensees, over
10 the last nine years they've seen fees go nothing but
11 up.

12 I mean, if you think about it, when the
13 fee rule began we had 9,000 licensees. We dropped
14 about 1,000, 1,500 in the first year or two after that
15 fee rule. And with the combination of other states
16 like Ohio and Oklahoma going Agreement, the fee base
17 has simply gotten smaller and smaller.

18 It's difficult to see the program going
19 any way but those costs getting larger and larger.

20 MR. CAMERON: Thank you. Felix and then
21 Mark.

22 MR. KILLAR: I just want to go back to a
23 little bit of the dysfunctionalities due to multi-
24 licenses.

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1 At a facility I used to work at, we had
2 three different licenses. We had one from the NRC for
3 special nuclear material. We had a second one issued
4 by the State of Tennessee for NARM because of some of
5 the check sources we had on the site. And then, we
6 also had a NORM license because we had source material
7 on the site.

8 What this resulted in is that we would
9 routinely have three different inspectors come to the
10 site, and sometimes all at the same time. And so this
11 really caused us a lot of problems of having people
12 available at the site to work with the various
13 inspectors while they were at the site.

14 It would be a lot more convenient if we
15 had one license for radioactive material regardless of
16 what type or form of radioactive material it is.

17 MR. CAMERON: Which again, I guess that
18 goes back to that comprehensive coverage point.

19 Mark, and then we'll go to Fred.

20 MR. DORUFF: I think there's one general
21 area of dysfunctionality that can open up a number of
22 different areas in need of improvement or
23 opportunities for improvement, and that would be
24 radioactive waste.

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1 I think there's dysfunctionality with
2 regard to how this material is characterized. How is
3 it defined?

4 I mean, one of the things that has really
5 been perplexing is the fact that there really is no
6 definition of what radioactive waste is.

7 VOICE: It's what it's not.

8 MR. KILLAR: It's what it's not.

9 (General laughter.)

10 MR. KILLAR: And you find out what it's
11 not when you try to cross agency lines to transfer
12 materials. If you try to transfer for recovery, if
13 you are considering exporting any material, people can
14 tell you whether or not they think it's waste, but at
15 the same time, they cannot define what waste really
16 is.

17 This has implications in other certain
18 subcategories of this particular dysfunctionality,
19 decommissioning being one, another being financial
20 surety.

21 I think it also highlights the need for
22 other agency involvement in this process, as mixed
23 waste is probably one of the most significant
24 challenges that any licensee in the biotech or

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1 biomedical field has experienced over the last 20
2 years.

3 And then, there are also issues that have
4 to do with transfer of used materials, expired
5 materials in the area of diagnostic nuclear medicine,
6 return of used syringes, needles.

7 There are a variety of different
8 interpretations as to whether or not those materials
9 can be characterized as waste, medical waste,
10 biohazardous waste.

11 Again you bring in other agencies such as
12 OSHA, individual state health agencies, just a myriad
13 of opportunities there for improvement through a
14 National Materials Program.

15 MR. CAMERON: Okay. Bill House, do you
16 want to say anything to tag onto -- not that you're
17 Mr. Radioactive Waste, but do you want to say anything
18 on this?

19 MR. HOUSE: Some of the things that I
20 mentioned this morning, the additional permitting and
21 fees associated with that, additional regulatory
22 oversights associated with radioactive materials when
23 they become waste.

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1 And that's a very fragmented, disjointed
2 program across the whole country, different types of
3 permits for different functions.

4 MR. CAMERON: Are you saying that that
5 additional permitting may be unnecessary or is
6 inconsistent with other types of permitting, or are
7 you just talking about that these are additional
8 requirements?

9 MR. HOUSE: Additional requirements that's
10 inconsistent with the risks associated with the
11 materials.

12 MR. CAMERON: Okay. All right. Let's go
13 to Fred.

14 MR. ENTWISTLE: I just want to go back.
15 You made the distinction earlier this morning of the
16 difference between consistency and uniformity. And I
17 think that's a good point.

18 It brings to mind, in our organization,
19 we're part of a larger EHS group. And if you look at
20 the other groups, as they assign tasks, they assign
21 one person to deal with a certain division, for
22 example, while we've found what we have to do is
23 assign based on location.

24 We want one person dealing with each state
25 even though within that state we've got two totally

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1 different facilities doing very different things. But
2 just the minor differences from state to state are a
3 key issue for us. And it's not that one is better
4 than the other, but it's just those subtle
5 differences.

6 It takes a significant effort on our part
7 to keep current on what those are because if you get
8 tripped up over a minor thing, you still take a
9 painful lump for it.

10 So I think from the point of view of a
11 multi-state licensee, uniformity really rates very
12 high on the list in terms of what we're looking for.

13 MR. CAMERON: And I'm glad you added that,
14 From the perspective of a multi-state group.

15 MR. ENTWISTLE: Yes. We're in the unique
16 position, when you talked about fees, as there get to
17 be more agreements we get to pay the NRC more and pay
18 the agreement states. So we get a double benefit.

19 (General laughter.)

20 MR. CAMERON: A double benefit. All
21 right.

22 VOICE: As long as you appreciate it.

23 (General laughter.)

24 MR. ENTWISTLE: Though I will also say
25 that, if I look at the overall cost, the fees are less

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1 of an impact on us than the variability of the
2 programs between different states, because that
3 affects what our training is. We would like to have
4 a single health physics manual which applies to every
5 location.

6 I think the real costs to us have more to
7 do with the variability than the direct fee costs. So
8 that's a lesser part of it.

9 MR. CAMERON: So I think that's an
10 important issue. In other words, the compliance
11 costs, because of the ununiformity, is much more
12 important, is a bigger factor for you than the fees.

13 MR. ENTWISTLE: I think so. Yes. Than
14 the fees. The fees are more --

15 MR. CAMERON: Is that pretty basically
16 true? Everybody seems to be shaking their head yes on
17 that.

18 MR. ENTWISTLE: The fees are more obvious
19 because we get to write a check, but I think the other
20 is really more significant.

21 MR. CAMERON: All right. Okay. Anybody
22 else want to chime in on this? Mike.

23 MR. VEILUVA: Yes. Well, I couldn't let
24 the nuclear waste issue go without a comment.

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1 You know, the current classification
2 system hasn't made a whole lot of sense to us, either,
3 I should say. And one of the problems that we've
4 raised in our comments over the years when these
5 issues arise is that it doesn't allow us to
6 discriminate between the harmful waste and the lesser
7 harmful waste.

8 And so what often happens is you wind up
9 in an opposition position the whole nine yards,
10 because as it's currently classified there isn't a
11 whole lot of connection between the waste and the
12 health risk, which is our concern.

13 You can have low-level waste which is more
14 dangerous than other types of waste depending upon --
15 but it makes life difficult for us.

16 So while I see a lot of usefulness to
17 addressing the reclassification issue, I'd be really
18 surprised if the working group could actually take on
19 something like that given the enormous inertia in the
20 current system dealing with the classification of
21 nuclear waste.

22 If they can do it, power to them. But
23 that would -- but that's a heck of a lot to chew on.

24 MR. CAMERON: One issue when we go to
25 hear -- and when we discuss options generally -- but

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1 particularly when we hear options from the working
2 group is, are any of those options meant to do things
3 like to make the whole scheme of regulation for
4 materials and waste as an example, could any of those
5 options be used to try to tackle issues like that, or
6 is that something that is outside the purview?

7 And I guess we'll find out about that.

8 Jim, did you want to say anything before
9 we go -- I guess maybe this is a good time for Kathy
10 to tell us about the options. But Jim, did you want
11 to comment?

12 MR. MYERS: Well, yes. I was just going
13 to say there's another form of kind of dual licensing.
14 It's an economic based licensing.

15 And if you take the example of some of the
16 service providers or folks that do trans-boundary work
17 like radiographers or others, it's often cheaper
18 although more of a regulatory burden to get two
19 separate licenses or multiple licenses from different
20 entities than it is to go through the hassles of
21 trying to figure out reciprocity issues and timing of
22 reciprocities or paying fees for reciprocities,
23 because you pay by the entry from some states in
24 others.

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1 So there are some things that are not what
2 I'd call health and safety issues, but they are a fact
3 of life, and they're things that really do affect
4 business and probably not to the positive in that
5 respect, because now you've got to manage two or three
6 different licenses.

7 You're still paying fees to everybody in
8 the world, and then suddenly you find out you're going
9 to go to another state, and, gee, now I've got to pay
10 reciprocity there because I don't have a license
11 that's valid there.

12 So that's an issue again, but that one is
13 driven I think largely by economics. Everybody has
14 got a requirement to pay a fee for reciprocity now
15 which we didn't have too many years ago.

16 MR. CAMERON: All right. Okay. Kathy,
17 are you ready to tell us about the options, or do we
18 want the thin mints? Are we ready for some thin
19 mints? We've only been back for an hour.

20 MS. ALLEN: I'm ready. Well, Jim wants to
21 talk some, too, so I'm going to let him cover some of
22 the other options that we've sort of looked at, and
23 then I'll --

24 MR. CAMERON: Okay.

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1 MS. ALLEN: Just some of the range of
2 things that are possible. And then I'll cover --

3 MR. CAMERON: And these have been to --
4 you came up with these options to address the types of
5 problems that we've been discussing this morning?

6 MS. ALLEN: Yes.

7 MR. MYERS: Right.

8 MS. ALLEN: Just now.

9 MR. CAMERON: All right.

10 (General laughter.)

11 MR. MYERS: Well, let me say this. The
12 working group is an evolving process. So I mean, what
13 we discussed a couple months ago may not have be
14 operative yesterday.

15 And certainly after some suggestions from
16 the Steering Committee, we went back and looked at
17 some options or concepts that we had talked about and
18 kind of developed and came up with some new spins on
19 them.

20 So one very basic option that you could
21 consider a National Materials Program would be the one
22 where everything goes back to the NRC.

23 We'd just kind of stop the agreement state
24 process. Everything would be run from Rockville. And
25 the NRC would then, you know, consequently inherit

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1 these some 17,000 licensees that are out there among
2 the agreement states.

3 Undoubtedly Region IV would get bigger
4 than what it is, and we would probably have more
5 regions in order to handle that. And of course,
6 consequently you would have to have a build-up in
7 staff.

8 But the advantages would be that you would
9 have a very strong Federal entity, you would have a
10 single source that would tell you what you need in
11 terms -- well, you wouldn't even need to make your own
12 regulations except in those areas where you felt
13 compelled to like X-ray or something like that.

14 But basically, you know, you'd just have
15 everything given to you.

16 MR. CAMERON: So NARM -- it wouldn't --

17 MR. MYERS: Well, and that's --

18 MR. CAMERON: NARM would still not be
19 covered.

20 MR. MYERS: That's a suboption. I mean,
21 now, if you wanted to go that far, you could say,
22 Well, okay, amend the act and include all of the NARM
23 stuff in it, and then we'll have a huge NRC that will
24 do it all.

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1 MR. CAMERON: If you -- well, go ahead.
2 I don't want to --

3 MS. ALLEN: All those in favor --
4 (General laughter.)

5 MR. MYERS: Assume that we've got a winner
6 with that plan. No. Just joking.

7 I mean, seriously, though, it is a
8 consideration. It could be done. And it would give
9 you a certain amount of comfort and security knowing
10 that you've got a single source for everything, and
11 i t ' s a F e d e r a l p r o g r a m .

12 Okay. Another option would be that NRC
13 would maintain its agreement state programs but -- and
14 perhaps they would continue to get more agreement
15 states -- but what it would do is to streamline its
16 process and get down to the absolute minimum things
17 that it has to do under the Atomic Energy Act.

18 And I guess by that we would be looking
19 at, do we need to have an agreement state Program?
20 Yes. Because the act requires us to have one if we're
21 going to have agreement states. And we would have to
22 go out and look at states to see if they're
23 maintaining health and safety. And there's a number
24 of other things that the NRC is required to do.

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1 But the point of that exercise here in
2 Option 2 is that you've got these required things, but
3 you do just the minimum. Okay? You fly at the
4 slowest air speed to maintain control, but you're
5 going to try to just hang at that level.

6 And obviously there may be some reductions
7 in costs and expenses, regulatory burden, if you're
8 doing that versus, you know, the idea of having the
9 Federal case which is the huge gold-plated program
10 which costs more and so forth doesn't exist in that
11 option.

12 Some of these things could be given back
13 to the states. Let's say like right now we do SS&Ds;
14 you know, there could be some way that that would be
15 turned back to the states and you all do it.

16 A third option would be that the states do
17 it all and NRC has a really small regulatory program
18 that would affect its entities that it regulates,
19 probably mostly the Federal licensees that we have
20 because of this Federal preeminence concept unless
21 something was done to change that. We would still
22 have the Indian tribes to manage that issue.

23 But basically the states would take over
24 running a National Material Program.

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1 Now, we haven't figured out how they do
2 that, because we would assume that there would be some
3 kind of overarching organization that would help
4 coordinate, control, or something -- I don't know --
5 Internet Website, however you do it. But basically
6 all the direction, all of the regulatory products,
7 everything would come from the states.

8 MR. CAMERON: And then, the difference
9 between 2 and 3 is what?

10 MR. MYERS: Well, the difference there is
11 that in Number 2 NRC still maintains a certain level
12 of national preeminence, if you will, and has certain
13 regulatory processes that it does.

14 MR. CAMERON: Would we do rule makings
15 and --

16 MR. MYERS: Yes. You could. Sure. But
17 not at the Number 1 in that concept. Maybe you'd do
18 Part 20, let's say, or you might do Part 71,
19 transportation regulations, which are kind of
20 universal.

21 MR. CAMERON: But this is -- if you talked
22 about differences in nature and in kind, this is a
23 difference in kind between 2 and 3 or --

24 MS. ALLEN: Yes. In Number 3, NRC becomes
25 just another agreement state. They --

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1 MR. CAMERON: So we don't review for
2 compatibility, for example?

3 MS. ALLEN: No. No.

4 MR. CAMERON: Okay.

5 MS. ALLEN: And it becomes more like the
6 X-ray program, where every state just has its
7 authority to do its own thing.

8 And should the states choose to share
9 information under an umbrella group similar to the
10 CRCPD, the states can do it if they want to. But
11 there would be no oversight necessarily.

12 MR. CAMERON: All right.

13 MS. MCBURNEY: And in 2, there could be
14 still agreement states and non-agreement states?

15 MS. ALLEN: Yes. But in 3, there would
16 not be.

17 MS. MCBURNEY: Right.

18 MR. MYERS: And in fact, the NRC, as it
19 says in 2, could decide to change the AEA and give up
20 some responsibilities. In other words, they could
21 have something that they would choose to give up.

22 In Number 3, they probably would have to
23 at some point maybe consider modifying significantly
24 the act in order to adjust to this new concept,

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1 because the states are really running it, not the
2 agency.

3 MR. CAMERON: So 1 and 3 are more radical
4 than 2 and may require legislative change?

5 MS. ALLEN: Yes.

6 MR. MYERS: Well, 1 is actually the
7 historical thing prior to the modification of the act
8 to permit agreement states, so it's not all that far
9 out.

10 MS. ALLEN: Back to the future.

11 MR. MYERS: Back to the future.

12 There's a fourth option, which was to
13 create a delegated program where NRC would set the
14 rules and the standards. The states would have the
15 inspection and licensing activities.

16 I don't want to characterize it as an FDA
17 type model, but that's probably the closest thing that
18 we could come to, is where FDA sets standards for
19 manufacturing. About the only thing it would get
20 into, I guess, is mammography standards.

21 But it's left up to the states under a
22 delegation to go out and do the inspections, the
23 licensing, and all the other kinds of things, the
24 work, if you will.

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1 MS. ALLEN: But the states would not write
2 their own regulations.

