

*Joel*

Ref: SA/JOL

NOV 18 1985

23

Mr. Terry Lash, Director  
Department of Nuclear Safety  
1035 Outer Park Drive  
Springfield, Illinois 62704

Dear Mr. Lash:

As promised in my November 15, 1985 letter to you, I am writing to convey the rest of our comments on the draft proposal for a Section 274b Agreement.

Enclosure 1 contains our suggested changes to the draft Agreement and to the draft letter from the Governor. These changes will help satisfy the statutory requirements for certification by the Governor. Other minor editorial changes are also indicated.

Enclosure 2 contains our comments on the "Program Statement" portion of the draft application. As we discussed, the suggested changes will help show that the criteria provided in the NRC Policy Statement for such applications have been met by the Illinois proposal.

We believe it would be prudent to let us review the revised Program Statement prior to formal submittal by the Governor to assure that no unresolved questions remain. We would also appreciate receiving a copy of the proposed regulations when they are published for public comment. Volume II, "Statutes" should be revised to include the recently enacted amendments to your statutes.

Enclosure 3 includes a copy of our internal procedure for review of Agreement State programs and includes the questionnaire you requested and which we use as a basis for reviews (See Appendix E).

B

OFFICE							
SURNAME			8604240025	860417			
DATE			PDR	STPRG	ESGIL	PDR	

Mr. Terry Lash

-2-

If you have any questions, please do not hesitate to call Joel Lubenau at 301-492-9887.

Sincerely,  
Original signed by:  
D. Nussbaumer

Donald A. Nussbaumer  
Assistant Director for  
State Agreements Program  
Office of State Programs

Enclosures:  
As stated

cc: R. Lickus, RIII, w/encls.

Distribution:  
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JMapes, ELD, w/encl.  
Illinois file (fc) w/encl.

OFFICE	SA	SA					
SURNAME	JOLubenau/bh	DANussbaumer					
DATE	11/18/85	11/18/85					

Enclosure 1

DELD - Marked Copy

AGREEMENT BETWEEN THE UNITED STATES NUCLEAR REGULATORY COMMISSION  
AND THE STATE OF ILLINOIS FOR DISCONTINUANCE OF CERTAIN  
COMMISSION REGULATORY AUTHORITY AND RESPONSIBILITY  
WITHIN THE STATE PURSUANT TO SECTION 274 OF  
THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

WHEREAS, the United States Nuclear Regulatory Commission (hereinafter referred to as the Commission) is authorized under Section 274 of the Atomic Energy Act of 1954, as amended (hereinafter referred to as the Act), to enter into agreements with the Governor of any State providing for discontinuance of the regulatory authority of the Commission within the State under Chapters 6, 7 and 8, and Section 161 of the Act with respect to byproduct materials as defined in Sections 11e.(1) and (2) of the Act, source materials and special nuclear materials in quantities not sufficient to form a critical mass; and,

WHEREAS, the Governor of the State of Illinois is authorized under Illinois Revised Statutes, 1983, ch. 111 1/2, par. 216b and 1984 Supp. to Illinois Revised Statutes, 1983, ch. 111 1/2, par. 241-19 to enter into this Agreement with the Commission; and,

*Insert  
here* → WHEREAS, the Commission found on \_\_\_\_\_ that the program of the State for the regulation of the materials covered by this Agreement is compatible with the Commission's program for the regulation of such materials and is adequate to protect the public health and safety; and,

WHEREAS, the State and the Commission recognize the desirability and importance of cooperation between the Commission and the State in the formulation of standards for protection against hazards of radiation and in assuring that State and Commission programs for protection against hazards of radiation will be coordinated and compatible; and,

WHEREAS, the Commission and the State recognize the desirability of reciprocal recognition of licenses and exemptions from licensing of those materials subject to this Agreement; and,

WHEREAS, this Agreement is entered into pursuant to the provisions of the Atomic Energy Act of 1954, as amended;

NOW, THEREFORE, IT IS HEREBY AGREED between the Commission and the Governor of the State, acting in behalf of the State as follows:

ARTICLE I

*insert comma* → Subject to the exceptions provided in Articles II, IV and V, the Commission shall discontinue, as of the effective date of this Agreement, the regulatory authority of the Commission in the State under Chapters 6, 7 and 8, and Section 161 of the Act with respect to the following:

- A. Byproduct materials as defined in section 11e.(1) of the Act;
- B. Source materials;

- C. Special nuclear materials in quantities not sufficient to form a critical mass; and,
- D. The land disposal of source, byproduct and special nuclear material received from other persons.

## ARTICLE II

This Agreement does not provide for discontinuance of any authority and the Commission shall retain authority and responsibility with respect to regulation of:

- A. The construction and operation of any production or utilization facility;
- B. The export from or import into the United States of byproduct, source or special nuclear material, or of any production or utilization facility;
- C. The disposal into the ocean or sea of byproduct, source or special nuclear waste materials as defined in regulations or orders of the Commission;
- D. The disposal of such other byproduct, source, or special nuclear material as the Commission from time to time determines by regulation or order should, because of the hazards or potential hazards thereof, not be so disposed of without a license from the Commission; and,
- E. The extraction or concentration of source material from source material ore and the management and disposal of the resulting byproduct material.

## ARTICLE III *delete comma*

This Agreement may be amended, upon application by the State and approval by the Commission, to include the additional area specified in Article II, paragraph E, whereby the State can exert regulatory control over the materials stated therein.

## ARTICLE IV

Notwithstanding this Agreement, the Commission may from time to time by rule, regulation or order, require that the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct or special nuclear material shall not transfer possession or control of such product except pursuant to a license or an exemption from licensing issued by the Commission.



#### ARTICLE V

This Agreement shall not affect the authority of the Commission under subsection 161 b. or i. of the Act to issue rules, regulations or orders to protect the common defense and security, to protect restricted data or to guard against the loss or diversion of special nuclear material.

#### ARTICLE VI

✓ The Commission will use its best efforts to cooperate with the State and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and to assure that State and Commission programs for protection against hazards of radiation will be coordinated and compatible. The State will use its best efforts to cooperate with the Commission and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and to assure that the State's program will continue to be compatible with the program of the Commission for the regulation of like materials. The State and the Commission will use their best efforts to keep each other informed of proposed changes in their respective rules and regulations and licensing, inspection and enforcement policies and criteria and to obtain the comments and assistance of the other party thereon. x

#### ARTICLE VII

The Commission and the State agree that it is desirable to provide reciprocal recognition of licenses for the materials listed in Article I licensed by the other party or by any Agreement State. Accordingly, the Commission and the State agree to use their best efforts to develop appropriate rules, regulations and procedures by which such reciprocity will be accorded.

#### ARTICLE VIII

2a  
withheld  
08c up  
174j  
The Commission, upon its own initiative after reasonable notice and opportunity for hearing to the State, or upon request of the Governor of the State, may terminate or suspend all or part of this Agreement and reassert the licensing and regulatory authority vested in it under the Act if the Commission finds that (1) such termination or suspension is required to protect the public health and safety, or (2) the State has not complied with one or more of the requirements of Section 274 of the Act. The Commission may also, pursuant to Section 274 of the Act, temporarily suspend all or part of this Agreement if, in the judgment of the Commission, an emergency situation exists requiring immediate action to protect public health and safety and the State has failed to take necessary steps. The Commission shall periodically review this Agreement and actions taken by the State under this Agreement to ensure compliance with Section 274 of the Act. x

ARTICLE IX

This Agreement shall become effective on \_\_\_\_\_, and shall remain in effect unless and until such time as it is terminated pursuant to Article VIII.

