

(STP-01-005, January 2001, Program, SA-1000)

January 26, 20001

ALL AGREEMENT STATES
MINNESOTA, PENNSYLVANIA, WISCONSIN

**PROGRAM MANAGEMENT INFORMATION: FEDERAL REGISTER NOTICE AND STP
PROCEDURE SA-1000 ON GRANT PROGRAM FOR FUNDING ASSISTANCE FOR
FORMERLY NRC LICENSED SITES IN AGREEMENT STATES (STP-01-005)**

Enclosed for your information are a pre-publication copy of the Federal Register (FR) notice announcing the availability of a grant program for financial assistance to support Agreement States in closing outstanding formerly NRC licensed sites, and the Office of State and Tribal Programs Procedure SA-1000, "Implementation of the Grant Program for Funding Assistance for Formerly License Sites in Agreement States." The procedure is also available on the NRC homepage at <http://www.hsr.d.gov/nrc/procedures/sa1000.pdf>.

The grant program implements the Commission direction for NRC funding for review and, if necessary, remediation of NRC formerly licensed sites for which there is no financially responsible party. Note that Agreement States have jurisdiction over the materials at these sites; however, when requested by the State, NRC staff is prepared to work jointly with the Agreement States to bring these sites to closure.

As identified in the FR notice, the following eight Agreement States with remaining formerly NRC licenced sites are eligible to submit grant proposals for funding assistance. They are: Arizona, California, Colorado, Massachusetts, New Mexico, North Dakota, New York and Texas.

Thank you for your attention to this matter. If you have any questions regarding this correspondence or any comments on the draft documents, please contact me at (301) 415-3340 or the individual named below.

POINT OF CONTACT: Kevin Hsueh INTERNET: KPH@NRC.GOV
TELEPHONE: (301) 415-2598 FAX: (301) 415-3502

/RA/
Paul H. Lohaus, Director
Office of State and Tribal Programs

Enclosure:
As stated

NUCLEAR REGULATORY COMMISSION

Financial Assistance (Grants) to Support Agreement States in
Closing Sites Formerly Licensed by the NRC

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice.

SUMMARY: The Nuclear Regulatory Commission (NRC) is announcing the availability of financial assistance to support Agreement States in closing outstanding sites formerly licensed by the NRC. The assistance is being made available through a grant program. Eligible Agreement States that desire funding assistance should submit a written grant proposal to NRC for review and approval.

Agreement State grant proposals for file reviews and/or for conduct of initial site surveys should be submitted within 60 - 90 days of the publication of this announcement. Proposals for site characterization, if needed, should be submitted as soon as possible after completion of file reviews and/or initial surveys. Similarly, proposals for site remediation, if needed, should be submitted as soon as possible after completion of site characterization. Proposals that are not submitted in time for consideration under FY 2001 funds will be considered for FY 2002 funding.

ADDRESS: Nuclear Regulatory Commission, ATTN: Grants Officer, Division of Contracts and Property Management, Office of Administration, Mail Stop T-7-I-2, Washington, DC 20555.

FOR FURTHER INFORMATION CONTACT: Yvette Brown, 301-415-6507

SUPPLEMENTARY INFORMATION:

Background

The NRC has been reviewing files for previously terminated licenses to determine whether there was appropriate documentation in the files that the sites were decommissioned prior to termination of the license and release of the site. A number of files have been identified for which there is insufficient documentation about site decommissioning or sealed source disposition.

Radioactive material remaining at a site located within an Agreement State, including material originally licensed by the NRC or its predecessor, is the regulatory responsibility of the Agreement State under its agreement with NRC. Therefore, an Agreement State has regulatory jurisdiction for conducting license file reviews and initial site surveys of formerly NRC licensed sites, including sites with insufficient documentation to account for sealed sources. An Agreement State also has regulatory jurisdiction for remediation of any sites identified as being contaminated.

Under Section 274.i of the Atomic Energy Act of 1954, as amended, the NRC is supporting Agreement States through providing funds for the purpose of reviewing files, conducting surveys, characterizing, and remediating sites formerly licensed by the NRC.