3 MR. MYERS: Right.

4 VOICE: What about Federal facilities
5 under delegation?

6 MS. ALLEN: Under a delegated program --

7 MR. MYERS: Probably NRC would continue to
8 retain that, because they already have it now.

9 MS. ALLEN: I was going to say the states
10 could probably do it, then.

11 MR. MYERS: But states could do it under
12 contract.

13 MS. ALLEN: Under contract.

14 MR. MYERS: But you could do contract
15 under any of that if you wanted.

16 MR. CAMERON: Are these all that you have
17 before Kathy's, or do you have more?

18 MR. MYERS: No. That's basically the four
19 options other than the last one.

20 MR. CAMERON: Does the group want to ask
21 questions about each of these?

22 I mean, I think we can go in -- what we
23 should do is perhaps go in and discuss each one of
24 these and bring up some of these various perspectives.
25 But you might have lots of questions about them, too.

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1 MR. MYERS: If I can add something, Chip.

2 MR. CAMERON: Yes.

3 MR. MYERS: One of the things to think
4 about maybe that would help us out a lot in looking at
5 these options up here is to try to in your mind think
6 about what the role of the NRC is in each one of those
7 options, what is the role of an agreement state under
8 that option, and a non-agreement state under that
9 option? Who are the players?

10 MS. ALLEN: And organizations such as OAS,
11 CRCPD, and standard setting organizations.

12 MR. MYERS: Right.

13 MR. CAMERON: Okay. Well, maybe what we
14 should do is get the Alliance concept out on the table
15 and then use the break time, and I can try to organize
16 this a little bit just so that, you know, we can have
17 room to write beside them.

18 MR. MYERS: Okay. That works.

19 MS. ALLEN: Okay.

20 MR. CAMERON: And we can do a comparison
21 that way and check in with some of these things to see
22 how the things are covered.

23 MR. MYERS: I've got two other things with
24 that. As you think about this, think about what kind
25 of coordination would be required between entities

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1 under those types of organizations? And what type of
2 an enforcement, or how do you get compliance under
3 those kinds of organizations?

4 In other words, is it okay to have
5 outliers who don't want to participate in it, or what
6 do you do with the person who doesn't want to -- or
7 state that doesn't want to participate, or maybe they
8 don't participate to the full level of everybody else?

9 You know, those are the kinds of things to
10 think about.

11 MR. CAMERON: Okay. And I think that
12 maybe what we'll do is we'll come back and go through
13 these, but also answer questions about them to make
14 sure people understand the concept. And then we'll
15 analyze them from a number of different viewpoints.

16 And now we come to the Alliance concept,
17 Number 5. All right.

18 MS. ALLEN: This Alliance concept is
19 similar to the information that --

20 MR. MYERS: One second. She's not
21 Italian, but she speaks with her hands, so I'm going
22 to move way over here. She's kind of excited about
23 this.

24 MS. ALLEN: Fine.

25 VOICE: That was loaded.

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1 (General laughter.)

2 MS. ALLEN: The Alliance concept has been
3 sort of discussed in the health physics articles that
4 we've written. And we presented some of this
5 information at the Organization of Agreement States in
6 October of this year.

7 And we looked at some of the problems with
8 states and the NRC, problems with functionality,
9 sharing of resources, sharing information, how to
10 streamline what we're doing, and tried to come up with
11 some way to get our hands around some sort of way of
12 changing what we're doing.

13 So we came up with this thing called an
14 Alliance. And we envision it to be like a Peanut
15 M&M -- we're very food focused -- where there is a
16 central -- where all the states and the NRC come
17 together to sort of share -- his --

18 I wanted to know if you wore that tie on
19 purpose, because we had pictures of M&Ms at the OAS
20 meeting. So -- sorry. Back to --

21 MR. CAMERON: Can we use thin mints so
22 Mike can explain this to his sister when he -- oh,
23 never mind.

24 (General laughter.)

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1 MS. ALLEN: One of the thoughts is, first
2 of all, we want everybody to start talking to each
3 other and sharing information and sharing goals and
4 setting priorities.

5 So an Alliance would be some way of
6 getting all the states and the NRC together to
7 jointly, by using some sort of a consensus process,
8 establish priorities for developing regulations,
9 inspection guidance, licensing guidance, inspection
10 and licensing frequencies, materials to be inspected,
11 standards development.

12 What do we need? What types of things are
13 Band-Aid fixes that bunches of people are running off
14 and doing? What things can we work together on?

15 So the idea is to get everybody together
16 and say, What are our priorities for this year, next
17 year, and the year after, three years out, maybe?
18 Because NRC happens to do a budget that goes out like
19 three years. Right? So we do have to kind of look
20 out for a period of time.

21 And this would be an open process where
22 all the states come and say, Well, you know, I think
23 intravascular brachitherapy is really hot, and we'd
24 like some guidance on this; gee, patient release
25 criteria, we'd like better mathematical models for our

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1 licensees to use to figure out when to release
2 patients, how to deal with patient release, what
3 materials should be included.

4 By having these discussions, then, all of
5 the states weigh in and the NRC equally, and we say,
6 What kinds of things are our priorities?

7 It could be that it's fluoroscopy
8 procedures, something that NRC doesn't have any
9 control over. But states are really wrestling with
10 this particular issue, and we agree that we need to
11 write some new fluoroscopy type procedures.

12 Well, at the end of some discussion
13 about -- this is sort of what we envision. We'd have
14 some sort of discussion and come up with priorities of
15 what types of things need to be addressed, what kinds
16 of standards are needed. And this is good, then, for
17 organizations that are willing to go back and write
18 standards.

19 Are the professional societies willing to
20 go back and provide guidance to their members to
21 figure out, can we work with the states or the
22 regulatory agencies to create some sort of guidance to
23 give to our licensees so that they can release
24 patients so that the regulators are happy, the
25 patients are happy, and the care providers are happy?

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1 That would be great, rather than going
2 around to every single state saying, Okay, what do you
3 want, and what do you want, and what does NRC want,
4 and what are the limits? Is it 100? Is it 500? You
5 know, how are we going to classify these things?

6 Same thing with manufacturers with new
7 technologies. Bring them to some sort of central
8 point organization and say, Look, I have new
9 dosimetry. Your regulations prohibit its use. I
10 think you should allow it. State the case, and we can
11 look at it.

12 And instead of going around from state to
13 state, create some sort of time/place mechanism for
14 these types of issues to come out. So then we end up
15 with like a list of things that should be done. Now
16 we have to dedicate resources to it.

17 If the top priority is fluoroscopy, NRC
18 can say, Not mine, we don't do this, it doesn't exist.
19 So then states can say, Well, it's really important to
20 us. So states will then be able to dedicate resources
21 or commit resources to working on this issue.

22 Maybe the next thing is intravascular
23 brachithery, where NRC says, Hey, that's us, we're
24 playing in this. We've got like two licensees that
25 are really looking at this. And among the states we

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1 say, Well, we've got 300, so maybe we'd like to commit
2 some resources, and we need to write some regulations.

3 And instead of the old way of doing
4 business, where NRC has like eight people working on
5 a reg and there's a token state person, maybe it
6 becomes five different state people and a token NRC
7 person kind of working on these things.

8 Create a regulation that everybody has
9 buy-in on. It goes out to everybody at the same time.
10 And we all say, Okay, we like this. This is the way
11 it's going. These are the compatibility levels for
12 this rule. And everybody says, Great, we're going to
13 adopt it.

14 So NRC adopts it their way, the states
15 still have to follow their administrative procedures
16 acts separately and jointly -- whatever -- to
17 promulgate their regulations. But then, they all kind
18 of sort of happen at the same time, sort of trying to
19 streamline things.

20 Anyway, these are some ideas of what a
21 consensus and Alliance group could do. So you get all
22 the decision makers together maybe once a year, maybe
23 twice a year.

24 They identify centers of expertise. Who
25 really knows what's going on with these issues?

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1 Appoint those people to work on it, not a standing
2 committee of somebody that used to do this ten years
3 ago, but somebody who is doing it now and have those
4 people with the interest and the ability working on
5 it, plus getting the product done.

6 I mean, work on it, dedicate your
7 resources, and then go on. Instead of a whole bunch
8 of different things, focus on the important things, on
9 a national priority.

10 Maybe some of this stuff falls out, and it
11 doesn't get done this year. Okay. We have limited
12 resources. As long as we're still protective of
13 public health and safety, you know, maybe some of
14 these other things will have to wait.

15 Identify other resources that are out
16 there or that could be out there. I mean, we don't
17 use standard setting organizations as much as we
18 should. We don't go back to the industry to say, You
19 guys could really help if you would figure out this.

20 You guys figure out the best way to
21 calibrate this type of equipment and come out with
22 guides. Rather than having us write a regulation to
23 tell people how to calibrate equipment, the
24 manufacturers probably know best.

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1 There would have to be some sort of
2 administrative support, either along the -- if you're
3 familiar with the Health Physics Society -- if I'm
4 talking too fast, just wave your hands.

5 The Health Physics Society has a core,
6 Burke & Associates, I think it is, and they do the
7 administrative stuff. They, you know, do the
8 newsletter, whatever, they put together meetings, they
9 make sure that information is shared among the
10 members.

11 The CRCPD, the Conference of Radiation
12 Control Program Directors, has the same type of thing
13 where there's this group that facilitates the
14 meetings, shares the information, makes sure that the
15 Website is updated.

16 There should still be some sort of way for
17 all of us collectively to share this information, a
18 clearing house of information. And maybe the NRC's
19 Website is the right place. And maybe because they
20 have expertise in this area, they could do that.

21 You find out who is best to do some of
22 these things, and you let them do it on behalf of the
23 group. The administrative support is not a decision
24 maker. The decision makers are the regulatory
25 agencies or representatives of them.

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1 If somebody's got an issue, they can bring
2 it, then, to this Alliance type thing instead of
3 petitioning bunches of organizations.

4 And now, the stakeholders have to get
5 involved in this as well. By making this process a
6 little more open. Instead of, By the way, here's a
7 proposed rule, or, By the way, here's our regulatory
8 agenda and we plan on working on these things, maybe
9 you have input into the regulatory agenda or you're
10 there while we're discussing what the regulatory
11 agenda should be.

12 In either case everybody sort of knows the
13 top five issues that are going to be addressed this
14 year, then next year, and the year after.

15 If there's something that's on your radar
16 screen that's not there, you've got time then to, you
17 know, grab us by the lapels and say, I really need
18 this fixed, this is a really big problem, and this is
19 why, and gain some support for us to look at these
20 things.

21 Now, this doesn't prohibit somebody from
22 coming in and saying, We haven't thought about this
23 new technology that's lurking in the corner, and here
24 it is year two, and it's not -- we didn't know that

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1 this was coming, and, surprise, here's this brand new
2 technology.

3 We want this thing to be flexible enough
4 for some people to say, Hey, yes. This is really
5 important. We're going to work on it anyway.

6 And we'll tell the Alliance, This wasn't
7 on our radar screen, but this is important to us. A
8 licensee has petitioned us, there has been some sort
9 of incident in our particular state, our Governor
10 really has a bug about this, and so we have to work on
11 this particular issue. We're going to be working on
12 it.

13 But we'll share what we've done so that if
14 somebody else runs into the same bug, then, maybe they
15 can sort of use what we've done and build on it or use
16 it.

17 We're looking at a range of things. I
18 mean, this is just sort of -- this sounds really
19 happy, but --

20 (General laughter.)

21 MS. ALLEN: -- but it's going to be kind
22 of difficult. I mean, getting 32 states to sit around
23 the table and all agree on something is pretty darn
24 impossible except where to go for dinner or --

25 MS. MCBURNEY: Not even that.

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1 MR. GODWIN: You couldn't pull that off.

2 MS. ALLEN: No, no, no. To eat dinner or
3 not. That's it.

4 But we recognize that it cannot be, you
5 know, a unanimous type thing, it will be a sort of
6 consensus type process.

7 Now, in this there are some questions
8 about who plays what role. Should NRC still be a
9 central role? Should NRC still have authority?
10 Should they have veto power? Should they, you know,
11 come down -- are they the ones that track the progress
12 on these types of things?

13 There are a range of things that we can do
14 now. And in fact, even at the Organization of
15 Agreement States meeting, we discussed the fact that
16 we don't always share our needs with one another.

17 And Terry over here said, Well, we have a
18 need for positron emission tomography guidance. Some
19 of us have done it, some of us have not. We're not
20 sharing it with the rest of the states. And he
21 volunteered out of the blue to just sort of
22 coordinate, consolidate information from all of the
23 states on PET.

24 So Terry is working on that, and he's got
25 a little group of some states. And you pretty much

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1 are virtually working -- not meeting, but -- all
2 right -- working in virtual space. Thank you. Can
3 you fix that on the transcript?

4 (General laughter.)

5 MS. ALLEN: It's saving resources, but
6 it's going to be very beneficial to the rest of the
7 states who previously were finding themselves saying,
8 PET, PET; oh, my gosh, that's an accelerator. Oh,
9 man. And then they would have to call 20 or 30 people
10 to say, Did you do this, have you done that, what have
11 you got?

12 This way there will be information to
13 share. Some will be really minor changes; some are
14 things that are actually happening right now.

15 Some of the stuff that you guys have
16 discussed today, you know, we can go back and say,
17 Well, maybe there are things that we can fix
18 administratively between states and NRC. Maybe there
19 are some things that we can fix just with a two-by-
20 four, you know. Can we fix this? Can we work
21 together on these things now?

22 Maybe there are things that we will have
23 to change some statutes or some regulations or some
24 even agreements that we've already signed.

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1 There are minor changes and major changes.
2 There are things that -- we're looking at a whole
3 spectrum of things that may or may not change.

4 But if nothing flies, the fact that we are
5 sitting down and discussing it, admitting that we have
6 a problem, isn't that one of the first steps to fixing
7 a problem is admitting that you have one?

8 We've admitted that we don't coordinate
9 very well. We don't talk to each other enough. We
10 don't talk to each other about the right types of
11 things.

12 So you guys have been really helpful in
13 coming up with some other things that we had sort of
14 talked about and sort of threw on other pieces of
15 paper, and bringing them forward have been pretty
16 helpful.

17 So have I talked enough about the
18 Alliance? So I'm done with the Alliance thing, I
19 guess. Any questions?

20 MR. CAMERON: I see some cards up. But
21 what I'd like to do before we get into this discussion
22 is put up in one place for everybody to look at all of
23 these options and then a list of attributes, some of
24 the attributes, some of the attributes that we talked
25 about this morning along the side here so you can all

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1 refer to them as we then proceed to go through each
2 option one by one and to ask questions about them.

3 And that might be the best way to give you
4 feedback on that.

5 So what I would suggest is that -- and I
6 know, Bill and Jim, you've had your cards up. Why
7 don't we start with you when we come back from the
8 break? And I'll put this matrix up there for us. So
9 how about 25 to --

10 MS. ALLEN: Yes. That's good.

11 MR. CAMERON: Okay?

12 MS. ALLEN: Yes.

13 MR. CAMERON: All right.

14 MS. ALLEN: Fifteen minutes.

15 MR. CAMERON: Okay. Fifteen.

16 (Whereupon, a short recess was taken.)

17 MR. CAMERON: We're going to proceed to go
18 through the options and comparing those options to a
19 number of attributes.

20 And first of all I need to make sure that
21 I have all of the attributes captured here. And I'm
22 sorry. I thought this was going to come out in a more
23 readable form. But we'll go through these so that you
24 can know what these are.

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1 But I want to make sure I've got the right
2 attributes here. And I'll explain these to you.

3 I wanted to give Bill Fields just a quick
4 opportunity before we got started. He wanted to say
5 a few words to the group.

6 MR. FIELDS: That's Bill Fields. Where
7 does change take place? Change takes place in the
8 future. Therefore, you can't think in the past to
9 create change. You have to think in the future.

10 And to think in the future, how can we do
11 that? Well, we could get on the yellow bus on PBS,
12 and we could take a trip into the future, into the
13 year 2005, 2010. And we can look back on those past
14 years and see all of the things that we wanted to
15 accomplish that have been accomplished.

16 But while we're out in the future there's
17 this gap between today and 2010, for example. But we
18 can go back to 2001, and we can dream of the changes
19 that we want to make that will get us to the point
20 that we want to be in 2010 with all or any of these
21 programs.