Done at \_\_\_\_\_, in triplicate, this \_\_\_\_\_ day of \_\_\_\_\_.

For the United States Nuclear Regulatory Commission

\_\_\_\_\_  
Chairman

For the State of Illinois

\_\_\_\_\_  
Governor

For the United States Nuclear Regulatory Commission

\_\_\_\_\_  
Director, Office of State Programs

*Unnecessary  
delete*

x

CEALD - MARKED COPY

DRAFT

Chairman:  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Chairman:

By this letter I request establishment of an Agreement between the U.S. Nuclear Regulatory Commission (NRC) and the State of Illinois, as authorized under Section 274 of the Atomic Energy Act of 1954, as amended, under which the NRC will discontinue and the State of Illinois will assume certain regulatory authority for radioactive materials now under Federal jurisdiction. I am authorized by the Illinois Radiation Protection Act (Ill. Rev. Stat. 1983, ch. 111 1/2, par. 216b) and the Illinois Low-Level Radioactive Waste Management Act (1984 Supp. to Ill. Rev. Stat. 1983, ch. 111 1/2, par. 241-19) to enter into such an Agreement with NRC. The specific regulatory authority requested at this time is for:

- a. By-product materials as defined in Section 11e(1) of the Atomic Energy Act of 1954, as amended; ~~(radioisotopes);~~
- b. Source materials; ~~(uranium and thorium);~~
- c. Special nuclear materials; ~~(uranium 233, uranium 235 and plutonium)~~ in quantities not sufficient to form a critical mass; and,
- d. Land disposal of source, by-product and special nuclear material received from other persons.

The State of Illinois desires to assume this regulatory responsibility, and I  
[certify that the State has an adequate program within the Department of  
Nuclear Safety to control radiation hazards and to protect the public health  
and safety.] In support of this proposal, I am submitting detailed information  
describing the State's radiation control program and regulatory capabilities  
and a copy of the State's radiation control regulations.

*Delete &  
substitute  
attached*

At this time, the State does not wish to assume authority over uranium milling  
activities. The State, however, reserves the right to apply at a future date  
to NRC for an amended Agreement to assume authority in this area.

We are very much interested in having a formal signing ceremony for the  
Agreement. If possible, we would like to have the ceremony take place in  
Chicago, Illinois, with the Agreement to become effective on July 1, 1986.

Sincerely,

Governor

### Draft Agreement

The preamble of the draft agreement does not contain a statement acknowledging the required certification by the Governor. The following text should be inserted immediately following the second "Whereas" paragraph:

"WHEREAS, the Governor of the State of Illinois certified on \_\_\_\_\_ that the State of Illinois (hereinafter referred to as the State) has a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within the State covered by this Agreement, and that the State desires to assume regulatory responsibility for such materials; and"

Some minor typographical corrections are marked directly on the draft agreement.

### Draft Letter from the Governor

Since the Governor's certification is an essential statutory requirement, the language used (see first sentence on page 2 of the Governor's letter) should track the exact language used in § 274d(1) of the Atomic Energy Act of 1954, as amended. Accordingly, the sentence referred to should be revised to read as follows:

"I certify that the State of Illinois has a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within the State covered by the proposed agreement, and that the State desires to assume regulatory responsibility for such materials."

We would recommend that the description of the materials covered by the proposed agreement, as set out on the first page of the Governor's draft letter, be identical to that used in Article I of the agreement. The statutory reference on page 1, line 3 of the draft letter should be changed from "Section 274" to "Section 274b."

Enclosure 2

Comments on Volume I, "Program Statement"

<u>Page</u>	<u>Comment</u>
2-9	The discussion on your statutes should be revised to reflect the recent amendments to your statutes.
24	Line 9: Insert "license and" before decommissioning to reflect the fact that the NRC license for the Sheffield disposal site will be transferred to Illinois.
26	This may be the most appropriate place to specifically note that the State will license this site under the term of the Section 274b Agreement.
27	Section c: We suggest expanding this section to provide more detail on the IDNS plans and role in site selection, selection of an operator, issuance of a license to the operator and subsequent regulation of the site operator licensee. Particular attention should be paid to the possibility of, or appearance of, conflict of interest in these roles for IDNS.
28-29	Note should be made here that the Kress Creek contamination, if deemed to be "source material," will become the regulatory responsibility of IDNS under the Agreement.
39-40	1. Section III.A: More and detailed information on IDNS staffing for the material program is needed. An updated staffing chart showing all authorized staff positions should be provided in Appendix 7. When filled, names of incumbents should be provided. A list of the professional staff by position, title and name (if filled), function (administration, supervision, licensing, inspection) and percent of time spent in the materials program is also needed



either in the text or as an appendix. Up-to-date resume's (which include NRC training) for all incumbents should be included in your appendix.

2. In this section, please note the current status of attendance of staff at NRC training courses and describe your plans for requesting such training in the future. In general, we believe initial priority should be given to supervisory and senior staff who can then instruct other staff. Note should also be made here of past and planned accompaniments by your staff of NRC inspectors for training purposes.

3. This section should also include a discussion of the special staff resources (technical knowledge and FTE's) needed for licensing and inspection of Allied Chemical. We suggest coordinating development of this discussion with Region III through Roland Lickus. Plans should be developed and described to assure that your staff has a working familiarity with this plant through accompaniments of NRC inspectors or other arrangements.

40

Section III.B: Reference should be made here to your earlier discussion regarding the potential or perceived problem of conflict of interest. It will be helpful to know how many waste licenses (in addition to Sheffield and a new LLW disposal site) that this program will be responsible for.

As in our comments on p.39, Section III.A above, more and detailed information for the IDNS staffing for regulation of the LLW disposal sites will be needed. The same comments contained in paragraph 1 above apply here as well. To the extent applicable, the suggestions in paragraph 2 should also be followed here.

42

Section D: The last paragraph of this section should be expanded to specifically address the special skills and areas of expertise that will be needed to effectively regulate a LLW disposal site and the specific arrangements IDNS has made to assure that these services will be available when they are needed. These could include MOU's or other letters of agreement (particularly applicable to other State agencies, such as State Geological Survey), availability of funds specifically budgeted for contractual services, retainer contracts, etc. Examples of such arrangements utilized by Agreement States regulating uranium mills are attached to this enclosure.

54

This chart needs updating.

63

Apropos of the comment on p.42, the section on contractual budget should be expanded to demonstrate that adequate funds are available to contract for consultant services as needed to assist in the regulation of the existing and new LLW disposal sites.

64ff.

Appendix 5. As noted above, this appendix should be updated and should include reference to all NRC training that has been received by the staff. Resume's of all materials staff on board should be included. The resume's for Nuclear Facility Safety staff should be deleted.

86ff.

Appendix 6. The job descriptions for nuclear safety specialist and civil engineers should be deleted since they are not used for staffing the materials program.

95ff.

Appendices 7 and 8. These charts should be updated, showing all authorized positions, and where filled, names of incumbents.

100ff.

Appendix 9. See comments on Appendix 5.

121

This page appears to be extraneous.

*Attachment to Encl 2.*

by the Radiation Control Section, the Radiation Control Section has calculated a dose assessment to individuals on the boundary of the controlled area for Western Nuclear Incorporated's Sherwood Project. As part of Dawn Mining Company's environmental impact statement, the radiological assessment for Dawn was performed by the Nuclear Regulatory Commission. This radiological assessment continues to be refined by the Nuclear Regulatory Commission and a final radiological assessment should be included in the environmental impact statement for the renewal of the Dawn license, to be issued by December 1981. Both uranium mills are required to have environmental monitoring programs which not only meet but in many instances exceed the requirements of the Nuclear Regulatory Commission regulatory guides.