On May 24, 1999 (64 FR 28014), the NRC published a notice in the Federal Register (FR) that requested stakeholders' comment on the proposed grant program for Agreement States for formerly NRC licensed sites. The basis for the FY 2001-2002 cost estimates for formerly NRC licensed sites is set out in a Commission Paper-SECY-99-193, entitled "Cost Estimates for Completion of Formerly Terminated NRC Licensed Sites Program." In that paper, a total of 11 Agreement States were identified that could need funding assistance to close out formerly NRC licensed sites in their States. (SECY-99-193 is available on the NRC homepage at <http://www.nrc.gov/NRC/COMMISSION/SECYS/secy1999-193/1999-193scy.html>.)

During the past year, the NRC staff determined that three of the 11 Agreement States, identified in SECY-99-193, have taken action to close out the formerly NRC licensed sites in their States after file review/investigation. The following eight Agreement States with remaining formerly NRC licensed sites are eligible to submit grant proposals for funding assistance: Arizona, California, Colorado, Massachusetts, New Mexico, North Dakota, New York and Texas.

On October 2, 2000, during the annual Organization of Agreement State Meeting, the NRC staff presented information on the grant program to provide Agreement State staff an opportunity to discuss the process and procedure that will be used to administer the program. Copies of the draft grant proposal for file review and/or initial survey, and the draft procedure were distributed at that meeting.

The grant program will be administered to ensure a proper, fair, and equitable use of available funds to assist Agreement States with remaining formerly NRC licensed sites to complete necessary file reviews and surveys; site characterization; and remediation, if necessary. The program will include a risk-ranking of the sites to ensure that funds are available for the “high-risk” sites in the event that the appropriated funds are less than requested or prove to be insufficient to fully remediate remaining identified sites. The FY 2001 funding appropriation is \$1,650,000.00. The FY 2002 proposed ceiling is \$1,650,000.00 pending availability of the funds.

The grant program is organized into four different kinds of proposals for funding assistance:

- (1) Proposal for file review and/or initial survey;
- (2) Proposal for regulatory oversight for site characterization and/or remediation;
- (3) Proposal for site characterization; and
- (4) Proposal for site remediation.

Each State that desires funding assistance should submit a written grant proposal to the
Attention of:

Grants Officer
Division of Contracts and Property Management
Office of Administration
Mail Stop T-7-I-2
U.S. Nuclear Regulatory Commission
Washington, DC 20555

An STP procedure (SA-1000), entitled “Implementation of the Grant Program for Funding Assistance for Formerly Licensed Sites in Agreement States,” with a sample proposal for file review and/or initial survey is available on the NRC homepage at <http://www.hsr.gov/nrc/procedures/sa1000.pdf>

Each proposal should contain basic information including project goals and objectives, project management, period of the project, project total cost, and anticipated results. In addition, the proposal should include the following information depending on the type of proposal being submitted:

(1) Proposal for File Review and/or Initial Survey (A sample proposal can be found in the STP Procedure SA-1000).

- a. A brief description of each file to be reviewed;
- b. The number of loose material and/or sealed source files to be reviewed;
- c. Estimated work hours by major activity for each file (including review of records and documents, travel, interviews, survey and sampling, etc.);
- d. Estimated hourly rate of the person(s) conducting the reviews and/or initial surveys;
- e. Estimated cost for file review and/or initial survey (using data from items c and d);
- f. Estimated worker benefit cost;
- g. Estimated travel and Per Diem cost;
- h. Estimated supplies and service cost;
- i. Estimated total direct cost (using data from items e to h);
- j. Estimated total indirect cost;
- k. Estimated total cost (items i plus j);
- l. Estimated laboratory analysis and service costs, if any;
- m. Estimated grand total cost (items k plus l); and
- n. Any supporting information that will strengthen the proposal.

(2) Proposal for Regulatory Oversight for Site Characterization and/or Remediation.

- a. A brief description of each site that needs regulatory oversight for site characterization and/or remediation;
- b. The number of sites that need regulatory oversight for site characterization and/or remediation;

- c. Estimated work hours by major activity for each site (including review of records and documents, travel, administration record keeping and correspondence, etc.);
- d. Estimated hourly rate of the person(s) conducting the oversight;
- e. Estimated cost for sites that need regulatory oversight (using data from items c and d);
- f. Estimated worker benefit cost;
- g. Estimated travel and Per Diem cost;
- h. Estimated supplies and service cost;
- i. Estimated total direct cost (using data from items e to h);
- j. Estimated total indirect cost;
- k. Estimated total cost (items i plus j);
- l. Estimated laboratory analysis and service costs, if any;
- m. Estimated grand total cost (items k plus l); and
- n. Any supporting information that will strengthen the proposal.

