

From: Carol Abbott
To: Dennis Sollenberger
Date: Fri, Nov 5, 1999 9:21 AM
Subject: OCFO review of letter to T.Ortciger, Illinois Dept. of Nuclear Safety

NOTE TO: Dennis Sollenberger, OSP

OCFO has reviewed OSP's proposed response to the October 19, 1999 letter from T.W.Ortciger, Director, Illinois Department of Nuclear Safety in which he expressed his disappointment in the Commission's decision not to reimburse states for work already completed to close out formerly NRC-licensed sites. As the response is consistent with the Commission's policy and supports the level of resources budgeted for this effort, OCFO concurs in the letter.

If you have any questions, please contact me on 415-6034.

REF:
OC-99-397
DBA-99-328
EDO Control number G1990538
DBA File: NML-3.1 "State Programs"

CC: Jerry Elder, Joel Dorfman, Linda Herr, Michele ...

Mr. Thomas W. Ortziger, Director
 Illinois Department of Nuclear Safety
 1035 Outer Park Drive
 Springfield, IL 62704

Dear Mr. Ortziger:

Thank you for your letter of October 19, 1999, in which you presented your disappointment in the Commission decision not to include in the appropriation request funds for reimbursement of Agreement States for work already completed on NRC formerly licensed sites. The objective of the appropriation request is to provide funds for completion of the formerly licensed sites effort. The grant program proposed by the staff to administer the funds is to be conducted under Management Directive 11.6 (MD 11.6), "Financial Assistance Program." This Management Directive was developed in accordance with the Atomic Energy Act of 1954, as amended, and the Federal Grant and Cooperative Agreement Act of 1977. Under MD 11.6, there are no mechanisms that will allow payment for work completed prior to the award of the specific mechanism (grant, contract, or cooperative agreement). MD 11.6 does allow pre-award costs when it is in the best interest of the Government to allow payment of otherwise allowable and allocable costs for grant related activities before award. These pre-award costs are to be directly related to the conduct of the grant activities. For States, such as Illinois, which have completed all formerly licensed site activities, there is no basis to award a grant to those States under this program. NRC does not intend to penalize States which have accepted and carried out this health and safety responsibility to address formerly licensed sites, such as Illinois. However, our focus in seeking funding was to bring this program to conclusion by providing assistance to those cases which are still outstanding.

I appreciate the actions taken by the Illinois Department of Nuclear Safety to promptly address the NRC formerly licensed sites in the State of Illinois. Your actions demonstrate your concern for the health and safety of the citizens of Illinois. I hope our inability to reimburse you for these actions will not interfere with the excellent working relationship that has developed between our organizations.

Sincerely,

Richard Meserve

Distribution:

EDO RF (G19990538)
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 SDroggitis
 JLynch, RIII RSAO
 RLickus, RIII RSLO

DCD (SP07)
 PDR (YES)
 Illinois File

**Concurrence via E-mail.

*See previous concurrence.

DOCUMENT NAME: G:\DMS\ORTZIGER.DMS

To receive a copy of this document, indicate in the box: "C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure "N" = No copy

OFFICE	OSP	OSP:DD	OGC	CFO	OSP:D
NAME	DSollenberger:kk	FCombs	STreby	JFunches	PHLohaus
DATE	10/28/99	10/28/99	/99	11/05/99**	/99

OFFICE	DEDMRS	EDO	OCM
NAME	CJPaperiello	WDTravers	
DATE	/99	/99	/99

STATE PROGRAMS OFFICE TRACKING SYSTEM

ACTIVE PROJECTS

Date: 10/26/99

ProjectID: 9G538

Project Description: FEDERAL FUNDING FOR PREVIOUS TERMINATED NRC LICENSES PROJECT

StartDate: 10/26/99 Originate Date: 11/5/99 Project Class: SOLLEMBERGER

Completion Date: Due Date: 11/5/99

Status: FRED ASKING FOR TWO WEEK EXTENSION.

Requester/Office: THOMAS W. ORCIGER/ILLINOIS

Extension Requested: Extension Date: RITS Code: PA No:

ACTION

EDO Principal Correspondence Control

FROM: DUE: 11/05/99

EDO CONTROL: G19990538
DOC DT: 10/19/99
FINAL REPLY:

Thomas W. Ortciger
State of Illinois
Department of Nuclear Safety

TO:

Chairman Dicus

FOR SIGNATURE OF :

** PRI **

CRC NO: 99-0871

Chairman Dicus

DESC:

FEDERAL FUNDING FOR PREVIOUS TERMINATED NRC
LICENSES PROJECT

ROUTING:

Travers
Paperiello
Miraglia
Norry
Blaha
Burns
Funches, CFO
Kane, NMSS
Springer, ADM

DATE: 10/26/99

ASSIGNED TO:

CONTACT:

SP

Lohaus

SPECIAL INSTRUCTIONS OR REMARKS:

Coordinate response with CFO.

99 OCT 26 AM 10:39

OSP

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

To: Lohaus, SP
Appropriate Action

PAPER NUMBER: CRC-99-0871 LOGGING DATE: Oct 21 99
ACTION OFFICE: CFO/EDO
AUTHOR: THOMAS ORTCIGER
AFFILIATION: ILLINOIS
ADDRESSEE: CHAIRMAN DICUS
LETTER DATE: Oct 19 99 FILE CODE:
SUBJECT: FEDERAL FUNDING FOR PREVIOUS TERMINATED NRC
LICENSES PROJECT
ACTION: Signature of Chairman
DISTRIBUTION: RF
SPECIAL HANDLING: SECY TO ACK
CONSTITUENT:
NOTES: COORDINATE RESPONSE WITH EDO
DATE DUE: Nov 5 99
SIGNATURE: . DATE SIGNED:
AFFILIATION:

cjs:
EDO
DEDMRS
DEDR
DEDM
AO
NMSS
ADM

99 OCT 26 PM 3:45

OSP