22 But it has to be positive thinking. We
23 can't say, Well, we couldn't do that before, we can't
24 do it. There's no way; there's no money; there's no

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1 personnel; there's no regulations; there's too many
2 regulations; we can't do that.

3 We've got to stop now, and we've got to
4 think positive into the future. And all of this, if
5 it's sold to you, then, you can sell it to anyone.

6 And once it's sold, it becomes the truth
7 in fact, and that's it. It's all accomplished. And
8 it didn't take much effort but a bus ride. That's all
9 I have to say.

10 MR. CAMERON: Thank you very much, Bill.
11 That's a good watchword for the group as they go
12 through this exercise, I think, to be positive and
13 perhaps think a little bit outside the box and see
14 what we can come up with here. So thank you for that.

15 First I just want to run through these
16 options. And Jim is going to -- is that why you're
17 doing that?

18 MS. ALLEN: Yes. Because he had his card
19 up before.

20 MR. CAMERON: Yes. Jim is going to bring
21 his, because it fits under discussion of 5. Okay?

22 MS. ALLEN: All right.

23 MR. CAMERON: First option, Eliminate the
24 agreement state Program: NRC does it all, there are

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1 no agreement states. Okay? Just for a simple
2 description.

3 Second option, Streamline the NRC-
4 agreement state Program: Do the minimum amount that
5 we need to. Okay. And people are going to have
6 questions about this. I just want to make sure that
7 all of these seem discreet to everybody, as discreet
8 options.

9 Third, the states do it all. There are
10 no, quote, NRC states. NRC's responsibility is only
11 for specific types of activities or licensees.

12 Fourth option is a delegated program. And
13 we may need to get into a little bit about that means,
14 obviously. But the NRC sets standards, and the states
15 implement.

16 Fifth option is the Alliance. agreement
17 states and NRC at least as a minimum share priority
18 setting, resources, and information on a consensus
19 basis.

20 Sixth is other options. I know Felix has
21 one; I think Bill House has one. We've heard about
22 we're getting on the yellow bus at 5:30. But there
23 may be other options there.

24 I'll just call these attributes for lack
25 of a better word. That may not be the best word.

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1 Okay. And I'm going to go through these. These are
2 based on our discussion from this morning.

3 And one is access to decision making. In
4 other words, how do the stakeholders have access to
5 decision making under these various options?

6 Two, budgetary/resource implications.
7 That could be the NRC problem that was talked about,
8 or it could be, what does this mean in terms of
9 existing state resource commitments?

10 The third one here is this idea of
11 efficiency. And I'm tagging onto Mark's description
12 of efficiency, which is, eliminate duplication,
13 identify best practices, the use of the term synergy.
14 Okay?

15 Fourth is comprehensive. Does it capture
16 all that needs to be captured in terms of activities
17 and materials?

18 Fifth is, How does it give flexibility?
19 And a related concept which I've put separately, the
20 uniformity/consistency.

21 Stability. And be stability I'm thinking
22 about Tony's comment on, how stable is the regulatory
23 scheme? Does another agency come in and set a
24 standard that just sort of pulls the rug out from
25 underneath, what you would do.

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1 What is the NRC role under all of these
2 schemes? What is the role of other organizations:
3 Feds, ISCORS, CRCPD, OAS. I'm using SDOs, standards
4 development organizations. Right?

5 And I guess models really is maybe an
6 option generating for down here under 6.

7 But Bob Leopold suggested -- and I think
8 it's a great idea -- that we just go to each option
9 and go down through all of those attributes and hear
10 what everybody has to say on that particular
11 attribute, just go down the list for each option.

12 Does anybody have any problems with that?
13 Cindy.

14 MS. PEDERSON: Not a problem, but maybe
15 something to add to that list of attributes.

16 MR. CAMERON: Oh. Good. Let's add to the
17 list.

18 MS. PEDERSON: Accountability. Who is
19 accountable?

20 MR. CAMERON: Accountability. Okay.
21 Let's add that, then. We can put a finer point on
22 what that means when we use it under the first
23 example; accountability.

24 Is there other things that aren't captured
25 up there? Mark.

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1 MR. DORUFF: Perhaps this was covered
2 under another one of those attributes. But I think we
3 need to speak more specifically in terms of some
4 legislative mandate upon which this can all be based.
5 So --

6 MR. CAMERON: Okay. So the need for
7 legislative -- like legislative reform?

8 MR. DORUFF: You need a remit for this to
9 happen. Otherwise, ultimately it will be challenged.
10 And there needs to be some legislative legal basis for
11 what it is we're doing here.

12 MR. CAMERON: Okay.

13 MS. ALLEN: Something to bind people
14 together to make them do it.

15 MR. CAMERON: Let me put it up here early.
16 I'll just say, legislative authority.

17 VOICE: Legal authority.

18 MR. CAMERON: Okay.

19 MS. ALLEN: Yes. Because it could be --

20 VOICE: It might not need legislation, but
21 it would still be legal.

22 MR. DORUFF: Yes.

23 MS. ALLEN: Right. I could be an MOU, a
24 really good handshake, something like that.

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1 MR. CAMERON: Okay. Legal authority.
2 Mike.

3 MR. VEILUVA: Well, an attribute -- which
4 I guess the Alliance concept is really unique, but it
5 really could coexist with virtually all of these
6 except maybe one, because then you wouldn't need the
7 Alliance.

8 But if the Alliance is something other
9 than a formal agency action, it's not really
10 inconsistent with any of the other ones, it's a
11 facilitator.

12 MR. CAMERON: Okay. And we'll have to see
13 if that hangs true with what you guys are thinking of.

14 But I'll just put a little footnote here,
15 Combination of options. In other words, you could do
16 4 in combination with that.

17 VOICE: It needs something else that like
18 marks it to make it in concrete so people actually do
19 play.

20 MR. CAMERON: Okay. And remember to -- I
21 know it's natural to talk to each other, but you've
22 got to sort of talk towards Barbara for her to get it
23 on the transcript.

24 Okay. Eliminate agreement state Program,
25 NRC does it all, the first option.

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1 MR. FRAZEE: Can we get Number 6 and 7 on
2 the table?

3 MS. ALLEN: Other options.

4 MR. CAMERON: Okay. Felix, can you give
5 us a quick summary of your option? And then we can go
6 and discuss it like we will the others.

7 MR. KILLAR: Well, I actually happen to
8 have a pass-out here. I only brought 25 copies of
9 this, so there may not be enough to go around to
10 everybody.

11 MR. CAMERON: Well, while you're doing
12 that, why don't you give us just a -- we'll put, 6:
13 NEI. And what does that -- can you --

14 VOICE: NEI takes over all
15 responsibilities.

16 MR. KILLAR: Yes. The industry does it
17 all. And we tell you guys in the regulatory community
18 we're doing it great.

19 MR. CAMERON: Oh. This is self-
20 regulation?

21 (General laughter.)

22 MR. KILLAR: To an extent.

23 MR. CAMERON: Oh.

24 MR. KILLAR: No, no.

25 (General laughter.)

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1 MR. KILLAR: Let me give you a little
2 background just to introduce the concept and stuff.

3 What this grew out of is that we were at
4 a briefing the NRC was having with the Commissioners
5 dealing with the status of programs inside NMSS.

6 One of the things that came up during the
7 briefing was a discussion of the master material
8 licensees for Federal agencies.

9 Following that briefing I met with Carl
10 Peppero [phonetic] and Mike Webber [phonetic] and
11 said, Hey, we like that concept. Would you be willing
12 to extend that type concept to commercial licensees?

13 And Carl said he felt that that would be
14 something that they could possibly do if the licensees
15 are interested in doing that.

16 So we went back and kind of put together
17 a small group to talk about it, see what kind of
18 interest there is in doing it along that lines, and
19 what are some of the attributes, efficiencies,
20 problems, legal and otherwise, to do this?

21 And so basically what this is a concept
22 paper for what we call the master material licensing.
23 And this is strictly a concept as we continue to
24 develop this.

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1 And as I heard this morning in this
2 discussion, because we have not had any interaction
3 with the agreement states, I can see some things that
4 we can do in here to address some of the issues that
5 were raised this morning and what-have-you.

6 But basically what we're after is one
7 national license for a facility. And when I say a
8 facility, it would be a company, a product, or a
9 service that works in multiple states.

10 So you take somebody like a well logger
11 who goes to several different states or a
12 radiopharmaceutical company radiopharmaceutical
13 distribution houses throughout the various states,
14 what-have-you, they will have one license issued by
15 the NRC. That license will establish all of the
16 requirements for any of their applications throughout
17 the states that they're in.

18 The NRC would be the licensing and
19 reviewing body, but they would have input from any
20 state that this facility is going to be in. So when
21 they come in for their license application, they say,
22 We're going to be in X, Y, and Z states. The NRC
23 would involve X, Y, and Z in reviewing that
24 application to ensure that their concerns are
25 addressed.

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1 Then, after the license is issued what
2 happens is that the state becomes the inspector for
3 the NRC for these facilities in their individual
4 states.

5 This has a number of benefits for the NRC
6 as well as for the licensee and for the states.

7 For the NRC, it addresses a number of the
8 concerns that were raised this morning a about the NRC
9 losing contact with some of the various licensings
10 because those activities haven't been brought to the
11 NRC, they're being licensed in individual states.

12 It also provides consistency for the
13 development of regulations and for the application of
14 regulations, because the NRC then sees this thing
15 throughout the country as to how it's being applied.

16 It also provides consistency in the
17 application itself, because what happens is that you
18 have the individual states out there being the
19 inspectors.

20 And so where you may have a
21 radiopharmaceutical house that's applying the
22 radiation protection program in eight or ten states,
23 you now have ten different states out there that are
24 doing the inspection. And one state may identify an
25 issue which the other states didn't.

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1 And so that would be circled back to the
2 NRC, and then the balance of the facilities would look
3 to see if this is something that's a systemic problem
4 with that or if it's unique to that individual
5 facility. And so it gives the benefit, then, of
6 having multiple reviews of basically the same
7 application.

8 From a licensing perspective, the fees are
9 something, but we don't think the fees are really the
10 big issue.

11 It's more along the lines of what Fred
12 talked about as consistency, in that, now we've
13 established a radiation protection program, and we use
14 that radiation protection program uniformly across how
15 ever many facilities there are rather than, when
16 you're in ten different states, we have ten different
17 versions of that radiation protection program.

18 We now only have one radiation protection
19 program, we have one standard method of training for
20 our people that are in those facilities. So we have
21 the benefit of doing that along those lines.

22 So let's talk a little bit through our
23 fees, because we talked about it this morning.

24 One of the things that the NRC has
25 indicated is a concern about, you know, losing

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1 licensees. And therefore, while they still have
2 overall responsibility for development of regulations,
3 they don't have the revenue source that they
4 previously had.

5 With this program the licensee or the
6 applicant for the license will still be paying a fee
7 to the NRC, so the NRC will still have some fees
8 available to them.

9 The states also will still get the
10 benefits of fees, because they will pay fees to the
11 states for the registration to use that application in
12 their state, plus they pay the state for the special
13 program. And this would be in accordance with the
14 state regulations.

15 I think it goes through and talks a little
16 bit about the benefits to the NRC, the agreement
17 states, the licensees, and things along that line, so
18 I won't go into that.

19 I think the one issue, though, the bottom
20 line of this, that -- and when we go back and start
21 talking about the other programs, the big issue that
22 we have is that this program is beneficial as it is
23 with the existing way the program works. But it would
24 be a lot more practical if the NRC would have

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1 jurisdiction for NARM when we're dealing with these
2 type of facilities.

3 MR. CAMERON: Okay. And we'll get to
4 that. Good. Thank you, Felix, for developing that
5 and summarizing it.

6 MR. KILLAR: Is there any questions about
7 this?

8 VOICE: What about machine-produced
9 radiation?

10 MR. KILLAR: We have stayed away from
11 machine-produced radiation, because most of my members
12 for the most part aren't involved in machine-produced,
13 plus I don't think the NRC is quite ready to take on
14 the machine-produced. I think their ready to take on
15 NARM and NORM, but I don't think they're ready to take
16 on machine-produced.

17 MR. CAMERON: Okay. Do you want to ask --
18 do you want to --

19 VOICE: Well, I just want to know, what
20 type of licensees do you see fitting under this?

21 MR. KILLAR: This would be any licensee
22 who is doing the same application, product, or service
23 in multiple states.

24 So it could be a -- and it takes a little
25 bit off of the source and device type registry in that

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1 you have one licensee for that source and device, the
2 NRC, and then, that automatically can be applied in
3 all the states.

4 Like I say, it could be Part 36
5 radiography or a radiator facility and stuff. They
6 license that type facility, and they could apply it at
7 many different facilities.

8 A medical application, where it's a
9 hospital who has -- or a hospital corporation that has
10 multiple hospitals across the country, they set up one
11 license for all those hospitals, and the radiation
12 protection program -- oh.

13 MR. CAMERON: But it's only for
14 multiple -- it has to involve multiple state licenses?

15 MR. KILLAR: That was the initial intent.
16 Now, what I heard this morning is that if a licensee
17 wants to do it in a particular state, for the purpose
18 that he may want to go to more states in the future,
19 he could possibly go in and ask for this under the
20 NRC, and the NRC could grant it with that particular
21 state that he's working in. But the intent was for --

22 MR. CAMERON: But the agreement state
23 Program still exists for single state licensees?

24 MR. KILLAR: Right. And a licensee may
25 want to continue where he says, Okay, I see this

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1 master material license may have some benefits to me,
2 but I also already have my program established. I've
3 got reciprocity with these states.

4 I don't want to change the way I'm
5 licensing, so I'm just going to continue doing
6 business the way I'm doing it.

7 MR. CAMERON: Okay. Aubrey, another
8 question on this? And then we're going to go to Bill
9 House.

10 MR. GODWIN: Yes. I have a slight problem
11 with the way it's described at this point. It may not
12 be what he's considering.

13 But we had a national pharmaceutical
14 company that had some problems in, as it turned out,
15 the NRC jurisdiction and not in the agreement states.

16 And with this kind of concept, that would
17 have forced all of their licensees to have done a
18 rather elaborate follow-up program. And some states
19 did, some states did not do that.

20 I don't see any way for a state to look at
21 the situation in their state and how well that local
22 facility is following their regulations and take
23 action based upon it either to not stop their
24 operations because they're compliant because somewhere
25 else they had a problem.

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1 Or in the case where that particular
2 facility, for some reason that manager just is not
3 going to follow the regulations, and it needs to be
4 shut down without adversely having to go and shut
5 everything down somewhere else.

6 So I think you need to look at the
7 enforcement aspect of it to make sure that there's an
8 ability for the jurisdiction to look at enforcement at
9 those things within their jurisdiction without
10 necessarily having to go to anybody else's
11 jurisdiction to ask about it.

12 MR. KILLAR: All right. And we had
13 thought about that. And the idea is along the lines
14 of what you're saying, is that if, for instance,
15 Arizona goes into a radiopharmaceutical house, and
16 they find that the house isn't complying with their
17 license, the state of Arizona has the right to shut
18 down that facility.

19 Now, the question goes back, then, to the
20 NRC, Is this something that's unique to that facility
21 in Arizona, or does it apply to all the
22 radiopharmaceutical houses? So it goes back
23 automatically to them.

24 As it stands right now under the agreement
25 state Program, you may shut that facility down, and it

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1 may not impact all of the rest of them, where they may
2 have a systemic problem that does go to all those
3 facilities.

4 This actually generates more than --

5 MR. GODWIN: Well, there are ways they do
6 filter that information back. It's not a good system,
7 I don't think, but --

8 MR. KILLAR: Well, this makes a more
9 formalized system for doing that, because there is a
10 master license. So all inspections reports and what-
11 have-you would come back to the NRC and any
12 enforcement action would come back to the NRC to see
13 if that is something that is unique to a particular
14 facility.