#### Staff Resources and Organizational Relationships

The Washington response dated November 7, 1980, indicated that 2.55 staff years effort was dedicated to all uranium mill activities, environmental monitoring, compliance, and licensing. An organizational change has been proposed as indicated in attachment 4, organizational chart. That chart indicates that we will have three individuals devoted to licensing uranium mills. Departmental approval to fill two of these vacant positions is expected shortly. This staffing level is in addition to 2.0 FTEs spent on environmental radiation aspects of uranium milling, .10 percent FTE devoted to uranium milling compliance, and .15 FTE devoted to administrative support of uranium milling activities. (Total post-licensing activities = 2.25 FTEs) Position descriptions and short resumes, including training of the individuals in the Radiation Control Section are included as attachment 5 to these comments.

Memoranda of Understanding are about to be finalized between the Radiation Control Section and the Department of Ecology for dam safety, the Water Supply and Waste Section for evaluation of potential impacts on drinking water supplies, and the Department of Natural Resources for evaluation of geological perimeters.

The Radiation Control Section has contracts with the following consultants: Geotechnical Engineer - John Nelson, Fort Collins, Colorado; and Hart-Crowser Associates, Tacoma, Washington for hydrogeological expertise; Hanford Environmental Health Foundation will furnish medical assistance and the Department of Social and Health Services will provide socio economic consulting services. The Environmental Radiation and Emergency Response Unit of the Radiation Control Section will perform dose assessment capability. Copies of all memoranda of understanding and contracts are included as attachment 6 to these comments.

An organizational chart outlining the organizational relationships between the Radiation Control Section and various state agencies with whom we have memoranda of understanding is included as attachment 7. According to procedure contained in attachment 1, our use of consultants will be to perform an independent review of an applicant's proposal. Our memoranda of understanding provide for an evaluation of our consultant's work. Both

the work of the consultants and the report of the other state agencies shall be submitted to the Radiation Control Section for further evaluation and incorporation into an independent environmental impact statement, issued in accordance with the provisions of the State Environmental Policy Act. In all of the memoranda of understanding we are asking other state agencies or programs only to do the work that they are required to do by law. By law all agencies are additionally required to participate in the SEPA process. The memoranda of understanding acts as a contract with provision for dispute. Consultants will be paid on a fee for services basis to be reimbursed through the provisions of Chapter 402-70 Washington Administrative Code, pertaining to environmental reports. A copy of our regulations is included as attachment 2 to these comments.

#### Inspections

The state of Washington, Radiation Control Section will be performing at least one inspection every year of each uranium mill. In the past, we have inspected uranium mills as frequently as twice a year, with the composite of the two inspections covering all required areas.

#### Public Hearings

Our regulations are being revised to indicate that a public hearing will be provided, regardless of environmental significance upon issuance of a new license in addition to the adequacy of reclamation disposal decommissioning and decommissioning plan. Detailed review of Washington's regulations in terms of Appendix A, 10 CFR 40, the state of Washington believes that, with the adoption of the suggested state regulations for radiation protection, the 12 criteria specified in Appendix A, 10 CFR 40 are indeed met.

INTERAGENCY  
AGREEMENT  
between

STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
AND  
DEPARTMENT OF ECOLOGY

THIS AGREEMENT, PURSUANT TO RCW 39.34.080 is entered into by and between the DEPARTMENT OF SOCIAL AND HEALTH SERVICES, hereinafter referred to as "DSHS", and the DEPARTMENT OF ECOLOGY, hereinafter referred to as "WDOE".

IT IS THE PURPOSE OF THIS CONTRACT FOR WDOE TO provide to DSHS, within 60 days of a written request by DSHS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared by DSHS concerning the safety and construction of a proposed or existing uranium or thorium tailings impoundment structure. Tailings impoundments shall be reviewed against the criteria in the U.S. Nuclear Regulatory Commission Regulatory Guides 3.11 "Design, Construction and Inspection of Embankment Systems for Uranium Mills" and 3.11.1 "Operational Inspection and Surveillance of Embankment Retention Systems for Uranium Mill Tailings", and Washington State regulations governing impoundment structures.

IT IS, THEREFORE, MUTUALLY AGREED THAT:



1. DUTIES OF DSHS

DSHS will issue a formal written request to WDOE to perform said written review. WDOE's Review shall not consist of an independent study, but rather shall be an independent review of the consultant's or contractor's independent study. DSHS will furnish to WDOE sufficient copies of the independent study which is the subject of review. DSHS will rely upon information contained in WDOE's review document to determine the adequacy of the consultant's report(s) when composing DSHS's Environmental Impact Statement (EIS) or Environmental Report (ER). The EIS or ER would be part of the justification for the issuance or denial of a radioactive materials licensing action.

DSHS shall, through its association with the U.S. Nuclear Regulatory Commission, provide training to employee(s) of WDOE in the area of Tailings Impoundment Structure - Analysis and Design and other appropriate training as it becomes available during the contract period.

DSHS shall pay all transportation and per diem cost associated with attendance at public hearings or any other activities, including on-site field inspections, associated with an analysis by WDOE. Reimbursement of WDOE by DSHS shall not exceed \$1000.00 except as provided in Section 3.

2. DUTIES OF WDOE

WDOE will provide, within 60 days or other mutually agreed upon time from receipt of the request, a written analysis of the independent consultant's study as it relates to the effects of the proposal on the safety of the impoundment structure.

WDOE's analysis of an impoundment structure shall be solely in regard to



the structural integrity and safety related aspects of the impoundment structure and shall not include any analysis of any potential hazards or consequences that may result from the containment or release of radioactive materials or wastes.

WDOE's analyses shall include:

- (a) areas which require further information, if any, before a decision can be made as to whether to allow the proposed action;
- (b) evaluation of the recommendations made in the report;
- (c) recommendations for additional requirements such as installation of monitoring devices;
- (d) a determination of the adequacy of the consultant's/contractor's study and recommendations. For impoundment structures WDOE shall use NRC Regulatory Guides 3.11 and 3.11.1 as evaluation criteria.

WDOE's analyses will form the basis for the DSHS's independent review of an applicant's proposal and its Environmental Impact Statement.

WDOE will make available to DSHS for public hearing and trial purposes those employees who have participated in WDOE's evaluation.

It is understood that WDOE has the independent responsibility and authority to control water pollution from industrial and commercial activities. This is authorized under RCW 90.48 and implemented with 173-201 WAC, 173-220 WAC, 173-225 WAC, 173-240 WAC and 372-24 WAC. The water pollution responsibilities exclude radiation which is the responsibility of DSHS. WDOE will exercise its responsibilities in the water pollution aspects of uranium or thorium mining and milling directly with the owner/operator and advise DSHS of these activities in a timely manner.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of August 1981 and be completed on the 30th day of August 1983, provided either party may terminate this agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both agencies.

4. The WDOE by entering into this agreement shall not be held liable nor shall contribution be sought by any party for any act taken by WDOE within the scope of this contract.

5. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: The Secretary of DSHS shall appoint a member to the Dispute Board. The Director of WDOE shall appoint a member to the Dispute Board. The Secretary of DSHS and the Director of WDOE shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract

on this                      day of                      , 1981.