(3) Proposal for Site Characterization.

Note that Agreement States should complete all file reviews and/or initial surveys before submitting their site characterization proposal to NRC, and each proposal should deal with only one specific site.

- a. A brief description of the site characterization plan;
- b. Estimated work hours by major activity for the site including regulatory oversight and actual site characterization work;
- c. Estimated hourly rate of the person(s) conducting the activity including regulatory oversight and actual site characterization work;
- d. Estimated cost (using data from items b and c);
- e. Estimated worker benefit cost;

- f. Estimated travel and Per Diem cost;
- g. Estimated supplies and service cost;
- h. Estimated total direct cost (using data from d to g);
- i. Estimated total indirect cost;
- j. Estimated total cost (items h plus i);
- k. Estimated laboratory analysis and service costs, if any;
- l. Estimated grand total cost (items j plus k);
- m. Documentation that none of the following three conditions exist:
 - (1) the current site owner is financially capable for site characterization;
 - (2) the original licensee is still in existence and financially capable; or
 - (3) the site qualifies for the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) funding assistance; and
- n. Any supporting information that will strengthen the proposal.

(4) Proposal for Site Remediation.

Note that each proposal deals with only one specific site.

- a. A brief description of site cleanup plan;
- b. Estimated work hours by major activity for the site including regulatory oversight and actual site remediation work;
- c. Estimated hourly rate of the person(s) conducting the activity including regulatory oversight and actual site remediation work;
- d. Estimated cost (using data from items b and c);
- e. Estimated worker benefit cost;
- f. Estimated travel and Per Diem cost;
- g. Estimated supplies and service cost;
- h. Estimated total direct cost (using data from items d to g);
- i. Estimated total indirect cost;

- j. Estimated total cost (items h plus i);
- k. Estimated laboratory analysis and service costs, if any;
- l. Estimated grand total cost (items j plus k) including regulatory oversight and actual remediation work;
- m. An estimate of the residence or worker population, if any, within the contaminated area(s);
- o. Accessibility of the contaminated site to the public;
- p. Average gamma surface dose rate of the contaminated areas;
- q. An estimate of the contaminated areas;
- r. An estimate of the total volume of waste;
- s. An estimate of the percentage of contaminated area where the level of removable contamination exceeds permissible regulatory limits;
- t. Any economic impact of not cleaning up the site immediately;
- u. The funding needed for each year and the amount of time needed to complete site cleanup activities;
- v. Plans for disposal of waste and availability of the waste disposal site;
- w. A statement or conclusion (and supporting basis) that the contaminated site could result in doses that exceed the 25 millirem/year public dose limit;
- x. Documentation that none of the following three conditions exist:
 - (1) The current site owner is financially capable of conducting the site remediation;
 - (2) The original licensee is still in existence and financially capable; or
 - (3) The site qualifies for CERCLA funding assistance;
- y. Any considerations that would warrant that this site needs to be remediated in a short period of time; and
- z. Any supporting information that will strengthen the proposal.

Evaluation Process

All proposals received as a result of this announcement will be evaluated by NRC staff.

Evaluation Criteria

The common evaluation criteria for each proposal are as follows:

1. Clarity of statement of project objectives, management and anticipated results;
2. The completeness of the cost estimate;
3. The level of supporting detail presented; and
4. The reasonableness of the cost estimate (i.e., the accuracy and magnitude of estimated costs) in relation to the work to be performed and anticipated results.

Additional evaluation criteria for site characterization proposal:

The funding will not be granted to a site if any of the following conditions exist:

- a. The current site owner is financially capable for site characterization.
- b. The original licensee is still in existence and financially capable.
- c. The site qualifies for CERCLA funding assistance.

Additional evaluation criteria for site remediation proposal:

- a. The funding will not be granted to a site if any of the following conditions exist:
 - i. The current site owner is financially capable for site remediation.
 - ii. The original licensee is still in existence and financially capable.
 - iii. The site qualifies for CERCLA funding assistance.
 - iv. Site remediation is proposed for compliance with a more conservative criterion than 25 millirem/year.
- b. If necessary, the NRC staff will evaluate and approve the grants based on a risk-ranking for each site. Information on the approach for risk ranking contaminated formerly NRC licensed sites will be provided at a later date, if necessary.

Dated at Rockville, Maryland this _____ day of January, 2001.

For the Nuclear Regulatory Commission.

Paul H. Lohaus, Director,
Office of State and Tribal Programs.