15 MR. GODWIN: That's not very clearly
16 spelled out.

17 MR. KILLAR: No. I realize that.

18 MR. CAMERON: Okay. Do we have enough
19 level of information on this so that -- I mean, we can
20 get into as much detail as we want when we go to it.
21 But do we have enough information so that we can
22 proceed to get any other options on the table? And
23 Bill, you had something else.

24 MR. PASSETTI: I just have a concern that
25 this is not really addressing a National Materials

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1 Program, it's a select number of licensees. It's not
2 really an option for a national program.

3 MR. CAMERON: Okay. And that comment,
4 let's save that comment and come back to it. And
5 again, think about combinations of options, too.
6 Okay? Kathy.

7 MS. ALLEN: I promise I'll be quick. If
8 there was a licensee under this program that was going
9 to do business in Arizona, Texas, California, and
10 Florida, would you still envision having -- those are
11 all agreement states.

12 Would you still envision that entity
13 having to go to NRC for such a master materials
14 license, or are you looking at possibly allowing one
15 of those agreement states where maybe the corporate
16 headquarters was -- are you looking at something that
17 only the NRC would be issuing or that agreement states
18 could also issue?

19 MR. KILLAR: We envision this being issued
20 by the NRC so it would be recognized in all the
21 states.

22 One of the things, in line with what you
23 were talking about this morning, with the expertise
24 maybe being in individual states is that if the
25 expertise is in Illinois but they're wanting to do

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1 this same application in Florida, Kentucky, and
2 somewhere else, is maybe the NRC would say, Hey, look,
3 Illinois, you have the expertise in this.

4 These guys have asked for master materials
5 licensees. Would you help us review this and assure
6 that all your concerns are built in? We will issue
7 the license, but we would depend on you for the
8 review.

9 The thing is that the NRC is the only one
10 that allows you to cross jurisdictional lines. If
11 it's a license issued by Illinois, it doesn't
12 automatically allow you to cross jurisdictional lines
13 into other states.

14 MS. ALLEN: That's what I was just trying
15 to get at. All right.

16 MR. CAMERON: All right. Okay. Let's get
17 this seventh option on there. Bill House, what do you
18 have to tell us?

19 MR. HOUSE: Okay. My option is not as
20 well developed as Felix's, but I want to throw it out
21 anyway since we're talking about extremes here.

22 I've been an agreement state regulator in
23 years past, and I'm also a licensee of the NRC and of
24 a number of agreement states.

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1 And within the agreement state, just
2 taking South Carolina, the primary group within the
3 agency has changed a number of times.

4 Currently the disposal site at Barnwell is
5 within the solid houses waste group; i.e., the
6 equivalent of EPA RCRA.

7 And you know, I'm really getting
8 ambivalent about who is the boss, because, you know,
9 the facts are that the goals have always been the
10 same, health and safety first and compliance second.
11 And that may not be the same. You know, compliance
12 may not mean health and safety.

13 But anyway, you know, here we are in year
14 2001. And after the baby is weaned, it doesn't really
15 matter who the is the mamma or who is the daddy.

16 So I suggest that EPA be the lead agency
17 and NRC and the agreement states fall subservient,
18 quote, unquote, under EPA.

19 Any alliance or organization or system
20 that we set up, EPA is going to be involved. They're
21 already setting standards, they're involved in
22 radiation control. So let's just let them be the
23 daddy and move on.

24 MR. CAMERON: So this is a "EPA is the
25 daddy" approach.

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1 MS. MCBURNEY: Is this just for low-level
2 waste? MR. HOUSE: Say what?

3 MS. MCBURNEY: Is this just for waste?

4 MR. HOUSE: No. Everything.

5 VOICE: Everything? Oh.

6 MR. HOUSE: Everything.

7 (General laughter.)

8 MR. HOUSE: They think they control it all
9 now, so let's just let them do it.

10 MR. KILLAR: Maybe, to emphasize Bill's
11 point, this may not be so far-fetched, because if you
12 go back and look at the Atomic Energy Act, EPA is the
13 lead agency. EPA has the responsibility to establish
14 the Federal regulatory guidelines for radiation as set
15 up under Guideline 13, I believe it is.

16 And that is the national standard that is
17 set up by EPA. So they already have the overall
18 responsibility.

19 MR. CAMERON: I think that maybe a number
20 of the lawyers might be arguing about that.

21 But regardless of what it is now is that
22 EPA would set the standards that NRC and agreement
23 states -- there would be an agreement state Program,
24 or EPA would take over all radiation protection and
25 delegate --

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1 MR. HOUSE: EPA authorization program.

2 MR. CAMERON: So it would be like an EPA
3 Clean Water or Clean Air Act. Okay. So EPA
4 delegated.

5 MR. MYERS: If one of the co-chairs could
6 just kind of put this together, is this "The EPA is
7 the daddy of the mother of all programs"?

8 VOICE: Right.

9 (General laughter.)

10 MR. MYERS: Is that it? Okay.

11 VOICE: That's what it would be.

12 MR. CAMERON: All right. Now, while
13 we're -- we may generate other options or combinations
14 of options. But does anybody have a -- and Aubrey,
15 I'm not forgetting your regional -- I'll put it down
16 here as like -- I'll just put, regional approach, that
17 you suggested.

18 MR. GODWIN: Well, I looked at that as
19 possibly being attached to and subordinate to some of
20 the others, not necessarily being a --

21 MR. CAMERON: Okay.

22 MR. GODWIN: But we can do it either way.
23 It doesn't matter.

24 MR. CAMERON: Well, just let's keep it as
25 a place holder.

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1 MR. GODWIN: All right.

2 MR. CAMERON: Anybody else have any major
3 options that they want to put on the table now?
4 Terry.

5 MR. FRAZEE: There's usually the status
6 quo option, no action. Is Number 2 close to that?

7 MR. CAMERON: Okay. That's a good point.
8 It has some of it in there.

9 MS. ALLEN: Oh. Yes. I'm sorry. That is
10 one of the things that the working group is doing. We
11 are actually describing the status quo and looking at
12 what's working and what doesn't work in the status
13 quo.

14 MR. CAMERON: And that sort of gets to the
15 heart of the matter, doesn't it? Okay. I just put
16 that on there as a reminder.

17 And I think that the specific questions
18 that we had on the agenda for tomorrow are all
19 captured in this framework. So our work between now
20 and tomorrow at noon will be to go through these
21 options and talk about these various attributes. And
22 that may generate other options. But that's what
23 we'll proceed with.

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1 And I think that we -- let's see. What
2 did we have as our ending time today in case people
3 made plans on --

4 VOICE: 5:30.

5 MR. CAMERON: Okay. We'll try to run to
6 5:30. And then we'll continue tomorrow morning.

7 And for those of you who might have to
8 leave today before 5:30, we'll do a reprise tomorrow
9 morning a little bit, not a full discussion, but we'll
10 catch people up on what happened after they left.

11 Okay. Eliminate agreement state Program,
12 NRC does it all. Access to decision making for
13 stakeholders. And do we compare this to the existing
14 program? Because it may be a neutral.

15 MR. GODWIN: It's easier for the national
16 stakeholders, and it's poorer for the local
17 stakeholders.

18 MR. CAMERON: So easy for national, harder
19 for local.

20 MR. GODWIN: Where you have local issues,
21 they would just never get heard there.

22 MR. ENTWISTLE: I'd change to "easier"
23 rather than --

24 (General laughter.)

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1 MR. CAMERON: Yes. We don't want to make
2 anything easy. I'm sorry. Okay. Thanks, Fred.

3 Okay. Easier for national, harder for
4 locals. Anybody else want -- and we may want to run
5 through this fairly efficiently. But anybody else on
6 that one?

7 MR. DORUFF: Do we really want to say,
8 Eliminate agreement state Programs, or do we want to
9 say, Eliminate all state programs? NRC does it all,
10 does that mean give them jurisdiction for NARM and
11 everything else?

12 MR. CAMERON: I guess that's an
13 outstanding question. If it was -- it depends on how
14 it meets the -- on its face it doesn't meet the
15 comprehensive attribute, does it?

16 MR. MYERS: You could have a variety of
17 options under the options, and that's one of the
18 things that the working group has struggled with.

19 So you could have a Number 1(a), Eliminate
20 the agreement state Program and NRC does it all,
21 retaining, I guess, other programs in the state.

22 And then, you could have 1(b), which would
23 be, NRC literally does it all, it assumes all
24 materials, X-ray machines, the whole bit.

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1 MS. ALLEN: Well, can we maybe streamline
2 this and maybe with a show of hands just say for all
3 arguments here just assume when we talk about
4 materials we're talking about all materials, and not
5 NARM, NORM, X-ray?

6 MR. CAMERON: Let me ask you a question.
7 Are there some options that would lend themselves more
8 to a comprehensive approach rather than the fragmented
9 approach? I mean, do you want to have a show of hands
10 on how many people think that under this approach it
11 should be comprehensive versus noncomprehensive?

12 MS. ALLEN: Maybe it's just sort of in
13 general. Is it worth -- I mean, should we -- maybe
14 this is just a generic question at first. Should we
15 look at NRC seeking authority for NARM? And then,
16 assuming that something happens to do that, that that
17 might actually happen.

18 MR. CAMERON: Okay. Let's talk about
19 this. Let's get this NARM thing settled. Okay?

20 MS. ALLEN: Yes.

21 MR. CAMERON: Dave.

22 MR. MINNAAR: I think we're sort of
23 touching on perceptions of practicality. You know,
24 there are just practical realities out there about
25 what can be achieved reasonably and what can't. And

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1 I think that ties in. Maybe that's an attribute or
2 somehow captured in one of those attributes.

3 But for example, Jim mentioned sort of
4 three subdivisions, NRC does it all, one being they do
5 it all under AEA; they do it all with AEA modified to
6 include NARM; they do it all with even X-ray, all
7 ionizing radiation.

8 I think that last one is probably not
9 practical currently, maybe in 20 years, but certainly
10 not now.

11 So you know, what's practical in terms of
12 problem solving realistically in the near future
13 versus problem solving long-term I think enters into
14 the discussion about what we're doing.

15 So somehow we've got to draw lines about
16 what's reasonable to pursue and what's altruistic or
17 wishful thinking, thinking about Utopia. Who knows,
18 you know?

19 There's certainly no limit to our thinking
20 about what we could do, but I think we have to be
21 practical. Where do we get into the --

22 MR. CAMERON: So you're talking about a
23 putting a practicality marker on there. Mike.

24 MR. VEILUVA: Well, there's a
25 jurisdictional issue and there's a delegation issue.

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1 Because as you being making exceptions
2 like the Tax Code for NARM and this and that, it
3 begins to shade in the 4, where NRC begins to delegate
4 aspects possibly of its jurisdiction rather than what
5 you've explained earlier, which is, when an agreement
6 state assumes responsibility, there isn't a delegation
7 of responsibility, it's gone.

8 So there's this overarching jurisdictional
9 issue. You can have NRC retain the jurisdiction. But
10 like the Clean Water Act or RCRA, you have states
11 administer elements of the program because they're
12 closer to it, because they understand the issues more.

13 MR. CAMERON: Okay. Which is the fourth
14 option.

15 MR. VEILUVA: To me 1 shades into 4
16 almost, depending if you start laying markers and
17 exceptions to it.

18 MR. LEOPOLD: I thought 1 was the way it
19 used to be before the agreement state mechanism was
20 ever started. So those of you who are old enough to
21 know what that was, what was it?

22 (General laughter.)

23 MR. CAMERON: Tony, I guess that you're
24 the oldest, since I saw your hand up.

25 (General laughter.)

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1 MR. THOMPSON: I mean, it seems to me that
2 there is a division here that runs through all of them
3 right now that is reality, which is there are AEA
4 radiation materials and radiation materials that are
5 not subject to the Atomic Energy Act.

6 So the first question is, under whatever
7 option, are you going to look at it as only the AEA
8 materials that you have right now, or are you going to
9 go ahead and expand it to other things, whatever they
10 may be?

11 MR. CAMERON: And this goes to Kathy's
12 point. I mean, does the working group need to have --
13 I think what Tony said is right for all of these.

14 Does the working group need to have an
15 indication from people around the table about whether
16 they think that NRC should have NARM authority or that
17 if the states do it all, obviously the states already
18 have NARM authority. Kathy.

19 MS. ALLEN: I envision the final product
20 to have a discussion about NARM and NORM in it and
21 whether or not NRC regulating it would be an advantage
22 or disadvantage for various options.

23 I was just thinking, for the purposes of
24 our discussion and sorting through these options,
25 would it -- because this is not representative of the

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1 whole country and opinions of all the states and
2 things like that.

3 So I was just thinking, for the options
4 and for the purposes of discussing here, is it worth
5 sort of figuring out if we should just agree to either
6 say we're going to assume it covers NARM or we're
7 going to assume that NRC no longer has -- I mean, make
8 one assumption just for the argument purposes.

9 MR. CAMERON: Okay. It seems like that
10 makes sense.

11 MR. MYERS: Yes. And I agree with that as
12 co-chair, because basically if you look at what the
13 Commission asked us to do, there is an implied task in
14 there or an implication that the Commission would take
15 the results of this or this product and look at the
16 options sometime in May.

17 And it was scheduled and planned I believe
18 so that they would make decisions concerning budgets
19 in the out-years sometime in the fall because it's
20 timed that way.

21 So I guess implicit in that is an
22 understanding that the Commission was looking for
23 something that was doable or partially implemented in
24 the near-term frame, but yet it would be robust enough
25 and flexible enough to go off into the future.

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1 And issues such as whether or not we get
2 into regulating NARM is an issue that we may not want
3 to address here, but certainly only address it in the
4 sense that whatever options are produced would be
5 flexible enough and robust enough to be able to
6 incorporate that into it if it's decided to do that.

7 MR. THOMPSON: If you bring it under the
8 Atomic Energy Act later, whatever function you have
9 here has to be able to deal with it.

10 MR. MYERS: Right.

11 MS. ALLEN: Right.

12 MR. CAMERON: So assume for purposes of
13 today's discussion that the reality is reflected, that
14 NRC does not have NARM?

15 VOICE: Right.

16 MS. ALLEN: I could go either way.

17 MR. CAMERON: Okay. Well, Aubrey, go
18 ahead.

19 MR. GODWIN: Well, it seems to me that we
20 could proceed along the lines of considering this as
21 being the Atomic Energy Act materials plus discreet
22 NORM sources, which means sources of concentrations of
23 2,000 picocuries per gram or higher would be covered
24 by this.

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1 And sort of implied by that would be the
2 materials less than that concentration would be not
3 carried forward and would be presumably left to EPA
4 with the recognition that EPA eventually is going to
5 set the overall standards and NRC is implementing the
6 overall standards.

7 But NRC would pick up, then, a definite
8 level of involvement. It would have something clearly
9 to work with. It would match what they're used to
10 dealing with in terms of regulatory matters. But it
11 wouldn't take effect until they change the law to
12 bring it into the Atomic Energy Act.

13 And the delegation/release of authority
14 would be as it is in the current agreement state
15 arrangement if it comes into the Atomic Energy Act.
16 If it doesn't come into the Atomic Energy Act, it goes
17 probably the EPA route, which would be a delegation.

18 So I think we'll solve all of our problems
19 if we just look at it that way. I agree that we're
20 unlikely to get into X-ray and machine-produced stuff,
21 and I think that we might as well not worry about that
22 on the short term or medium term.

23 But I think this would give us something
24 to work with on the short and medium term and give the

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1 Commission some definite feeling for where to go with
2 it.

3 MR. CAMERON: Well, can we -- it may be
4 simpler to -- in order to get through this and get
5 some ideas down on all of it, it may be simpler to
6 just assume that we have the existing structure.
7 Okay?

8 And we may want to have a specific NARM
9 discussion if we have time to do that to consider the
10 types of things that Aubrey is talking about.

11 But I would also say that we keep this
12 comprehensive attribute up here, because it may be
13 that some of these options will allow some of those
14 dysfunctionalities or dichotomies of regulation.

15 Like the Alliance might be the best option
16 to try to rationalize approaches to different
17 material. I don't know.