\_\_\_\_\_  
John Spencer  
Deputy Director  
Department of Ecology

\_\_\_\_\_  
John A. Beare, M.D., M.P.H.  
Director  
Division of Health

*Approved as to Form Only*  
*Michael J. [Signature]*  
*Assistant Attorney General*

INTEROFFICE  
AGREEMENT  
BETWEEN  
  
RADIATION CONTROL SECTION  
  
AND  
  
WATER SUPPLY AND WASTE SECTION

THIS AGREEMENT is entered into by and between the RADIATION CONTROL SECTION, hereinafter referred to as "RCS", and the WATER SUPPLY AND WASTE SECTION, hereinafter referred to as "WSWS".

IT IS THE PURPOSE OF THIS AGREEMENT FOR WSWS TO PROVIDE TO RCS within 60 days of a written request by RCS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared for RCS concerning the potential and real effects of a proposed or existing uranium or thorium milling operation and its associated tailings on the drinking water of the mill and that of surrounding residents.

IT IS, THEREFORE, MUTUALLY AGREED THAT:

1. DUTIES OF RCS

RCS will issue a formal written request to WSWS to perform said written review. WSWS's review shall not consist of an independent study, but rather shall be an independent review of the consultant's

or contractor's independent study. RCS will furnish to WSWs sufficient copies of the independent study which is the subject of review. RCS will rely upon information contained in WSWs's review document to determine the adequacy of the consultant's report(s) when composing the Department of Social and Health Services' (DSHS) Environmental Impact Statement (EIS) or Environmental Report (ER). The EIS or ER would be part of the justification for the issuance or denial of a radioactive materials licensing application.

RCS shall pay all transportation and per diem costs associated with attendance at public hearings or any other activities, including on-site field inspections, associated with an analysis by WSWs.

2. DUTIES OF WSWs

WSWs will provide, within 60 days or other mutually agreed upon time from receipt of the request, a written analysis of the independent consultant's study as it relates to the potential and real effects of a proposed or existing uranium or thorium milling operation and its associated tailings on the drinking water quality of public and private drinking water sources.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of June 1981 and be completed on the 31st day of May 1983, provided either party may terminate this

agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both parties.

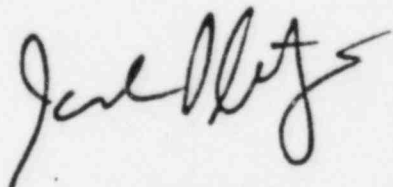
4. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: RCS and WSW Section Heads shall each appoint members to the Dispute Board. The WSW Section Head and the RCS Section Head shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract  
on this 28 day of JULY, 1981.



Head, Radiation Control Section



Head, Water Supply and  
Waste Section

INTERAGENCY  
AGREEMENT  
BETWEEN

STATE OF WASHINGTON

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

AND

DEPARTMENT OF NATURAL RESOURCES

THIS AGREEMENT, PURSUANT TO RCW 39.34.080 is entered into by and between the DEPARTMENT OF SOCIAL AND HEALTH SERVICES, hereinafter referred to as "DSHS", and the DEPARTMENT OF NATURAL RESOURCES, hereinafter referred to as "DNR".

IT IS THE PURPOSE OF THIS CONTRACT FOR DNR TO provide to DSHS, within 60 days of a written request by DSHS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared for DSHS concerning the properties of the physical environment to include natural resource development, energy production and consumption, land use and management in conjunction with the uranium or thorium milling industry.

IT IS, THEREFORE, MUTUALLY AGREED THAT:



1. DUTIES OF DSHS

DSHS will issue a formal written request to DNR to perform said written review. DNR's review shall not consist of an independent study, but rather shall be an independent review of the consultant's or contractor's independent study. DSHS will furnish to DNR sufficient copies of the independent study which is the subject of review. DSHS will rely upon information contained in DNR's review document to determine the adequacy of the consultant's report(s) when composing DSHS's Environmental Impact Statement (EIS) or Environmental Report. The EIS would be part of the justification for the issuance or denial of a radioactive materials licensing action.

DSHS may through its association with the U.S. Nuclear Regulatory Commission, provide training to employee(s) of DNR as it becomes available during the contract period.

DSHS shall pay all transportation and per diem costs associated with attendance at public hearings or any other activities, including on-site field inspections, associated with analysis by DNR. Reimbursement for this activity shall not exceed \$1000.00.

2. DUTIES OF DNR

DNR will provide, within 60 days or other mutually agreed upon time from receipt of the request, a written analysis of the independent consultant's study as it relates to the uranium or thorium milling industry.

DNR's analysis shall be solely in regard to elements of the physical environment, as stated above, and shall not include any analysis of

any potential hazards or consequences that may result from the containment or release of radioactive materials or wastes. This analysis shall include:

- (a) areas which require further information, if any, before a decision can be made as to whether to allow the proposed action;
- (b) evaluation of the recommendations made in the report;
- (c) recommendations for additional development such as alternatives;
- (d) a determination of the adequacy of the consultant's/contractor's study and recommendations.

The analysis will form the basis for the DSHS's independent review of an applicant's proposal and its Environmental Impact Statement. DNR will make available to DSHS for public hearing purposes those employees who have participated in DNR's evaluation.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of September, 1981 and be completed on the 31st day of October, 1983, provided either party may terminate this agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both agencies.

4. The DNR by entering into this agreement shall not be held liable nor shall contribution be sought by any party for any act taken by DNR within the scope of this contract.

5. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: The Secretary of DSHS shall appoint

a member to the Dispute Board. The Commissioner of DNR shall appoint a member to the Dispute Board. The Secretary of DSHS and the Commissioner of DNR shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract  
on this                      day of                      , 1981.

*J. Saltzman*  
*for*  
Ref: SA/JOL *ML*

NOV 18 1985

Mr. Terry Lash, Director  
Department of Nuclear Safety  
1035 Outer Park Drive  
Springfield, Illinois 62704

Dear Mr. Lash:

As promised in my November 15, 1985 letter to you, I am writing to convey the rest of our comments on the draft proposal for a Section 274b Agreement.

Enclosure 1 contains our suggested changes to the draft Agreement and to the draft letter from the Governor. These changes will help satisfy the statutory requirements for certification by the Governor. Other minor editorial changes are also indicated.

Enclosure 2 contains our comments on the "Program Statement" portion of the draft application. As we discussed, the suggested changes will help show that the criteria provided in the NRC Policy Statement for such applications have been met by the Illinois proposal.

We believe it would be prudent to let us review the revised Program Statement prior to formal submittal by the Governor to assure that no unresolved questions remain. We would also appreciate receiving a copy of the proposed regulations when they are published for public comment. Volume II, "Statutes" should be revised to include the recently enacted amendments to your statutes.

Enclosure 3 includes a copy of our internal procedure for review of Agreement State programs and includes the questionnaire you requested and which we use as a basis for reviews (See Appendix E).

OFFICE						
SURNAME						
DATE						

Mr. Terry Lash

-2-

If you have any questions, please do not hesitate to call Joel Lubenau at 301-492-9887.

Sincerely,  
Original signed by:  
D. Nussbaumer

Donald A. Nussbaumer  
Assistant Director for  
State Agreements Program  
Office of State Programs

Enclosures: 1 d 2 incl  
As stated

cc: R. Lickus, RIII, w/encls.

Distribution:  
SA R/F  
Dir R/F  
JOLubenau, w/encl.  
DANussbaumer, w/encl.  
JSaltzman, w/encl.  
JHickey, FC, w/encl.  
JMapes, ELD, w/encl.  
Illinois file (fc) w/encl.