18 But can we at least assume that the
19 current legislative framework is what we're going to
20 work with? Terry.

21 MR. FRAZEE: Current legislative
22 framework. This does not appear to be a short-term
23 solution or a medium-term solution. This is more like
24 a long-term solution because that on the face of it
25 requires the states to either -- the agreement states

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1 to give up their agreements or NRC to abrogate all of
2 the agreements.

3 Or what would have to happen, the statute
4 has to change, because that's where the agreement
5 states are established, is in statute.

6 So eliminating the agreement state Program
7 means, number one, that has to be a long-term
8 legislative Congressional action changing the AEA.

9 MR. CAMERON: But --

10 MR. GODWIN: And that's exactly why I said
11 what I did.

12 MR. CAMERON: Okay. Tell me what the
13 implications of that are for whether we're going to
14 leave NARM off of the table now.

15 MR. FRAZEE: Oh. Off the table?

16 MR. CAMERON: Okay.

17 MR. FRAZEE: Okay.

18 MR. CAMERON: And I see where you guys
19 were going with my phrase on that. Yes. Ruth.

20 MS. McBURNEY: The implication if states
21 are still left with NARM is that you still have a
22 fragmented system.

23 MR. GODWIN: Yes. It's still a mess.

24 MS. McBURNEY: You're still going to have
25 dual regulation of a lot of materials --

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1 MR. CAMERON: Okay.

2 MS. McBURNEY: -- of a lot of facilities.

3 MR. CAMERON: Well, then, let's note that
4 when we talk about this particular attribute.

5 MS. McBURNEY: Right.

6 MR. CAMERON: Okay.

7 MR. FRAZEE: I don't think this one makes
8 sense unless you say that it includes NARM. If you're
9 going to open up the AEA to get rid of the Agreement
10 States Program, you might as well, you know, throw in
11 the NRC taking over NARM.

12 MR. CAMERON: Okay. I'll tell you what
13 we're going to do. We're going to ignore everything.

14 (General laughter.)

15 MR. CAMERON: No. When we get to
16 comprehensive, let's make these notes that you talked
17 about. Okay?

18 MS. ALLEN: Let's see what the consensus
19 is.

20 MR. CAMERON: And we'll just put it there.
21 All right?

22 Okay. How about budgetary/resource
23 implications, Number 1 option, Number 2 attribute?

24 MS. McBURNEY: Go way up on the NRC.

25 MR. CAMERON: So when you say, Way up --

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1 MS. McBURNEY: Yes. Up --

2 VOICE: The licensing fees are going to
3 increase.

4 MR. CAMERON: Oh. I see. Okay.

5 MS. McBURNEY: Well, I don't know if
6 licensing -- I don't know about fees, but the
7 resources --

8 VOICE: The NRC would have to triple its
9 staff.

10 MR. CAMERON: Okay. A big increase in NRC
11 resources. But what does it say in terms of this
12 indirect budget issue that we were talking about? In
13 other words, there wouldn't be this --

14 MS. McBURNEY: The denominator goes way
15 up, too.

16 MR. CAMERON: Okay.

17 MR. KILLAR: It restores the funding, but
18 it also requires NRC to bring on additional resources
19 to implement the program.

20 MR. CAMERON: For states obviously it's
21 a --

22 MR. KILLAR: Well, actually it's a problem
23 for the states, because they'll lose some revenue.
24 But because they'll still have NARM, they're still

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1 going to have to have their regulatory agencies and
2 their resources available to carry out the program.

3 MR. GODWIN: No, you don't. You can bail
4 out if you ain't got it.

5 MR. CAMERON: Okay. So in other words,
6 like some of the resources that the state gets to do
7 AEA material is doubled up doing non-AEA material, is
8 what you're saying. Is that a true statement?

9 VOICE: Right.

10 MR. CAMERON: So if you lost all of your
11 AEA jurisdiction, okay, would you also be losing staff
12 that you would use on the non-AEA?

13 MR. GODWIN: Yes. I'd lose 90 percent of
14 it.

15 MS. McBURNEY: It would still have to be
16 doing inspections and licensing of certain --

17 MR. CAMERON: Okay.

18 MR. FRAZEE: In terms of the licensee, the
19 licensee, the licensee is going to pay more probably
20 in higher NRC fees on a relative scale, and they'll
21 still have to pay for NARM licensing through the
22 state.

23 MS. McBURNEY: If state law still required
24 them to be licensed.

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1 MS. ALLEN: Well, but Paul has a comment
2 over here.

3 MR. SCHMIDT: I do?

4 (General laughter.)

5 MS. ALLEN: Okay. Currently of all the
6 non-agreement states, only a few of them require
7 licensing of NARM. Some have registration like I do
8 in Wisconsin.

9 MR. SCHMIDT: Give me that back.

10 (General laughter.)

11 MS. ALLEN: And some have registration
12 before you get radioactive materials, some have
13 registration only annually, some have just
14 notification, and some don't do anything.

15 So when you look at impacts on states, if
16 you take away an agreement state Program, then, that
17 state has many options on what they're going to do
18 with the licensing of NARM. Either they license it,
19 they register it, they do nothing. So now you're
20 looking at a whole other bunch of options for what the
21 states will do.

22 MR. CAMERON: And as you pointed out, as
23 Terry and others pointed out, if indeed you did this
24 option, that NARM authority could be taken away

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1 entirely once you were in there to do the legislation.
2 Right?

3 MS. ALLEN: Right.

4 MR. CAMERON: Okay.

5 MS. ALLEN: And that would be cleaner.

6 MR. CAMERON: Right.

7 MR. SHOWALTER: Well, there's another
8 resource lessening impact perhaps here in terms of
9 transferring resources from states to NRC, and that is
10 NRC could contract for inspections, for example, with
11 states that used to be agreement states if the states
12 wanted to do that.

13 MR. CAMERON: This is all going on the
14 transcript for the benefit of the working group, so
15 I'm not going to try to capture all of this. But
16 there is a mitigating effect. Okay? And Aubrey.

17 MR. GODWIN: There's also a problem in
18 that when you lose staff and everything, you lose
19 emergency response for your transportation incidents,
20 for incidents at nearby facilities. They will have to
21 wait for them to come out to Phoenix from Dallas to
22 respond to the little problem they had leaking up
23 there in Kingman.

24 All of these incidents that we've been
25 taking care of like going out and checking the

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1 railroad cars and checking the trucks will have to
2 come out of Dallas from now on, I guess.

3 MS. ALLEN: Landfills.

4 MR. GODWIN: Oh. Yes. Landfills, don't
5 forget the landfills.

6 MR. CAMERON: Okay. So we're identifying
7 potential resource impacts here from this type of
8 option.

9 Does anybody have anything more to add in
10 terms of resource options? We've been focusing on the
11 states and NRC licensees. You know, what's the impact
12 on you guys?

13 MR. DORUFF: There would be a significant
14 negative impact on the resources required for
15 licensees.

16 MR. CAMERON: So it would increase your
17 fees, compliance costs, both?

18 MR. DORUFF: Staff, and -- well, let me
19 think about that.

20 MR. LEOPOLD: Why would this be better
21 than Felix's proposal? You would only have one agency
22 to deal with. This is your ultimate, one license
23 anywhere in the country.

24 MR. CAMERON: Yes. Let's explore this
25 issue.

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1 MR. DORUFF: Well, wait a minute. I'm
2 considering this. Maybe I'm missing the boat here.
3 Are we talking about NARM being under the purview of
4 NRC in this option?

5 MR. CAMERON: We assumed that it was not
6 going to be.

7 MR. KILLAR: The issue is that it would be
8 an improvement for the licensees if NRC took the ball.
9 But it would be limited only to the AEA material.

10 The issue is that most of our licensees
11 have AEA as well as NORM. And so just taking one away
12 doesn't solve the problem.

13 MR. GODWIN: So it would be better for
14 them to have both of it, discreet sources?

15 MR. KILLAR: That's right.

16 MR. CAMERON: Let's --

17 MR. MYERS: If I could just jump in a
18 second. If I could put that a different way. So
19 then, what I'm hearing is that the only way Number 1
20 only becomes viable is if it includes the NORM
21 materials. Is that correct?

22 MS. ALLEN: Yes.

23 MR. SHOWALTER: In the change of
24 authority, you get NORM under. And realistically,

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1 because of Congress, you would probably have to do
2 that.

3 MR. GODWIN: Make sure you're talking
4 about discreet NORM, because you get this other, and
5 it gets a little more complex.

6 MR. KILLAR: It does go back to our
7 recommendation to an extent, but our recommendation
8 goes beyond the AEA material. We feel the NRC needs
9 to regulate the NARM material as well in order to be
10 truly effective.

11 MR. CAMERON: Let's move this -- let's get
12 all these comprehensive factors out here that we were
13 talking about before. And going to Jim's comment,
14 one, it increases -- if NARM isn't included here,
15 licensee costs --

16 MR. KILLAR: Then you're back to two
17 different licenses at least for the material. From a
18 licensee perspective, it doesn't help the problem.

19 VOICE: It makes it worse.

20 MR. KILLAR: We're basically doing the
21 same thing we're doing today.

22 MR. CAMERON: Okay. Terry, what was --
23 your point would be -- I mean, what were some of the
24 other points we had on this issue about what are the
25 implications if NORM isn't included here? Is one the

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1 practical one that if they're going to go in and do
2 something this radical that it would be unlikely that
3 they wouldn't throw NORM in or --

4 MR. FRAZEE: Right. I mean, the business
5 about eliminating the agreement states, I mean, that's
6 got to be -- that sounds like a really dumb idea.

7 (General laughter.)

8 MR. FRAZEE: Well, I mean, in the context,
9 the industry would prefer to have one agency deal with
10 the whole thing, so NARM under AEA makes a lot of
11 sense to the industry, it makes a lot of sense to the
12 states.

13 To then eliminate the agreement state
14 Program is not practical. It doesn't make a whole lot
15 of sense. I can't understand that one.

16 MR. CAMERON: Okay. Let's get --

17 MR. FRAZEE: The other issue that I think
18 you were trying to drive at and get me back to was the
19 cost factor.

20 That if NRC takes over the licensing from
21 our state, takes away the Atomic Energy Act stuff from
22 the state of Washington, for instance, then we're only
23 left with the potential for licensing NORM, which I
24 hope to think that we would choose to do that.

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1 Some states maybe don't have the authority
2 or wouldn't choose to do so, and so there wouldn't be
3 a cost to the licensees in those states.

4 But in our state and others, there would
5 still be a cost, reduced, but there would still be a
6 cost left to be doing business in our state, and on
7 top of that, whatever the NRC is going to charge,
8 which the current rate is going to be more than what
9 we charge now. So the cost to the licensee is going
10 to go up.

11 MR. CAMERON: Okay. Tony.

12 MR. THOMPSON: I think including the NARM
13 in the concept here gets you closer -- if you have one
14 agency doing it, like say NRC, it gets you closer to
15 the position where you can regulate like hazards in a
16 like fashion, because it would all be under the same
17 jurisdiction.

18 So that's getting you closer to this
19 theoretical regulating like risks in a like fashion,
20 because the one agency would have authority over the
21 whole schmuck.

22 MS. ALLEN: That would streamline
23 discussions on this stuff, too, I think.

24 MR. CAMERON: Should we go back to Jim's
25 question, which is, does this option make any sense at

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1 all if NARM isn't included in it? I mean, a lot of
2 you feel that it doesn't make any sense anyway.
3 Right?

4 MR. GODWIN: But I think we're talking
5 more than just this option. I think we're talking
6 about all the options. See, we're trying to talk
7 about all the options. You keep coming back to this
8 one, but we're trying to talk about all of them, you
9 need to have this on.

10 MS. ALLEN: Just for the purposes of
11 discussion, I think.

12 MR. GODWIN: Just for this discussion, you
13 know, here.

14 MS. ALLEN: I think it would streamline
15 it.

16 MR. HOUSE: Implementation may be a step
17 in this process to get us there, but let's get on the
18 yellow bus and go out there eight or ten years and
19 say, you know, what do we want? All the sources of
20 rad materials ought to be under the same set of regs.

21 MR. CAMERON: Okay. Now, to make sure
22 that I understand where you all are is, we're talking
23 about adding NORM or not adding it across all options.
24 Is that correct?

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1 MR. GODWIN: We're talking about adding it
2 to all the options, discreet NORM on all options.

3 MR. CAMERON: Okay.

4 VOICE: Or NARM?

5 MR. FRAZEE: Well, there should be a
6 status quo which doesn't.

7 MR. MINNAAR: Not only discreet. All NORM
8 and NARM.

9 MR. FRAZEE: If it's radioactive.

10 MR. MINNAAR: Right. Radioactive.

11 MR. FRAZEE: And Number 2 could be an
12 improvement in the way we're doing business now that
13 would not include NARM or any other legislative change
14 being required.

15 So there are some options where -- no --
16 you don't need to or wouldn't consider that NARM is
17 now universal. But clearly this one --

18 MR. CAMERON: Okay.

19 MR. FRAZEE: Wrong one to start with.
20 This one, then, doesn't make any sense to eliminate
21 the agreement states if you don't do something with
22 NARM.

23 MR. CAMERON: Okay. So we're back to
24 discussing -- we're going to discuss NARM in each

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1 option. Because as Terry said, sometimes it may make
2 more sense for some rather than others.

3 But at least humor me. For Number 1, we
4 think that it doesn't make any sense unless you
5 include NARM?

6 VOICES: Right.

7 MR. CAMERON: Does everybody -- do we --
8 does anybody have any serious objections to that?

9 (No response.)

10 MR. CAMERON: Okay. All right. Good.

11 Legal authority for Number 1.

12 MS. McBURNEY: You would have to have
13 legislation.

14 MR. GODWIN: You've got to change the law.

15 VOICE: Not necessarily. There are ways
16 to get around it, but to change the law would be the
17 best way.

18 One way to get around it is that --

19 MR. GODWIN: There's no way --

20 VOICE: Are there practical way to get
21 around it without changing the AEA?

22 MR. GODWIN: I don't think there's any
23 practical way to --

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1 MS. McBURNEY: Unless you got consensus
2 from all the agreement states that we'll just
3 voluntarily give it back.

4 MR. CAMERON: Okay. Let's go to Bob.
5 Bob, what were you going to say?

6 MR. LEOPOLD: You would have to change the
7 statute in order to deal with the NARM issue, anyway.

8 MR. CAMERON: Okay. It seems to me that
9 people are pretty much in agreement that you need to
10 change the statute.

11 MR. KILLAR: There is another option. EPA
12 could cede the authority for NARM to the NRC.

13 MR. THOMPSON: What authority do they have
14 over it?

15 MR. KILLAR: They have the authority for
16 anything that's not under AEA. So even though they
17 don't say it, they do feel they have authority.

18 MR. THOMPSON: Well, I know. But they've
19 talked about it and they've talked about it. And like
20 TOSCA [phonetic] may be the only thing they've got.
21 And so, you know, I think you've got to change the
22 AEA. It's very unclear what authority they have.

23 MR. CAMERON: Well, I think it should be
24 phrased as, you may be able to figure out some radical
25 schemes where you wouldn't need to do it. But in all

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1 likelihood, it would be a major legislative
2 initiative. Okay?

3 MR. GODWIN: There is one way that some of
4 the NORM can be taken up, and that's if somebody
5 declared it source material.

6 MS. ALLEN: Is that before or after 1978?
7 (General laughter.)

8 MR. CAMERON: Okay. Thanks, Kathy.
9 Thanks for putting that on the table.

10 MS. ALLEN: Anytime.

11 MR. CAMERON: So I think we can move on
12 now. How about the efficiency, the types of concepts
13 Mark was talking about, synergy, eliminate
14 duplication, identify best practices? Is NRC being in
15 charge of the whole ball game a way to achieve this?

16 Felix, you're shaking your head yes, you
17 think so.

18 MR. KILLAR: You need to have a central
19 organization. NRC makes sense.

20 Does it have to be the NRC? No. But from
21 a practicality standpoint, the NRC makes sense.

22 MR. CAMERON: Okay. Anybody else on the
23 efficiency angle? Ruth.

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1 MS. McBURNEY: There wouldn't be a need
2 for synergy if they were doing it all. Who would they
3 synergize with, themselves?