OFFICE	SA	SA					
SURNAME	JOLubenau/bh	DANussbaumer					
DATE	11/18/85	11/18/85					

Enclosure 1

DELD - Marked Copy

AGREEMENT BETWEEN THE UNITED STATES NUCLEAR REGULATORY COMMISSION  
AND THE STATE OF ILLINOIS FOR DISCONTINUANCE OF CERTAIN  
COMMISSION REGULATORY AUTHORITY AND RESPONSIBILITY  
WITHIN THE STATE PURSUANT TO SECTION 274 OF  
THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

WHEREAS, the United States Nuclear Regulatory Commission (hereinafter referred to as the Commission) is authorized under Section 274 of the Atomic Energy Act of 1954, as amended (hereinafter referred to as the Act), to enter into agreements with the Governor of any State providing for discontinuance of the regulatory authority of the Commission within the State under Chapters 6, 7 and 8, and Section 161 of the Act with respect to byproduct materials as defined in Sections 11e.(1) and (2) of the Act, source materials and special nuclear materials in quantities not sufficient to form a critical mass; and,

WHEREAS, the Governor of the State of Illinois is authorized under Illinois Revised Statutes, 1983, ch. 111 1/2, par. 216b and 1984 Supp. to Illinois Revised Statutes, 1983, ch. 111 1/2, par. 241-19 to enter into this Agreement with the Commission; and,

Insert  
here

WHEREAS, the Commission found on \_\_\_\_\_ that the program of the State for the regulation of the materials covered by this Agreement is compatible with the Commission's program for the regulation of such materials and is adequate to protect the public health and safety; and,

WHEREAS, the State and the Commission recognize the desirability and importance of cooperation between the Commission and the State in the formulation of standards for protection against hazards of radiation and in assuring that State and Commission programs for protection against hazards of radiation will be coordinated and compatible; and,

WHEREAS, the Commission and the State recognize the desirability of reciprocal recognition of licenses and exemptions from licensing of those materials subject to this Agreement; and,

WHEREAS, this Agreement is entered into pursuant to the provisions of the Atomic Energy Act of 1954, as amended;

NOW, THEREFORE, IT IS HEREBY AGREED between the Commission and the Governor of the State, acting in behalf of the State as follows:

ARTICLE I

Subject to the exceptions provided in Articles II, IV and V, the Commission shall discontinue, as of the effective date of this Agreement, the regulatory authority of the Commission in the State under Chapters 6, 7 and 8, and Section 161 of the Act with respect to the following:

- A. Byproduct materials as defined in section 11e.(1) of the Act;
- B. Source materials;



- C. Special nuclear materials in quantities not sufficient to form a critical mass; and,
- D. The land disposal of source, byproduct and special nuclear material received from other persons.

#### ARTICLE II

This Agreement does not provide for discontinuance of any authority and the Commission shall retain authority and responsibility with respect to regulation of:

- A. The construction and operation of any production or utilization facility;
- B. The export from or import into the United States of byproduct, source or special nuclear material, or of any production or utilization facility;
- C. The disposal into the ocean or sea of byproduct, source or special nuclear waste materials as defined in regulations or orders of the Commission;
- D. The disposal of such other byproduct, source, or special nuclear material as the Commission from time to time determines by regulation or order should, because of the hazards or potential hazards thereof, not be so disposed of without a license from the Commission; and,
- E. The extraction or concentration of source material from source material ore and the management and disposal of the resulting byproduct material.

#### ARTICLE III *delete comma*

This Agreement may be amended, upon application by the State and approval by the Commission, to include the additional area specified in Article II, paragraph E, whereby the State can exert regulatory control over the materials stated therein.

#### ARTICLE IV

Notwithstanding this Agreement, the Commission may from time to time by rule, regulation or order, require that the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct or special nuclear material shall not transfer possession or control of such product except pursuant to a license or an exemption from licensing issued by the Commission.

## ARTICLE V

This Agreement shall not affect the authority of the Commission under subsection 161 b. or i. of the Act to issue rules, regulations or orders to protect the common defense and security, to protect restricted data or to guard against the loss or diversion of special nuclear material.

## ARTICLE VI

✓ The Commission will use its best efforts to cooperate with the State and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and to assure that State and Commission programs for protection against hazards of radiation will be coordinated and compatible. The State will use its best efforts to cooperate with the Commission and other Agreement States in the formulation of standards and regulatory programs of the State and the Commission for protection against hazards of radiation and to assure that the State's program will continue to be compatible with the program of the Commission for the regulation of like materials. The State and the Commission will use their best efforts to keep each other informed of proposed changes in their respective rules and regulations and licensing, inspection and enforcement policies and criteria and to obtain the comments and assistance of the other party thereon. x

## ARTICLE VII

— The Commission and the State agree that it is desirable to provide reciprocal recognition of licenses for the materials listed in Article I licensed by the other party or by any Agreement State. Accordingly, the Commission and the State agree to use their best efforts to develop appropriate rules, regulations and procedures by which such reciprocity will be accorded.

## ARTICLE VIII

2a  
without  
are up  
174j  
The Commission, upon its own initiative after reasonable notice and opportunity for hearing to the State, or upon request of the Governor of the State, may terminate or suspend all or part of this Agreement and reassert the licensing and regulatory authority vested in it under the Act if the Commission finds that (1) such termination or suspension is required to protect the public health and safety, or (2) the State has not complied with one or more of the requirements of Section 274 of the Act. The Commission may also, pursuant to Section 274 of the Act, temporarily suspend all or part of this Agreement if, in the judgment of the Commission, an emergency situation exists requiring immediate action to protect public health and safety and the State has failed to take necessary steps. The Commission shall periodically review this Agreement and actions taken by the State under this Agreement to ensure compliance with Section 274 of the Act. x

ARTICLE IX

This Agreement shall become effective on \_\_\_\_\_, and shall remain in effect unless and until such time as it is terminated pursuant to Article VIII.

Done at \_\_\_\_\_, in triplicate, this \_\_\_\_\_ day of \_\_\_\_\_.

For the United States Nuclear Regulatory Commission

\_\_\_\_\_  
Chairman

For the State of Illinois

\_\_\_\_\_  
Governor

For the United States Nuclear Regulatory Commission

\_\_\_\_\_  
Director, Office of State Programs

*Unnecessary  
delete*

CEAD - MARKED COPY

DRAFT

Chairman:  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Chairman:

By this letter I request establishment of an Agreement between the U.S. Nuclear Regulatory Commission (NRC) and the State of Illinois, as authorized under Section 274 of the Atomic Energy Act of 1954, as amended, under which the NRC will discontinue and the State of Illinois will assume certain regulatory authority for radioactive materials now under Federal jurisdiction. I am authorized by the Illinois Radiation Protection Act (Ill. Rev. Stat. 1983, ch. 111 1/2, par. 216b) and the Illinois Low-Level Radioactive Waste Management Act (1984 Supp. to Ill. Rev. Stat. 1983, ch. 111 1/2, par. 241-19) to enter into such an Agreement with NRC. The specific regulatory authority requested at this time is for:

- a. By-product materials as defined in Section 11e(1) of the Atomic Energy Act of 1954, as amended; ~~(radioisotopes);~~
- b. Source materials; ~~(uranium and thorium);~~
- c. Special nuclear materials ~~(uranium 232, uranium 235 and plutonium)~~ in quantities not sufficient to form a critical mass; and,
- d. Land disposal of source, by-product and special nuclear material received from other persons.

The State of Illinois desires to assume this regulatory responsibility, and I  
[certify that the State has an adequate program within the Department of  
Nuclear Safety to control radiation hazards and to protect the public health  
and safety.] In support of this proposal, I am submitting detailed information  
describing the State's radiation control program and regulatory capabilities  
and a copy of the State's radiation control regulations.