4 MR. CAMERON: Kate.

5 MS. ROUGHAN: Well, Chip, the efficiency
6 would only be obtained if they actually got all their
7 input up-front in the process, if they don't come out
8 with a proposed rule where they haven't gotten any
9 input from the states or from any other stakeholders,
10 because you're just going to waste time going back and
11 forth on comments.

12 MR. CAMERON: So that's tied into this
13 early access. Okay. Good point.

14 And all of this is going on the transcript
15 as grist for the working group mill. John.

16 MR. HICKEY: I think the efficiency is a
17 mixed picture. There is some efficiency with a
18 central organization and there's some lack of
19 efficiency with a central organization.

20 If people raise issues that don't have a
21 high priority, they're not going to be dealt with,
22 whereas at the state level they might be dealt with.

23 So I think it's a mixed picture whether it
24 would be more efficient or not.

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1 MR. CAMERON: Okay. Donny, is that what
2 you wanted to say?

3 MR. DICHARRY: Yes.

4 MR. CAMERON: All right. Aubrey.

5 MR. GODWIN: I think, relative to
6 efficiency, the states generally give a much quicker
7 turnaround time on licensing actions than the NRC can
8 in their jurisdiction, and that's probably due to the
9 fact that we have a little bit better staffing ratio
10 to a licensee.

11 MR. CAMERON: So it's this again mixed bag
12 on efficiency. Tony.

13 MR. THOMPSON: I agree with that, because
14 you have right now, to the extent that states retain
15 the authority over hazardous components and things
16 other than radiological, you have duplication and
17 overlapping regulation even if NRC has the authority
18 over the substance right now.

19 So you do away with some duplication, but
20 there's some of the duplication in the system that
21 that's not going to help or affect.

22 MR. CAMERON: Okay. Yes. Dwight.

23 MR. CHAMBERLAIN: To remind folks, now
24 they've locked the doors, so if you go outside you're

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1 locked out now, so somebody will have to let back in
2 if you go out to the restroom now.

3 MR. CAMERON: So in other words, you have
4 an excuse to leave.

5 (General laughter.)

6 MR. CAMERON: All right. Now, is this
7 fairly straightforward, the flexibility, uniformity,
8 consistency attribute? No?

9 MR. SCHMIDT: I think from the
10 standpoint -- I'll speak for myself now.

11 (General laughter.)

12 MR. CAMERON: Did she give you permission?
13 We didn't see that.

14 MR. SCHMIDT: May I? Just kidding.

15 I think from the standpoint -- you know,
16 if you're looking at the first option there, that from
17 the standpoint of uniformity and consistency, sure.
18 You're going see an improvement there if you've got
19 one organization that's doing it all on a nationwide
20 level.

21 I think from the standpoint of
22 flexibility, though, it gets a lot muddier. You've
23 got now supposedly a one-size-fits-all regulation that
24 doesn't give individual state differences the chance
25 to happen.

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1 You know, this is not a homogeneous
2 country, a homogeneous state. So I think that the
3 flexibility aspect would suffer under that particular
4 arrangement.

5 MR. CAMERON: Okay. Jim.

6 MR. MARBACH: Can I ask a question? Maybe
7 it applies as a comprehensive aspect. And forgive my
8 ignorance here.

9 Would this option mean that for a medical
10 facility, say, in the state of Texas we'd just be
11 adding another bunch of book work, because now instead
12 of just dealing with Ruth in Austin we're going to be
13 dealing with the NRC?

14 MR. CAMERON: It sounds so much nicer to
15 deal with Ruth in Austin than the NRC.

16 MS. MCBURNEY: That's right.

17 MR. MARBACH: No. But I'm trying to
18 understand. Is that what that means?

19 MS. MCBURNEY: That means that you would
20 do us for X-rays and accelerators and them for
21 materials.

22 MR. MARBACH: Instead of doing it all with
23 you, we'd have another agency to deal with.

24 MS. MCBURNEY: That's right.

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1 MR. MARBACH: I guess I don't have to tell
2 you that I would call that a negative.

3 (General laughter.)

4 VOICE: There may be some slight
5 differences in the interpretation of Part 20.

6 MR. CAMERON: And that goes back to --
7 you're right. That does go back to that comprehensive
8 issue.

9 How about stability? And I framed in
10 terms of, I was thinking about Tony's comment about
11 the EPA. You still have the EPA trump card. Right?

12 MR. THOMPSON: Yes. You do, unless when
13 you're changing the statute to include NORM and get
14 rid of agreement states, you take EPA out.

15 MR. CAMERON: All right.

16 MR. GODWIN: But that may slow up the
17 legislation.

18 MR. CAMERON: Okay. So there may be --
19 and this is just being perfectly neutral here -- if
20 you're going in to do this major a change, that it may
21 make it easier to take care of other jurisdictional
22 problems. Okay. You could say that may be looked at
23 as a plus of this.

24 NRC role -- go ahead, Ruth. Speak up.

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1 MS. McBURNEY: Well, I think under this
2 scheme the NRC role would increase. I mean, it would
3 be all powerful.

4 MR. CAMERON: And I guess that some of the
5 NRC role that they do now would decrease, obviously.
6 There wouldn't be state programs -- well, I guess you
7 would review the regions, though, wouldn't you? Would
8 there be a --

9 MS. McBURNEY: Not under the state and
10 tribes program.

11 VOICE: There would be no state program.

12 MR. CAMERON: All right.

13 MS. ALLEN: What about tribes?

14 MR. CAMERON: Pardon me?

15 MS. ALLEN: What about Indian tribes?

16 MS. McBURNEY: They would still do tribes.

17 MS. ALLEN: Right. So state and tribal
18 programs would still sort of exist just for tribal
19 programs, then.

20 MS. McBURNEY: Or they would reorganize.

21 MR. CAMERON: There may be a liaison
22 function. Right. Fred, do you want to talk a little
23 bit about that?

24 MR. COMBS: Yes. There would be
25 essentially no agreement state Program. There would

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1 be a liaison program which involves coordinating with
2 states on matters that the NRC is dealing with, which
3 in this case would be reactors and all materials
4 issues.

5 MR. CAMERON: Just as Bill's people might
6 go to keep track of the reactor happenings that are
7 going on in Florida, they now would be looking at
8 maybe major materials and so forth?

9 MR. COMBS: Yes. We'd tell them, for
10 example, that a gauge has been stolen from Pompano
11 Beach and that the local authorities should be looking
12 out for it and describe it, that type of coordination.

13 MR. CAMERON: Okay. Anybody else on NRC
14 role, or can we move -- this is role of other
15 organizations. Other Feds, we've talked about EPA.
16 Doe it have any impact on ISCORS, CRCPD? Obviously
17 there's no organization of agreement states. Right?

18 MS. ALLEN: No.

19 MR. SCHMIDT: Could it be Organization of
20 Former agreement states?

21 (General laughter.)

22 MR. CAMERON: How about CRCPD? What would
23 be the relationship to the NRC of the CRCPD?

24 MR. SCHMIDT: I would still see a
25 relationship, because now you would have -- basically

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1 every state would be on the same playing field when it
2 came to radioactive materials.

3 And so there would still be that need to
4 interact with the NRC. So I think there would still
5 be a relationship. It just wouldn't be the same
6 relationship that it is now.

7 MS. ALLEN: Plus CRCPD does X-ray stuff.

8 MR. CAMERON: Okay. Ruth.

9 MS. MCBURNEY: Yes. That was the point I
10 was going to make. On basic radiation protection
11 standards, you would still have to have a coordinating
12 role on how to fit those regulations into the X-ray
13 scheme and so forth.

14 MR. CAMERON: Aubrey.

15 MR. GODWIN: I would suspect that the NRC
16 agency priorities would still be heavily weighted
17 towards reactors.

18 And as a result I think the relationship
19 with CRCPD would be very heavily along the lines of
20 emergency reactor response and the latest developments
21 in reactor technology and probably tie in a little bit
22 with DOE relative to shipments of spent fuel.

23 That would probably be the way that route
24 would go with occasional mentions of strange events

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1 that occurred where somebody got burned or something
2 like that.

3 But for the most part you would duck the
4 accountability by declaring most things classified,
5 and nobody would hear about them, like it used to be
6 way back when.

7 MR. CAMERON: In the Dark Ages. Mark.

8 MR. DORUFF: I think one other thing that
9 has to be very carefully considered is where you draw
10 the line regarding jurisdiction over materials and
11 radiation-producing machines.

12 An example I can think of is the cyclotron
13 where you -- the machine itself becomes material
14 through activation.

15 So, you know, are you going to regulate
16 the activated target when it rolls out of the
17 cyclotron bunker from that point forward, or do you
18 then open regulation of the machine itself to the new
19 regulatory agency?

20 VOICE: And that's not only cyclotrons.
21 That's on all the nuclear accelerators, as well.

22 MS. McBURNEY: Yes. Anything above a
23 certain energy level is going to be producing
24 material, activation products.

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1 MR. CAMERON: So this is still sort of a
2 dysfunctionality or fragmentation?

3 MR. DORUFF: I don't suggest that we
4 answer the question here. It's just something that
5 needs to be considered.

6 MR. CAMERON: Okay. All right. Yes.
7 Dwight.

8 MR. CHAMBERLAIN: Yes. I just wanted to
9 reinforce the point that Aubrey made earlier. It
10 might fall under efficiency instead of budget.

11 But in responding to events the states are
12 a lot more efficient because they're there at the
13 local level, they're used to working with the local
14 police and everything.

15 So from an efficiency standpoint the NRC
16 can't function the way the states do in responding to
17 events and being right on the spot when things happen.
18 So that's a big negative in my view.

19 MR. CAMERON: That goes to Aubrey's point
20 about, I guess they're just going to have to do it all
21 from Dallas.

22 MR. CHAMBERLAIN: Yes.

23 MR. CAMERON: All right. How about
24 accountability?

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1 MR. HOUSE: Could I follow up on that
2 comment?

3 MR. CAMERON: Yes. Sure. Go ahead.

4 MR. HOUSE: As part of the implementation
5 of this program through the NRC, there's nothing to
6 say that there couldn't be 40 or even 50 regional
7 locations. That would still get you down to a local
8 level to do the things you're doing that you spoke
9 about.

10 MR. CAMERON: Okay. So Bill -- for a lot
11 of these things there may be down sides that could be
12 mitigated in some way. And what you're saying is
13 there could be a larger regional structure, more
14 regions for the NRC?

15 MR. HOUSE: Right.

16 MR. CAMERON: All right. Cindy, I'm going
17 to ask you, could you, in terms of this option, give
18 us a sample of what you mean by accountability?

19 MS. PEDERSON: I think in this option
20 accountability would be very clearly with the NRC.
21 We're going to be the ones -- if under this model the
22 NRC had the responsibility, it would be clear that NRC
23 would be accountable to the public or to Congress or
24 to whomever.

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1 So I think this one is an easy answer. I
2 think with some of the other options it would be a lot
3 more difficult to answer the accountability question.

4 MR. CAMERON: Okay. And I think that
5 gives us an idea of what you mean by accountability.

6 I'm going to go back to something that
7 Dave was trying to tell us early on, is that maybe
8 what we need to do is that maybe what we need to do is
9 ask for all of these -- and I may be wrong in how I'm
10 characterizing what you were thinking of, Dave.

11 But do we need to get a feeling about,
12 what is the practicality of implementing a particular
13 option, just sort of, where does this go on your
14 practicality meter, like the needle disappears to the
15 left somewhere or --

16 Everybody is shaking their heads yes.

17 MS. ALLEN: Like on a scale of 1 to 10,
18 this is a negative 2 kind of thing?

19 MR. CAMERON: Okay. We've got Tony, and
20 we've got John. John.

21 MR. HICKEY: I don't agree with that. I
22 think if everybody agreed to do it it would be
23 relatively practical. But you would need legislation,
24 and you would need to shift some resources.

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1 But if all the agreement states decided
2 they don't want to be agreement states anymore, that
3 would be fairly practical to implement.

4 MR. CAMERON: And I guess that we still
5 need to include the threshold question, though, about
6 practicality from a political perspective about
7 whether this would be such a -- would it be a real
8 non-starter? Tony.

9 MR. THOMPSON: Well, I think that again
10 the problem is that every time we look at this we wind
11 up splitting certain things out.

12 I mean, I think that bringing NARM under
13 the Atomic Energy Act is quite practical and quite
14 reasonably possible within the existing structure or
15 one of these others. So that part of it I think is
16 very practical.

17 MR. CAMERON: Okay.

18 MR. MINNAAR: But to take that a step
19 further to the option laid out in Number 1, I think
20 we're crossing reasonability when it comes to being
21 practical.

22 MR. CAMERON: Okay.

23 MR. MINNAAR: I don't think we can
24 reasonably expect that to occur.

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1 MR. CAMERON: Any further comments on
2 Option 1 before we go -- if we could, we could try to
3 see if we could do a streamlined run-through of these
4 attributes for this streamlined option and see if we
5 could get out of here by 5:30.

6 But I also want to give Mark and others,
7 anybody who might not be here tomorrow, a chance to
8 tell us anything they think about the other options.
9 So I want to leave time for that, also.

10 MR. DORUFF: I just want to make one brief
11 last comment about Option 1.

12 Going back to what we said about
13 synergy -- and I think the way we left it was that
14 there was not too much opportunity for synergy here
15 because you're doing away with the duplicative
16 regulation.

17 However, you would have the opportunity,
18 it appears, on this option to redeploy some of the
19 agreement state or other state staff, and you would be
20 able to retain some of their expertise by perhaps
21 rolling them into the expanded role that NRC would be
22 taking on.

23 MR. CAMERON: And you know, I think we're
24 all using synergy in a different way. Synergy to me
25 is more than just eliminating duplication. That's why

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1 I threw in that duplication -- Kate used it in the
2 sense of, you've got to get early information out on
3 it.

4 But I'm still not sure any of us are using
5 it exactly the way it is defined, which is to take
6 advantage of an opportunity when two things come
7 together.

8 But at any rate, how about Option 2? Can
9 we do that? Can you do one more option today before
10 we leave?

11 VOICE: Sure.

12 MR. CAMERON: Okay. Streamline NRC-
13 agreement state Program. Jim mentioned giving sealed
14 sources back to the state.

15 I mean, do we have an understanding of
16 what streamlined NRC program means?

17 MR. MYERS: Let me clarify that, because
18 the way it's written it implies that the agreement
19 state Program would be streamlined.

20 And I think what we meant was that you
21 would retain the agreement state Program, maybe
22 enhance it slightly or something. But you would
23 streamline the NRC's process and the things that it
24 does.

25 MR. CAMERON: So streamline --

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1 VOICE: How?

2 MR. MYERS: Well, let's say that --

3 MR. CAMERON: Oh. NRC role in the
4 agreement state Program?

5 MR. THOMPSON: Let's take something like
6 performance-based licensing, which is a concept that
7 theoretically streamlines NRC's regulatory oversight.

8 And the question is, there are going to be
9 a number of states who are going to object to that for
10 whatever reason, because they don't think maybe it
11 gives enough public participation. Maybe some states
12 will think it's okay.

13 So I'm not sure, you know -- that's a good
14 example of streamlining NRC, but it may be something
15 that's not acceptable to all the states.

16 MR. MYERS: And I would think, too, that
17 part of the streamlining process is to look at what we
18 do, not so much in the range of Number 3 where you
19 really get it down to the absolute minimum.

20 But some middle ground, maybe not as much
21 as we would do today, let's say, in terms of analysis
22 or tracking in-meds reports, but we would continue to
23 do it, but to a lesser level. You know, is there
24 anything that can be done?

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1 And the specifics, I mean, probably don't
2 really -- maybe they do matter. But it just seems
3 like in some cases, is there a better way that NRC
4 could do business still retaining the agreement state
5 Program that would provide everything we need in terms
6 of a future program?