*Delete &  
substitute  
attached* \*

At this time, the State does not wish to assume authority over uranium milling  
activities. The State, however, reserves the right to apply at a future date  
to NRC for an amended Agreement to assume authority in this area.

We are very much interested in having a formal signing ceremony for the  
Agreement. If possible, we would like to have the ceremony take place in  
Chicago, Illinois, with the Agreement to become effective on July 1, 1986.

Sincerely,

Governor

### Draft Agreement

The preamble of the draft agreement does not contain a statement acknowledging the required certification by the Governor. The following text should be inserted immediately following the second "Whereas" paragraph:

"WHEREAS, the Governor of the State of Illinois certified on \_\_\_\_\_ that the State of Illinois (hereinafter referred to as the State) has a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within the State covered by this Agreement, and that the State desires to assume regulatory responsibility for such materials; and"

Some minor typographical corrections are marked directly on the draft agreement.

### Draft Letter from the Governor

Since the Governor's certification is an essential statutory requirement, the language used (see first sentence on page 2 of the Governor's letter) should track the exact language used in § 274d(1) of the Atomic Energy Act of 1954, as amended. Accordingly, the sentence referred to should be revised to read as follows:

"I certify that the State of Illinois has a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within the State covered by the proposed agreement, and that the State desires to assume regulatory responsibility for such materials."

We would recommend that the description of the materials covered by the proposed agreement, as set out on the first page of the Governor's draft letter, be identical to that used in Article I of the agreement. The statutory reference on page 1, line 3 of the draft letter should be changed from "Section 274" to "Section 274b."



Enclosure 2

Comments on Volume I, "Program Statement"

<u>Page</u>	<u>Comment</u>
2-9	The discussion on your statutes should be revised to reflect the recent amendments to your statutes.
24	Line 9: Insert "license and" before decommissioning to reflect the fact that the NRC license for the Sheffield disposal site will be transferred to Illinois.
26	This may be the most appropriate place to specifically note that the State will license this site under the term of the Section 274b Agreement.
27	Section c: We suggest expanding this section to provide more detail on the IDNS plans and role in site selection, selection of an operator, issuance of a license to the operator and subsequent regulation of the site operator licensee. Particular attention should be paid to the possibility of, or appearance of, conflict of interest in these roles for IDNS.
28-29	Note should be made here that the Kress Creek contamination, if deemed to be "source material," will become the regulatory responsibility of IDNS under the Agreement.
39-40	1. Section III.A: More and detailed information on IDNS staffing for the material program is needed. An updated staffing chart showing all authorized staff positions should be provided in Appendix 7. When filled, names of incumbents should be provided. A list of the professional staff by position, title and name (if filled), function (administration, supervision, licensing, inspection) and percent of time spent in the materials program is also needed

either in the text or as an appendix. Up-to-date resume's (which include NRC training) for all incumbents should be included in your appendix.

2. In this section, please note the current status of attendance of staff at NRC training courses and describe your plans for requesting such training in the future. In general, we believe initial priority should be given to supervisory and senior staff who can then instruct other staff. Note should also be made here of past and planned accompaniments by your staff of NRC inspectors for training purposes.

3. This section should also include a discussion of the special staff resources (technical knowledge and FTE's) needed for licensing and inspection of Allied Chemical. We suggest coordinating development of this discussion with Region III through Roland Lickus. Plans should be developed and described to assure that your staff has a working familiarity with this plant through accompaniments of NRC inspectors or other arrangements.

Section III.B: Reference should be made here to your earlier discussion regarding the potential or perceived problem of conflict of interest. It will be helpful to know how many waste licenses (in addition to Sheffield and a new LLW disposal site) that this program will be responsible for.

As in our comments on p.39, Section III.A above, more and detailed information for the IDNS staffing for regulation of the LLW disposal sites will be needed. The same comments contained in paragraph 1 above apply here as well. To the extent applicable, the suggestions in paragraph 2 should also be followed here.

42

Section D: The last paragraph of this section should be expanded to specifically address the special skills and areas of expertise that will be needed to effectively regulate a LLW disposal site and the specific arrangements IDNS has made to assure that these services will be available when they are needed. These could include MOU's or other letters of agreement (particularly applicable to other State agencies, such as State Geological Survey), availability of funds specifically budgeted for contractual services, retainer contracts, etc. Examples of such arrangements utilized by Agreement States regulating uranium mills are attached to this enclosure.

54

This chart needs updating.

63

Apropos of the comment on p.42, the section on contractual budget should be expanded to demonstrate that adequate funds are available to contract for consultant services as needed to assist in the regulation of the existing and new LLW disposal sites.

64ff.

Appendix 5. As noted above, this appendix should be updated and should include reference to all NRC training that has been received by the staff. Resume's of all materials staff on board should be included. The resume's for Nuclear Facility Safety staff should be deleted.

86ff.

Appendix 6. The job descriptions for nuclear safety specialist and civil engineers should be deleted since they are not used for staffing the materials program.

95ff.

Appendices 7 and 8. These charts should be updated, showing all authorized positions, and where filled, names of incumbents.

100ff.

Appendix 9. See comments on Appendix 5.

121

This page appears to be extraneous.

*Attachment to Encl Z.*

by the Radiation Control Section, the Radiation Control Section has calculated a dose assessment to individuals on the boundary of the controlled area for Western Nuclear Incorporated's Sherwood Project. As part of Dawn Mining Company's environmental impact statement, the radiological assessment for Dawn was performed by the Nuclear Regulatory Commission. This radiological assessment continues to be refined by the Nuclear Regulatory Commission and a final radiological assessment should be included in the environmental impact statement for the renewal of the Dawn license, to be issued by December 1981. Both uranium mills are required to have environmental monitoring programs which not only meet but in many instances exceed the requirements of the Nuclear Regulatory Commission regulatory guides.

#### Staff Resources and Organizational Relationships

The Washington response dated November 7, 1980, indicated that 2.55 staff years effort was dedicated to all uranium mill activities, environmental monitoring, compliance, and licensing. An organizational change has been proposed as indicated in attachment 4, organizational chart. That chart indicates that we will have three individuals devoted to licensing uranium mills. Departmental approval to fill two of these vacant positions is expected shortly. This staffing level is in addition to 2.0 FTEs spent on environmental radiation aspects of uranium milling, .10 percent FTE devoted to uranium milling compliance, and .15 FTE devoted to administrative support of uranium milling activities. (Total post-licensing activities = 2.25 FTEs) Position descriptions and short resumes, including training of the individuals in the Radiation Control Section are included as attachment 5 to these comments.

Memoranda of Understanding are about to be finalized between the Radiation Control Section and the Department of Ecology for dam safety, the Water Supply and Waste Section for evaluation of potential impacts on drinking water supplies, and the Department of Natural Resources for evaluation of geological perimeters.

The Radiation Control Section has contracts with the following consultants: Geotechnical Engineer - John Nelson, Fort Collins, Colorado; and Hart-Crowser Associates, Tacoma, Washington for hydrogeological expertise; Hanford Environmental Health Foundation will furnish medical assistance and the Department of Social and Health Services will provide socio economic consulting services. The Environmental Radiation and Emergency Response Unit of the Radiation Control Section will perform dose assessment capability. Copies of all memoranda of understanding and contracts are included as attachment 6 to these comments.

An organizational chart outlining the organizational relationships between the Radiation Control Section and various state agencies with whom we have memoranda of understanding is included as attachment 7. According to procedure contained in attachment 1, our use of consultants will be to perform an independent review of an applicant's proposal. Our memoranda of understanding provide for an evaluation of our consultant's work. Both

the work of the consultants and the report of the other state agencies shall be submitted to the Radiation Control Section for further evaluation and incorporation into an independent environmental impact statement, issued in accordance with the provisions of the State Environmental Policy Act. In all of the memoranda of understanding we are asking other state agencies or programs only to do the work that they are required to do by law. By law all agencies are additionally required to participate in the SEPA process. The memoranda of understanding acts as a contract with provision for dispute. Consultants will be paid on a fee for services basis to be reimbursed through the provisions of Chapter 402-70 Washington Administrative Code, pertaining to environmental reports. A copy of our regulations is included as attachment 2 to these comments.

#### Inspections

The state of Washington, Radiation Control Section will be performing at least one inspection every year of each uranium mill. In the past, we have inspected uranium mills as frequently as twice a year, with the composite of the two inspections covering all required areas.

#### Public Hearings

Our regulations are being revised to indicate that a public hearing will be provided, regardless of environmental significance upon issuance of a new license in addition to the adequacy of reclamation disposal decommissioning and decommissioning plan. Detailed review of Washington's regulations in terms of Appendix A, 10 CFR 40, the state of Washington believes that, with the adoption of the suggested state regulations for radiation protection, the 12 criteria specified in Appendix A, 10 CFR 40 are indeed met.

INTERAGENCY  
AGREEMENT  
between

STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
AND  
DEPARTMENT OF ECOLOGY

THIS AGREEMENT, PURSUANT TO RCW 39.34.080 is entered into by and between the DEPARTMENT OF SOCIAL AND HEALTH SERVICES, hereinafter referred to as "DSHS", and the DEPARTMENT OF ECOLOGY, hereinafter referred to as "WDOE".

IT IS THE PURPOSE OF THIS CONTRACT FOR WDOE TO provide to DSHS, within 60 days of a written request by DSHS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared by DSHS concerning the safety and construction of a proposed or existing uranium or thorium tailings impoundment structure. Tailings impoundments shall be reviewed against the criteria in the U.S. Nuclear Regulatory Commission Regulatory Guides 3.11 "Design, Construction and Inspection of Embankment Systems for Uranium Mills" and 3.11.1 "Operational Inspection and Surveillance of Embankment Retention Systems for Uranium Mill Tailings", and Washington State regulations governing impoundment structures.

IT IS, THEREFORE, MUTUALLY AGREED THAT:



1. DUTIES OF DSHS

DSHS will issue a formal written request to WDOE to perform said written review. WDOE's Review shall not consist of an independent study, but rather shall be an independent review of the consultant's or contractor's independent study. DSHS will furnish to WDOE sufficient copies of the independent study which is the subject of review. DSHS will rely upon information contained in WDOE's review document to determine the adequacy of the consultant's report(s) when composing DSHS's Environmental Impact Statement (EIS) or Environmental Report (ER). The EIS or ER would be part of the justification for the issuance or denial of a radioactive materials licensing action.

DSHS shall, through its association with the U.S. Nuclear Regulatory Commission, provide training to employee(s) of WDOE in the area of Tailings Impoundment Structure - Analysis and Design and other appropriate training as it becomes available during the contract period.

DSHS shall pay all transportation and per diem cost associated with attendance at public hearings or any other activities, including on-site field inspections, associated with an analysis by WDOE. Reimbursement of WDOE by DSHS shall not exceed \$1000.00 except as provided in Section 3.

2. DUTIES OF WDOE

WDOE will provide, within 60 days or other mutually agreed upon time from receipt of the request, a written analysis of the independent consultant's study as it relates to the effects of the proposal on the safety of the impoundment structure.

WDOE's analysis of an impoundment structure shall be solely in regard to

the structural integrity and safety related aspects of the impoundment structure and shall not include any analysis of any potential hazards or consequences that may result from the containment or release of radioactive materials or wastes.

WDOE's analyses shall include:

- (a) areas which require further information, if any, before a decision can be made as to whether to allow the proposed action;
- (b) evaluation of the recommendations made in the report;
- (c) recommendations for additional requirements such as installation of monitoring devices;
- (d) a determination of the adequacy of the consultant's/contractor's study and recommendations. For impoundment structures WDOE shall use NRC Regulatory Guides 3.11 and 3.11.1 as evaluation criteria.

WDOE's analyses will form the basis for the DSHS's independent review of an applicant's proposal and its Environmental Impact Statement.

WDOE will make available to DSHS for public hearing and trial purposes those employees who have participated in WDOE's evaluation.

It is understood that WDOE has the independent responsibility and authority to control water pollution from industrial and commercial activities. This is authorized under RCW 90.48 and implemented with 173-201 WAC, 173-220 WAC, 173-225 WAC, 173-240 WAC and 372-24 WAC. The water pollution responsibilities exclude radiation which is the responsibility of DSHS. WDOE will exercise its responsibilities in the water pollution aspects of uranium or thorium mining and milling directly with the owner/operator and advise DSHS of these activities in a timely manner.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of August 1981 and be completed on the 30th day of August 1983, provided either party may terminate this agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both agencies.

4. The WDOE by entering into this agreement shall not be held liable nor shall contribution be sought by any party for any act taken by WDOE within the scope of this contract.

5. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: The Secretary of DSHS shall appoint a member to the Dispute Board. The Director of WDOE shall appoint a member to the Dispute Board. The Secretary of DSHS and the Director of WDOE shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract

on this

day of

, 1981.

John Spencer  
Deputy Director  
Department of Ecology

John A. Beare, M.D., M.P.H.  
Director  
Division of Health

Approved as to Form Only  
*Michael J. Sullivan*  
Assistant Attorney General

INTEROFFICE  
AGREEMENT  
BETWEEN  
RADIATION CONTROL SECTION  
AND  
WATER SUPPLY AND WASTE SECTION

THIS AGREEMENT is entered into by and between the RADIATION CONTROL SECTION, hereinafter referred to as "RCS", and the WATER SUPPLY AND WASTE SECTION, hereinafter referred to as "WSWS".

IT IS THE PURPOSE OF THIS AGREEMENT FOR WSWS TO PROVIDE TO RCS within 60 days of a written request by RCS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared for RCS concerning the potential and real effects of a proposed or existing uranium or thorium milling operation and its associated tailings on the drinking water of the mill and that of surrounding residents.

IT IS, THEREFORE, MUTUALLY AGREED THAT:

1. DUTIES OF RCS

RCS will issue a formal written request to WSWS to perform said written review. WSWS's review shall not consist of an independent study, but rather shall be an independent review of the consultant's

or contractor's independent study. RCS will furnish to WSW copies of the independent study which is the subject of review will rely upon information contained in WSW's review document to determine the adequacy of the consultant's report(s) when the Department of Social and Health Services' (DSHS) Environmental Impact Statement (EIS) or Environmental Report (ER). The EIS would be part of the justification for the issuance or denial of radioactive materials licensing action.

RCS shall pay all transportation and per diem costs associated with attendance at public hearings or any other activities, including site field inspections, associated with an analysis by WSW.

2. DUTIES OF WSW

WSW will provide, within 60 days or other mutually agreed period from receipt of the request, a written analysis of the independent consultant's study as it relates to the potential and real impact of a proposed or existing uranium or thorium milling operation and its associated tailings on the drinking water quality of public and private drinking water sources.

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of June 1981 and terminate on the 31st day of May 1983, provided either party may terminate the contract at any time.

agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both parties.