7 MR. CAMERON: This is like, do it better,
8 smarter?

9 MR. MYERS: Yes. Kind of, I guess,
10 something along that line. You know, is there better
11 working relationships that you can develop?

12 MS. ALLEN: This may go back to some of
13 the other comments we've heard today where you take a
14 look at things that maybe states have shown that they
15 can do, like allowing distribution of exempt
16 quantities to be authorized by states, not necessarily
17 NRC, with a dual licensing type situations in states.

18 Looking at what kinds of things that NRC
19 can maybe give to the states or allow the states to do
20 for them either in an exchange type program or some
21 sort of MOU or some other kinds of agreements.

22 MR. CAMERON: Well, it would take -- Terry
23 mentioned, Let's not forget about the no-action
24 alternative.

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1 But you would take the status quo, and you
2 would say, how can we improve it without making any
3 major changes? Okay?

4 MS. ALLEN: Right. Right.

5 MR. CAMERON: And we don't know what those
6 specific improvements might be. But if you look at it
7 from a process angle, it's, let's see how we can
8 improve the NRC program, eliminate some of these
9 dysfunctionalities, whatever. Right?

10 MS. ALLEN: But this would only be looking
11 at streamlining NRC type things. And some of those
12 responsibilities then get shifted to states.

13 MR. ENTWISTLE: Yes.

14 MR. CAMERON: Okay. Fred.

15 MR. ENTWISTLE: I just wonder if we want
16 to make it more general and say, to try and
17 rationalize both NRC and agreement states. I would
18 see this as a place where the master material license,
19 that would actually be something coming from the
20 agreement state side going back to the NRC.

21 So I would see -- could we call this a way
22 of looking at shifting those responsibilities where
23 right now we have things that overlap or that cause
24 these dysfunctionalities?

25 VOICE: Going both ways.

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1 MR. ENTWISTLE: Trade things both ways,
2 whatever, so you have a more rational system than what
3 we have now.

4 MR. CAMERON: Okay. Jim and Kathy,
5 there's a proposal from Fred. And I don't know
6 whether --

7 MR. MYERS: Our working group advisor just
8 pointed out something. I guess in the lateness of the
9 day what we want to talk about on this streamlining
10 option is that NRC streamlines to do the minimum
11 required by the statute.

12 MR. CAMERON: Okay.

13 MS. ALLEN: So if the statute says, You
14 have to report to Congress all doses in excess of blah
15 or all deaths, that that's all you look for. And you
16 come to the states once a year and say, Tell me how
17 many deaths, how many exposures greater than blah, and
18 that's it.

19 The other incidents, the other, you know,
20 how many gauges did you lose, you don't even look at
21 that stuff because it's not mandated.

22 MR. CAMERON: So it isn't, do it smarter,
23 better. And Fred's statement is really another
24 option, which is --

25 MS. ALLEN: Yes.

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1 MR. CAMERON: Okay. So that's like a --
2 we'll put -- you want me to put that over here as --

3 MR. ENTWISTLE: Optimize the present
4 system.

5 MR. CAMERON: Optimize the present
6 framework -- program. Okay. Optimize the present
7 program.

8 MR. KILLAR: To an extent that's part of
9 what we're trying to do with our option.

10 MR. CAMERON: And that could include -- 6
11 could be folded in there, couldn't it?

12 MR. MYERS: Yes.

13 MS. ALLEN: Yes.

14 MR. CAMERON: All right. Okay. So now
15 let's go to what we understand, which is the
16 minimalist option. Okay? Access to decision making
17 stakeholders. Does it --

18 MR. CHAMBERLAIN: It would be no change.

19 MR. CAMERON: No change, as Dwight is
20 saying? Do the rest of you agree with that?

21 MS. McBURNEY: I think it might go down.
22 If they're only going to do the minimum of what
23 they're required to do, that might be not -- I don't
24 know if they're required to send out drafts and get

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1 stakeholder involvement early. It might cut down on --

2 MR. CAMERON: With the minimum under the
3 statute, if you took that literally, it would be
4 anything that we do from a policy standpoint to
5 involve the public and stakeholders.

6 NRC-agreement state working groups down
7 the tubes, that whole business.

8 So from that standpoint, Dwight, it would
9 be a negative. Right?

10 MR. CHAMBERLAIN: Right.

11 MR. CAMERON: Okay. Jim Lieberman from
12 NRC's Office of General Counsel, since we don't have
13 a mic for you.

14 MR. LIEBERMAN: Doesn't 274(g) require
15 NRC -- they're directed to cooperate with the states
16 in setting standards. So we would still have to --

17 MS. MCBURNEY: Cooperate with the state.

18 MR. LIEBERMAN: -- discuss things with
19 the states.

20 MR. CAMERON: You do. And going to just
21 legal authority, I think Jim is bringing up something
22 that we at the NRC -- and I don't think the working
23 group has really closed on -- is what is actually --
24 what does that mean, do the minimum? I don't think we

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1 have a description of what that means. We haven't
2 done that yet.

3 And I guess that the working group will
4 have to figure out how to flesh that out. Is that
5 correct, Kathy and Jim?

6 MS. ALLEN: Yes.

7 MR. CAMERON: All right.
8 Budgetary/resource implications, the types of things
9 we've talking there, from NRC/agreement state/licensee
10 standpoints.

11 MS. ALLEN: Maybe your costs go down
12 because, instead of doing research on things, if you
13 decide you're doing the new ICRP, you just take it.
14 You don't reevaluate it, you just say, We're matching
15 International, and, boom, that's it. No argument, no
16 discussion, no research, no nothing.

17 MR. CAMERON: You know, when you trace
18 that, isn't there an issue here about, maintain or
19 ensure protection of public health and safety is a
20 certain level, which this option might -- I don't
21 know.

22 Where are the criteria where effect on
23 public health and safety come in? Do we need that?
24 I mean, do you want to say anything about that? Would

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1 this option denigrate protection of public health and
2 safety or decrease it?

3 MR. MYERS: You would have to assume that,
4 to whatever lowest level you go, that you were not in
5 violation of the strategic plan and goals that the NRC
6 has established, like zero fatalities. So you would
7 have to weave the program to fit that strategic goal.

8 And you know, that's the dilemma. The
9 "How do you do it" probably isn't so important in this
10 discussion.

11 But I think if you just kind of visualize
12 that, you would minimize everything that you're doing
13 in an effort to reduce the costs and burden and get it
14 down to the, as I said, the lowest air speed you can
15 and still maintain control, and just fly at that
16 speed.

17 Because obviously there's things that we
18 do that are done because of a requirement, but they're
19 done over and above an effort level necessary just to
20 meet the requirement.

21 MR. CAMERON: When you get to legal
22 authority I think you need to ask yourself, if the NRC
23 were to adopt this minimalist approach, it wouldn't be
24 a minimalist approach as dictated by a floor set by

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1 the strategic plan necessarily. Do you think that the
2 strategic plan might be revised?

3 MR. MYERS: Well, the strategic plan could
4 change, too. I mean, that's not inviolate. I mean,
5 you could --

6 MR. CAMERON: So I guess you need to say,
7 what do you mean minimum, as required by what?

8 MS. ALLEN: Statutory requirements, AEA.
9 Yes.

10 MR. CAMERON: Okay. Ruth, did you have
11 something on budgetary?

12 MS. McBURNEY: Yes. If some of these
13 items like sealed source and device reviews were given
14 back to the states, in some of the agreement states
15 that are not doing that currently, there would be
16 budgetary implications for those states in training
17 costs and resources.

18 MR. CAMERON: So if the NRC is saying,
19 We're getting rid of this, you have to do it, then,
20 obviously for those states that aren't doing it there
21 would be budgetary implications.

22 MS. McBURNEY: Right.

23 MR. CAMERON: Any other budgetary
24 implications? Kathy.

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1 MS. ALLEN: Well, if let's say a few more
2 states go agreement state, and NRC has no more well
3 loggers in their jurisdiction, they would have no more
4 reason to create well logging rules. Correct?

5 MR. KILLAR: Who is going to create them
6 if the NRC doesn't?

7 MS. ALLEN: That would be up to the
8 states, then, to do.

9 MR. KILLAR: How are you going to have a
10 national standard if you have 50 states establishing
11 regulations?

12 MS. ALLEN: Through CRCPD at this point.

13 MR. GODWIN: CRCPD circulates a
14 suggested --

15 MR. KILLAR: CRCPD has no national mandate
16 to establish regulations. They are strictly voluntary
17 regulations. And so Texas may agree to it, but
18 Illinois doesn't.

19 MR. CAMERON: Let's go to Fred on this
20 one.

21 MR. COMBS: Yes. If we had no more well
22 loggers, NRC would still have the responsibility to
23 ensure that well logging is done in a manner that
24 protects public health and safety. And the easiest

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1 way to do that without licensing is to promulgate
2 regulations to ensure it.

3 MR. CAMERON: So that is part of our
4 minimum responsibilities. Our counsel was shaking his
5 head yes back there.

6 MS. ALLEN: But would you still need to
7 write rules, or would you just have to evaluate
8 whether or not the states are still adequately
9 protecting public health and safety?

10 MR. COMBS: Well, we'd have to do it based
11 on a benchmark, and the benchmark would probably be
12 the rules. Otherwise you've got no basis for an
13 adequate --

14 MR. KILLAR: You have to have some
15 criteria to subject to.

16 MR. CAMERON: Jim, do you have anything to
17 offer to us on this?

18 MR. LIEBERMAN: Well, the statute
19 discusses establishing standards, which is what Fred
20 is talking about. And we normally establish standards
21 through rule-making. There may be some other ways to
22 establish standards. I'm not exactly sure how we
23 would do that. But the norm is through rules.

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1 MR. CAMERON: Yes. We've been through
2 that route where we specifically said that -- well,
3 I'll leave that one alone.

4 VOICE: And we could ask Ruth for help.

5 MR. CAMERON: Ruth.

6 VOICE: We could adopt Ruth's regs.

7 MS. MCBURNEY: That's right. And in fact,
8 the point I was going to make is that the CRCPD and I
9 guess Texas or Louisiana or somebody created the first
10 well logging rules; it was not NRC. And before there
11 were well logging rules it was done by license
12 condition.

13 I mean, there are no specific rules for,
14 for example, portable gauges. But it's done under the
15 general provisions of Part 30 or whatever.

16 So I mean, there wouldn't necessarily have
17 to be a set of specific rules for a particular
18 industry if there were no licensees in that industry.

19 MR. MYERS: Well, and in fact we have a
20 policy with that now, if you don't have a need for it
21 and a need occurs, you can have legally binding
22 requirements, whether that means license conditions or
23 something else that you could use in lieu of
24 regulations for a period of time.

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1 MS. McBURNEY: The NRC does not have
2 specific rules for waste processors, some states do.

3 MR. MYERS: Well, and I'd also point out
4 that, if the issue is well logging, and we don't have
5 any well loggers, but we would probably see well
6 loggers under reciprocity, we are granting them a
7 general license to use their state-specific license to
8 perform an activity within our jurisdiction.

9 We still don't need a license -- or, I
10 mean -- I'm sorry -- we don't need a regulation for it
11 to allow them to do it.

12 MR. CAMERON: Okay. Let's hear from Bob
13 on this.

14 MR. LEOPOLD: If I recall correctly, we're
15 discussing the attribute, financial.

16 MR. CAMERON: Yes. That's where we are.

17 MR. LEOPOLD: Yes. And I hear the NRC
18 people saying that they're going to keep writing regs
19 whether or not they have anybody in that category. So
20 your financial impact is you have no way to pay for
21 this. That's what I understand, the attribute we're
22 really discussing.

23 MR. CAMERON: Now, is that the way it
24 would play out?

25 MR. COMBS: Yes.

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1 MR. CAMERON: In other words --

2 (General laughter.)

3 MS. ALLEN: You have to think differently.

4 MR. CAMERON: Okay. John, did you want to
5 say something on budgetary?

6 MR. HICKEY: Well, I was just going to say
7 this gets back to Cindy Pederson's point about
8 accountability. You have to decide what you mean by
9 accountability.

10 If accountability means NRC puts a
11 regulation out, that's one concept; or it may be NRC
12 doesn't have accountability anymore, the states are
13 accountable, just like they are for X-ray machines.

14 So that was a very important point that
15 Cindy raised about bringing the concept of who is
16 accountable and what does that mean for each of these
17 options.

18 MR. CAMERON: Okay. How about legal
19 authority? I mean, is the assumption here that we do
20 the bare minimum that is legally required?

21 MR. THOMPSON: And the Commission, as the
22 prime agency with authority over the Atomic Energy
23 Act, is the prime interpreter of what satisfies the
24 requirements.

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1 MR. CAMERON: Okay. Definitely. How
2 about efficiency angles? Do we know enough about this
3 particular option to be able to say how it might
4 affect the type of efficiency considerations that
5 we've been talking about? Does it make them worse?

6 MR. MYERS: Presumably streamlining means
7 more efficient, but that can't be assumed.

8 MR. CAMERON: Well, I think that
9 streamlining -- I'm not sure that this is described
10 as, We're going to do the bare minimum. I mean,
11 streamlining always carries some -- is that synonymous
12 with doing the bare minimum? I don't think it's
13 synonymous with streamlining.

14 VOICE: Minimizing might be a better word
15 than streamlining.

16 MR. CAMERON: Yes. I mean, this is
17 minimizing. Is that -- can we change this?

18 MR. MYERS: Sure. That's more
19 descriptive.

20 MS. ALLEN: Go right ahead.

21 MR. CAMERON: Okay. So I guess that
22 answers the streamlining question.

23 MR. GODWIN: But it raises another
24 question. Does that mean minimizing staff to the

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1 point where necessarily they can't respond in a timely
2 manner; they respond, but it's not in a timely manner?

3 MR. CAMERON: I think that one of the
4 goals of minimizing might be to reduce staff. But as
5 was pointed out, the minimization would not go beyond
6 the level that would allow us to have reasonable
7 assurance of protection of public health and safety.

8 MR. GODWIN: Well, you can protect public
9 health and safety, but you may not respond to your
10 letters for 90 days. And by not giving people a
11 license for 90 days, you would protect the public
12 health and safety, because they couldn't get the
13 material.

14 But is that really where -- I mean, in
15 that case efficiency is down the tube.

16 MR. CAMERON: You're raising a good point,
17 though. There may be an efficiency in effect in that
18 NRC doesn't issue license in the same time that they
19 usually do. Right?

20 MR. MARBACH: But for medical applications
21 that could be a detriment.

22 MR. CAMERON: Good point.

23 MS. ALLEN: Oh, yes.

24 MR. GODWIN: Not just medical, a lot of
25 them.

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1 MR. CAMERON: Are we getting all this on
2 the transcript?

3 THE REPORTER: Well, not if you talk over
4 each other.

5 (General laughter.)

6 MR. CAMERON: Yes. If we could try not to
7 do that. George Pangburn.

8 MR. PANGBURN: I just have a question to
9 make sure I understood the scope of this particular
10 option. And the question is, are we assuming the bare
11 minimum for both the NRC licensing and inspection
12 program as its currently run out of the regions as
13 well as the oversight of the agreement state Program?

14 VOICE: Yes.

15 MR. PANGBURN: Okay. So in other words,
16 inspections, which we're not required to do, we
17 wouldn't do?

18 MS. ALLEN: Right.

19 MR. PANGBURN: And licensing, which we are
20 required to do by statute, we would do.

21 But then, things like response to events
22 and allegation and respond, those kinds of things
23 would all be by the boards because they're not called
24 for by statute.

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1 MR. CAMERON: And would this -- and we're
2 going to go to Dwight. But what would this mean in
3 terms of -- would licensee fees -- I mean, it isn't
4 going to change the fact that most of the licensees
5 are in agreement states.

6 So would licensee fees go down? What are
7 we talking about about these indirect costs? What's
8 the implications for that? And I want to ask George
9 and Dwight on that one.

10 MR. PANGBURN: I would expect that you
11 would see a slight decline or a levelling of costs to
12 licensees. But you've got to remember that, you know,
13 you can cut direct NRC direct costs by 10 percent and
14 only cut fees by 2 to 3 percent. It's because the G&A
15 and the indirect are the drivers.

16 MR. CAMERON: So the indirect would not
17 necessarily -- would not change under this approach,
18 or would it?

19 MR. LEOPOLD: What is G&A?

20 MR. PANGBURN: They might change. And
21 remember, the reactor program drives the agency's
22 budget. And a lot of the G&A is headquarters, human
23 resources, admin, contracts, support for the reactor
24 program.

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1 MR. CAMERON: Bob, do you understand what
2 the indirect costs are?

3 MR. LEOPOLD: Yes. G&A was not an acronym
4 I was familiar with, but he spelled it out for me.

5 MR. CAMERON: Okay. Dwight.

6 MR. CHAMBERLAIN: I wanted to react to
7 George's point. I thought our premise was that we
8 were going to do the bare minimum, but we were going
9 to do the minimum and still maintain a level of
10 safety.

11 So you would have to say, do you need to
12 do a level of inspection to maintain safety? And I
13 think the answer is probably yes.

14 MR. MYERS: Yes. And I think that also,
15 George, is that if you're looking like at event
16 response, you know, the question is, do you need to
17 respond, say, to a lost gauge in 24 hours or could you
18 do it in 72 hours? You still have a response.

19 You know, the agency would be imprudent
20 not to respond to certain types of events at a higher
21 level. But right now what we do is we respond to
22 everything more or less.

23 And the question comes about, what's the
24 minimum response rate that you could have and still
25 adequately address health and safety?

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1 MR. CAMERON: Okay. Thank you. We talked
2 about terms of comprehensive regulation. This is
3 done. Cindy.

4 MS. PEDERSON: I'm sorry. I'm confused.
5 What I thought I just heard is two different options
6 being discussed, one being the minimum required by
7 statute. And the other was the protection of public
8 health and safety which included some things beyond
9 what the statute required. So I'm not sure what we're
10 talking about.

11 For example, the example of inspection
12 that was brought up. The statute doesn't require we
13 do inspection. But I've heard other people say, Well,
14 there's an expectation that we do some level. So I'm
15 unclear now how we have defined this item.

16 MR. CAMERON: Well, this gets into a
17 judgmental area of what level of inspection, for
18 example, we need do to maintain protection of public
19 health and safety. Tony, I'll let you go with that.

20 MR. THOMPSON: Yes. Well, my point again
21 is that the NRC, the Commission, has the prime
22 responsibility for interpreting the Atomic Energy Act
23 to determine what is necessary to protect public
24 health and safety.

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1 So when you talk about the statutory
2 requirements, that doesn't mean that the Commission
3 isn't going to say we need to do inspections here. We
4 need to do that in order to assure that we can fulfill
5 that general statutory role.

6 So I think it's a lot more flexible and
7 fluid. It's not so cut and dried as you might think
8 when you first look at it. Minimizing is going to be
9 a relative concept.

10 MR. CAMERON: And it's going to be perhaps
11 difficult.

12 MR. THOMPSON: Very difficult. And it
13 could change with -- you know, the Commission changes
14 and you get different Commissioners on, and the whole
15 thing changes.

16 MR. CAMERON: So I think that, you know,
17 we're hearing some practicality concerns coming up
18 here, some negatives in terms of this one.

19 NORM, Comprehensive, this is what, a wash
20 as far as that's -- well, of course, if we're only
21 doing the minimum, you wouldn't want NORM, would you?

22 VOICE: No.

23 MR. CAMERON: Okay. So under this you
24 don't want it. All right.

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1 How about flexibility, uniformity,
2 consistency, those three? I mean, what does doing the
3 minimum -- does NRC -- how much does the NRC need to
4 be involved in adequacy and compatibility here?

5 I mean, would minimum mean, Fred, for
6 example, that we're really not going to -- I mean,
7 what does that do to our INPEP review, et cetera, et
8 cetera, et cetera? Might there be more flexibility
9 out there --

10 MR. COMBS: We could provide more
11 flexibility. But it gets back to the point that Tony
12 made. It's what the Commission decides is necessary
13 to protect public health and safety.

14 So this option amounts to a shaving of
15 resources more than anything. It's not -- you can do
16 a nip here, a tuck there, but you're not going to get
17 significant modification in the program unless you
18 make a basic decision that what you're doing is not
19 necessary to protect public health and safety.

20 Like the point that George made, we could
21 decide that inspection is not necessary to protect
22 public health and safety, or we could decide that a
23 certain level of licensing is not necessary to protect
24 public health and safety. Maybe we'll only do the
25 Type A broad licensees, radiators and radiographers.

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1 And we then will phone everybody else. Do
2 you still have your sources? Yes. Thank you very
3 much.

4 I mean, you can do it any number of ways.
5 So it's an extremely flexible thing that we have.
6 It's hard to define.

7 MS. ALLEN: Squishy.

8 MR. COMBS: Yes. It's really difficult to
9 define. And I think that's where we're having the
10 problem. Unfortunately, it's what the Commission
11 decides is the minimum set of activities it needs to
12 protect the public health and safety.

13 MR. CAMERON: So you really don't know
14 what impact it's going to have on flexibility and
15 uniformity until you see what minimum is?

16 MR. COMBS: Right. Until somebody
17 defines, quote, the minimum.

18 MR. CAMERON: Okay. Anybody else? Kate,
19 do you have a comment?

20 MS. ROUGHAN: Yes. I think even if you
21 define the minimum, you're still going to have a lot
22 of differences between the states.

23 If the state just needs to implement the
24 bare minimum, they can obviously change things as they
25 need for their own state. So from a uniformity

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1 standpoint, there are still going to be significant
2 differences.

3 MR. CAMERON: Okay. So the uniformity
4 issues are still going to exist.

5 MS. ROUGHAN: Yes.

6 MR. CAMERON: Mark, do you have any
7 problem with that?

8 MR. DORUFF: No.

9 MR. CAMERON: Anyone have a thought on
10 that? George.

11 MR. PANGBURN: Just for the working
12 group's benefit, I'm glad I don't have to write this
13 paper.

14 But I think from the standpoint of trying
15 to describe this option, it might be useful to try and
16 lay out that this particular option could be a
17 continuum.

18 At one extreme would be, we would not do
19 the following, and then, perhaps some pragmatic set of
20 what we might do further along the continuum of
21 reasonableness. Just an observation.

22 MR. CAMERON: Okay. Thank you, George.

23 Stability, the EPA issue is still issue is
24 still there. Although, do the minimum, maybe the NRC

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1 would be more receptive to the daddy, you know, doing
2 it.

3 In other words, instead of going out to
4 set recycle standards, wouldn't the minimum be, Hey,
5 we're not going to set recycle standards until EPA
6 exercises its authority under the Reorganization Act?
7 Right?

8 VOICES: Right.

9 MR. CAMERON: So that might be part
10 again -- this continuum could have that included.

11 MR. PANGBURN: Right.

12 MR. CAMERON: I think NRC role is like
13 central to what we're talking about, obviously.

14 A rational regulatory scheme, this is the,
15 treat like risks or like materials similarly. So what
16 do you think would happen under this --

17 VOICE: It wouldn't change from where it
18 is now.

19 MS. ALLEN: Well, there is a possibility
20 that that may improve, because if you're looking at
21 taking serious cuts and seriously looking at your
22 inspection frequencies and your licensing criteria,
23 then, you're doing some of the stuff that other people
24 may be looking at now.

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1 Do we really need to issue licenses for
2 diagnostic nuclear medicine? Do we really need to
3 issue specific licenses for gas chromatographs? Those
4 types of things.

5 So we may find ourselves actually
6 evaluating risks more to determine what the minimum
7 is.

8 MR. CAMERON: This goes to Tony's point
9 earlier when he was talking about using performance
10 standards.

11 I mean, minimum could really take you into
12 areas like performance standards or, We're going to
13 eliminate the regulation of all low-risk activities.
14 Okay? So I mean, that has to be part of the
15 continuum, too, because that's a possibility.

16 Any other -- Terry.

17 MR. FRAZEE: Well, I'm not it's going to
18 be rational if, in eliminating a lot of things under
19 NRC's purview, that the NARM radiation hazards somehow
20 get out of balance. I mean, that's not what we're
21 trying to do. We're trying to equalize them, make
22 them the same, and rational that way.

23 But this is split. So if NRC does a
24 crash, then, where are we with NARM?

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1 MR. LEOPOLD: Maybe we have to minimalize,
2 too.

3 MR. CAMERON: All right. Role of other
4 organizations in this minimal scheme. Might the NRC
5 want to make more use of the CRCPD --

6 MS. MCBURNEY: Yes.

7 MR. CAMERON: -- ISCORS -- well, let me
8 not combine them.

9 The NRC might rely on other organizations,
10 CRCPD, the standards development organizations, or
11 organizations who have a component like that. Aubrey.

12 MR. GODWIN: It's a possibility that in
13 minimizing some licensees may see less need to have a
14 clearly defined radiation safety section and move more
15 towards just a general safety program, see less need
16 to be responsive because there's less regulatory
17 differences there.

18 So you could see a change a little bit in
19 safety attitude, not necessarily level of safety.

20 MR. CAMERON: Okay. And how would that be
21 manifested, do you think? What would be an example?

22 MR. GODWIN: You would see people coming
23 in to the safety offices that are less likely to have
24 experience in radiation safety but maybe more

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1 experience in general chemistry safety or general
2 hazard safety, with radiation as a secondary trend.

3 MR. CAMERON: All right.

4 MS. ALLEN: I mean, you have bodies with
5 slips, trips, falls, people being run over by vehicles
6 and things. You don't have as many bodies with fixed
7 gauge users. So licensees would then put their
8 resources towards the actual hazards themselves, as
9 well, possibly.

10 MR. CAMERON: Okay. Did you get that,
11 Barbara?

12 THE REPORTER: Yes.

13 MR. CAMERON: All right. John mentioned
14 something about accountability. And I'm going to ask
15 Cindy again. This is yours. Do you want to say
16 anything about accountability?

17 MS. PEDERSON: Well, maybe it's just late
18 in the day, but I'm still not entirely clear how we've
19 defined this option.

20 But I think accountability is going to be
21 dependent upon how we define what the minimum is that
22 we're willing to live with.

23 If the NRC is going to continue with the
24 expectation that we do have a role in the protection

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1 of public health and safety, however we define that,
2 we're still going to be accountable.

3 The question is, what's the states'
4 accountability piece of this? And I think depending
5 on how we frame what this option is that could be
6 variable.

7 So I don't have a good answer for
8 accountability on this one.

9 MR. CAMERON: Okay. And I think that ties
10 into the last one of practicality. One of the things
11 that I think people have been bringing up here is that
12 this is just wide open in terms of how this particular
13 option is going to be defined. Aubrey.

14 MR. GODWIN: I think that many of the
15 states would argue that they are more accountable now
16 to an elected official than perhaps the NRC is in that
17 I, you know, directly report to an elected official.

18 In NRC's case, you know, there's an
19 appointed official involved that has to be, I guess,
20 impeached to be removed before term.

21 So there would be an argument that the
22 state programs in many cases are directly accountable
23 to the electorate in a closer degree than is the NRC
24 or EPA or FDA. And you can choose any of them. I'm
25 not trying to pick on NRC.

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1 MR. CAMERON: So when you get to this
2 Option 3 for accountability, since it's all going to
3 be entities that report to an elected official,
4 assuming that your assumption is right about
5 accountability, that accountability would go up here.

6 MR. GODWIN: Right. And there's arguments
7 to the contrary of that, too. But --

8 MR. CAMERON: Maybe. I don't know. I'm
9 just trying to flesh out the accountability.

10 MS. PEDERSON: If I could comment --

11 MR. CAMERON: Now, we have an
12 accountability expert with us on this.

13 (General laughter.)

14 MS. PEDERSON: I'm far from that, if
15 you're looking at me.

16 The comment I would have, though, is if
17 the NRC still is tasked with an oversight role and an
18 expectation of protection of public health and safety,
19 even if something happens in an agreement state, I
20 would -- well, I'm not a betting person.

21 But if I was to put money on -- the NRC
22 would be called down in front of Congress, and there
23 would be some kind of expectation and accountability
24 session regarding the NRC's oversight of that state
25 program.

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1 Not to say you also wouldn't have a
2 significant accountability issue with your state
3 elected officials and the public.

4 MR. CAMERON: Okay. Thank you. Felix,
5 and then Tony. And then I think we'll see if anybody
6 has any final comments.

7 MR. KILLAR: I was going to say basically
8 what Cindy said.

9 If you're talking about accountability,
10 you're talking about accountability for one incident.
11 And if it's an accident that happened in a local
12 jurisdiction, certainly the local jurisdiction, the
13 first thing they're going to look for is the state.
14 And so they'll go to the Aubreys and what-have-you in
15 the state that's responsible for that.

16 On the other side of the coin, as you go
17 on up the ladder, the NRC will be accountable to
18 Congress, because, why did that program break down in
19 that state and why did that event occur?

20 So accountability is to the level of where
21 you're looking at in the program.

22 MR. CAMERON: And again, I guess Congress
23 elected officials, we're ultimately going there.
24 Tony.

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1 MR. THOMPSON: I think accountability --
2 I mean, one of the problems with accountability of an
3 elected official in the state is you might have an
4 elected official in the state who is anxious to make
5 a name for himself or herself and run for President,
6 and the actual safety issues of it get demagogued.

7 And what we're dealing with NRC and these
8 other independent regulatory commissions is an agency
9 where you have not just one head who is somewhat
10 subject, you've got four or five different votes.

11 Not to say Commissioners aren't subject to
12 political pressures, but as you point out, they can't
13 be removed for the way they vote. The chairman can be
14 changed.

15 So that's the whole theory of an
16 independent regulatory agency, which is they are not
17 so subject to political whims and that they are in a
18 better position to make a judgment based on the facts
19 and the merits of the case. So that's the other side
20 of that.

21 MR. CAMERON: All right. Thank you, Tony.

22 Mark, do you have any -- I know you've
23 obviously got to go to catch a plane. But do you have
24 anything that you want to say to us about any other
25 options or anything like that before you go?

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1 MR. DORUFF: Most of what I really wanted
2 to express I think kind of got worked out as we
3 determined the issue of how comprehensive these
4 options would apply with respect to NARM.

5 The other thing I would add is that, in
6 response to the consideration and proposal for NRC to
7 expand its regulatory jurisdiction over NARM, CORAR
8 has prepared a position paper on that. And we're in
9 the final stages of making that official, having our
10 membership review it, and getting a consensus on it.

11 Once that has been approved essentially by
12 the directors of CORAR, we intend to provide that to
13 the NRC. We're not exactly sure to whom it will be
14 addressed.

15 But it does take what we would consider to
16 be the best of all these options, and it's not any one
17 of these options in particular. It has some of the
18 attributes of what NEI, what Felix has proposed.

19 And I think that once that is submitted,
20 I think maybe that input will be helpful to the
21 working group. I've given Kathy a copy of it, told
22 her to hold on to it until it's officially approved by
23 CORAR.

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1 But I think that would probably address
2 any of the points that I haven't made up to this
3 point.

4 MR. CAMERON: Okay. Great. Well, thank
5 you for participating with us today.

6 MR. DORUFF: I appreciate the opportunity.

7 MR. CAMERON: It's been great. And it's
8 going to incorporate some material that will have
9 implications for what the working group is going to be
10 doing. Great. Okay.

11 Okay. Does anybody have any closing
12 comments for today?

13 (No response.)

14 MR. CAMERON: And I would suggest that we
15 try to do this same thing tomorrow for these.

16 We're getting better at this. And I think
17 that we have really given the working group some
18 material in terms of these options and your thoughts
19 on them. So thank you all.

20 And we're going to start at 8:30 tomorrow.

21 (Whereupon, the meeting was adjourned at
22 5:40 p.m., to reconvene at 8:30 a.m. the following
23 day, Thursday, February 22, 2001.)

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