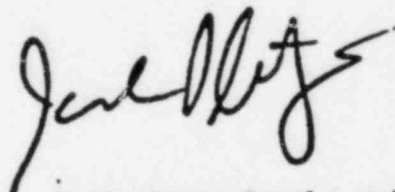
4. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: RCS and WSWS Section Heads shall each appoint members to the Dispute Board. The WSWS Section Head and the RCS Section Head shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract  
( on this 28 day of JULY, 1981.



Head, Radiation Control Section



Head, Water Supply and  
Waste Section



INTERAGENCY  
AGREEMENT  
BETWEEN

STATE OF WASHINGTON

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

AND

DEPARTMENT OF NATURAL RESOURCES

THIS AGREEMENT, PURSUANT TO RCW 39.34.080 is entered into by and between the DEPARTMENT OF SOCIAL AND HEALTH SERVICES, hereinafter referred to as "DSHS", and the DEPARTMENT OF NATURAL RESOURCES, hereinafter referred to as "DNR".

IT IS THE PURPOSE OF THIS CONTRACT FOR DNR TO provide to DSHS, within 60 days of a written request by DSHS, an independent written evaluation of an independent consultant's or other contractor's study and recommendations prepared for DSHS concerning the properties of the physical environment to include natural resource development, energy production and consumption, land use and management in conjunction with the uranium or thorium milling industry.

IT IS, THEREFORE, MUTUALLY AGREED THAT:

1. DUTIES OF DSHS

DSHS will issue a formal written request to DNR to perform said written review. DNR's review shall not consist of an independent study, but rather shall be an independent review of the consultant's or contractor's independent study. DSHS will furnish to DNR sufficient copies of the independent study which is the subject of review. DSHS will rely upon information contained in DNR's review document to determine the adequacy of the consultant's report(s) when composing DSHS's Environmental Impact Statement (EIS) or Environmental Report. The EIS would be part of the justification for the issuance or denial of a radioactive materials licensing action.

DSHS may through its association with the U.S. Nuclear Regulatory Commission, provide training to employee(s) of DNR as it becomes available during the contract period.

DSHS shall pay all transportation and per diem costs associated with attendance at public hearings or any other activities, including on-site field inspections, associated with analysis by DNR. Reimbursement for this activity shall not exceed \$1000.00.

2. DUTIES OF DNR

DNR will provide, within 60 days or other mutually agreed upon time from receipt of the request, a written analysis of the independent consultant's study as it relates to the uranium or thorium milling industry.

DNR's analysis shall be solely in regard to elements of the physical environment, as stated above, and shall not include any analysis of

any potential hazards or consequences that may result from the containment or release of radioactive materials or wastes. This analysis shall include:

- (a) areas which require further information, if any, before a decision can be made as to whether to allow the proposed action;
- (b) evaluation of the recommendations made in the report;
- (c) recommendations for additional development such as alternatives;
- (d) a determination of the adequacy of the consultant's/contractor's study and recommendations.

The analysis will form the basis for the DSHS's independent review of an applicant's proposal and its Environmental Impact Statement. DNR will make available to DSHS for public hearing purposes those employees who have participated in DNR's evaluation.

### 3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this contract shall commence on the 1st day of September, 1981 and be completed on the 31st day of October, 1983, provided either party may terminate this agreement upon 90 day written notification thereof. This contract may be renewed or amended by consent of both agencies.

- 4. The DNR by entering into this agreement shall not be held liable nor shall contribution be sought by any party for any act taken by DNR within the scope of this contract.

### 5. DISPUTES

In the event that a dispute arises under this contract, it shall be resolved in the following manner: The Secretary of DSHS shall appoint

a member to the Dispute Board. The Commissioner of DNR shall appoint a member to the Dispute Board. The Secretary of DSHS and the Commissioner of DNR shall jointly appoint a member of the Dispute Board. The Dispute Board shall evaluate the dispute and make determination of the dispute. The determination of the Dispute Board shall be final and be binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this contract  
on this                      day of                      , 1981.

ENCLOSURE 3

Ref: SA/JOL

*J. Saltzman*  
*for*  
*MLC*

NOV 18 1985

Mr. Terry Lash, Director  
Department of Nuclear Safety  
1035 Outer Park Drive  
Springfield, Illinois 62704

Dear Mr. Lash:

As promised in my November 15, 1985 letter to you, I am writing to convey the rest of our comments on the draft proposal for a Section 274b Agreement.

Enclosure 1 contains our suggested changes to the draft Agreement and to the draft letter from the Governor. These changes will help satisfy the statutory requirements for certification by the Governor. Other minor editorial changes are also indicated.

Enclosure 2 contains our comments on the "Program Statement" portion of the draft application. As we discussed, the suggested changes will help show that the criteria provided in the KRC Policy Statement for such applications have been met by the Illinois proposal.

We believe it would be prudent to let us review the revised Program Statement prior to formal submittal by the Governor to assure that no unresolved questions remain. We would also appreciate receiving a copy of the proposed regulations when they are published for public comment. Volume II, "Statutes" should be revised to include the recently enacted amendments to your statutes.

Enclosure 3 includes a copy of our internal procedure for review of Agreement State programs and includes the questionnaire you requested and which we use as a basis for reviews (See Appendix E).

OFFICE						
NAME						
DATE						

Mr. Terry Lash

-2-

If you have any questions, please do not hesitate to call Joel Lubenau at 301-492-9887.

Sincerely,  
Original signed by:  
D. Nussbaumer

Donald A. Nussbaumer  
Assistant Director for  
State Agreements Program  
Office of State Programs

Enclosures: 1 d 2 incl  
As stated

cc: R. Lickus, RIII, w/encls.

Distribution:

SA R/F  
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JOLubenau, w/enc1.  
DANussbaumer, w/enc1.  
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Illinois file (fc) w/enc1.

OFFICE	SA	DA				
NAME	J. Lubenau/bh	D. Nussbaumer				
DATE	11/18/85	11/18/85				



Enclosure 2

Comments on Volume I, "Program Statement"

<u>Page</u>	<u>Comment</u>
2-9	The discussion on your statutes should be revised to reflect the recent amendments to your statutes.
24	Line 9: Insert "license and" before decommissioning to reflect the fact that the NRC license for the Sheffield disposal site will be transferred to Illinois.
26	This may be the most appropriate place to specifically note that the State will license this site under the term of the Section 274b Agreement.
27	Section c: We suggest expanding this section to provide more detail on the IDNS plans and role in site selection, selection of an operator, issuance of a license to the operator and subsequent regulation of the site operator licensee. Particular attention should be paid to the possibility of, or appearance of, conflict of interest in these roles for IDNS.
28-29	Note should be made here that the Kress Creek contamination, if deemed to be "source material," will become the regulatory responsibility of IDNS under the Agreement.
39-40	1. Section III.A: More and detailed information on IDNS staffing for the material program is needed. An updated staffing chart showing all authorized staff positions should be provided in Appendix 7. When filled, names of incumbents should be provided. A list of the professional staff by position, title and name (if filled), function (administration, supervision, licensing, inspection) and percent of time spent in the materials program is also needed

NOV 18 1985

Mr. Terry Lash, Director  
Department of Nuclear Safety  
1035 Outer Park Drive  
Springfield, Illinois 62704

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Sincerely,  
Original signed by:  
D. Nussbaumer

Donald A. Nussbaumer  
Assistant Director for  
State Agreements Program  
Office of State Programs

Enclosures: 182 incl  
As stated

cc: R. Lickus, RIII, w/encls.

Distribution:

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OFFICE	SA	DA					
NAME	JOLubenau/bh	DANussbaumer					
DATE	11/18/85	11/18/85					

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