

REQUEST REPLY BY: 3/16/07

UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 WASHINGTON, D.C. 20555-0001

Approved. See attached
 comments.

March 2, 2007

A handwritten signature in black ink, appearing to read "D. Klein".

Dale E. Klein

3/14/07

MEMORANDUM TO: Chairman Klein
 Commissioner McGaffigan
 Commissioner Merrifield
 Commissioner Jaczko
 Commissioner Lyons

FROM: Luis A. Reyes
 Executive Director for Operations

A handwritten signature in black ink, appearing to read "Luis A. Reyes".

SUBJECT: STRATEGY FOR FUNDING THE AGREEMENT STATES FOR
 TRAINING AND OTHER ACTIVITIES THAT SUPPORT THE
 DEVELOPMENT AND INITIATION OF THE NATIONAL SOURCE
 TRACKING SYSTEM

In SRM-COMSECY-06-0205, dated October 25, 2006, the Commission directed staff to propose a strategy to provide annual funding to the Agreement States for training, regulatory guidance development, and other activities to support implementation of the National Source Tracking System (NSTS). The staff has reviewed the current NSTS development and deployment plans and coordinated with the leadership of the Organization of Agreement States (OAS) to identify areas where additional U.S. Nuclear Regulatory Commission (NRC) support could be provided to the Agreement States. Based on the staff's analysis and discussions with OAS, the staff proposes a preliminary approach to expand its planned NSTS training program and to provide funds for travel to Agreement State personnel for training at the NRC Regional Offices and Headquarters.

NSTS training contract requirements

The NSTS contract requirements calls for the development of formal training courses and additional training materials such as user guides, computer-based training modules, online system help, and online regulatory reference material. The training programs will be designed to target the different NSTS user groups, including Agreement State personnel. The proposed implementation of the NSTS includes a total of six, four-hour workshops, for licensee and Agreement State personnel, to discuss the NSTS regulations and to demonstrate use of the NSTS. For Agreement States, the planned approach consists of "training the trainer," so that the trained individual could train other State regulators on use of NSTS. Besides the planned training sessions, an additional training session will be offered for presentation at an OAS meeting before the NSTS program is fully deployed.

CONTACT: Ernesto Quiñones-Padovani, FSME/DMSSA
 301 -415-0271

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The staff anticipates that most licensee and Agreement State personnel will not need to receive formal training because the other planned training methods should be sufficient to fulfill the training needs of the majority of the users. The staff believes that the planned approach is adequate given that there will be other contract-required training methods (e.g. computer-based training modules, online system help, etc.) that will cover any operational questions that may arise.

Agreement State implementation efforts of the NSTS program

In the regulatory analysis for the NSTS final rule, the staff evaluated the efforts associated with adoption and implementation of the NSTS program into Agreement State regulations. Since the NSTS rule has been categorized as a Compatibility Category "B" matter, the Agreement States should adopt program elements essentially identical to those of the NRC. The Agreement States will need to review the final rule and issue legally binding requirements to their licensees either by promulgating a comparable rule, issuing Orders, or adding or revising individual license conditions. In addition to ensuring their staff is trained on the use of the system, the States will need to develop regulatory guidance (i.e., licensing guidance, inspection guidance, etc.) and incorporate the NSTS program into their inspection plans.

The staff concluded in its regulatory analysis for the NSTS rule that the adoption of the NSTS rule into State regulations should be, in essence, a relatively simple process. As a general matter, the Agreement States have not received financial assistance from NRC to develop and maintain compatible standards and regulatory programs because such efforts are part of their current agreement with the Commission. The staff recognizes that close cooperation between NRC and the States is crucial in order to effectively implement the NSTS. The staff is committed to develop license condition templates, licensing guidance, and temporary instructions to inspectors, which would be shared with the States for their consideration and assimilation into their internal procedures. In addition, as common practice, the staff is committed to provide technical assistance when needed. This approach is consistent with that used by NRC and the Agreement States when implementing the Increased Controls of Sources program.

Other Agreement State NSTS activities requiring NRC's assistance

The staff contacted the leadership of OAS to discuss additional ways that NRC could assist Agreement States in implementing the NSTS program. In general, OAS did not foresee a significant burden for Agreement States in implementing the NSTS program. The staff discussed the planned training approach with OAS. OAS suggested that the train-the-trainer approach would likely be acceptable in most States, but noted that NRC's plan should be expanded to include a second Agreement State staff. OAS proposed that travel costs for Agreement State staff could be covered by NRC, especially for larger State programs. This suggestion was based on recent experience in training Agreement State staff in implementing the Increased Controls. OAS indicated that formal training will improve the ability of the States to provide well-informed assistance to their licensees.

OAS stated that some of the Agreement State concerns with implementing NSTS focused on the assumption that Agreement State staff would need to train and support their licensees in the use of NSTS. NRC's plan to provide training to licensees, computer-based training modules, and online system help will significantly reduce the need for Agreement State staff to educate its licensees.

Although some States previously provided comments on the NSTS proposed rule emphasizing the need for funds and resources to implement some aspects of the NSTS program, OAS leadership stated that currently no additional assistance, other than the staff's planned training support, is foreseen in the near future. NRC and OAS discussed ways, including Agreement State letters and periodic OAS-NRC calls, to facilitate a common understanding of the NSTS program and to address any Agreement State concerns. Again, this regulatory approach is consistent with the manner in which other programs are coordinated between NRC and the Agreement States.

Resource impacts

Funding of travel for Agreement State personnel to attend NSTS training is not currently included in the FY08 budget. The staff will evaluate the costs involved to cover travel for one or two individuals per Agreement State. The schedule and number of training sessions for Agreement State personnel may also need to be examined to be consistent with the deployment of NSTS. This evaluation will be part of a broader staff review of NRC support for Agreement State travel and training.

Conclusions

In response to the SRM-COMSECY-06-0205, staff proposes to expand its planned NSTS training program to provide funds for travel to AS personnel. Based on the staff's discussions with OAS leadership, the staff will consider OAS' request for NRC to fund NSTS training related travel for up to two individuals per Agreement State. Staff anticipates that no additional support for State regulatory activities may arise in the future. Staff will evaluate any future needs and provide the necessary assistance to the extent practicable.

Staff is currently evaluating the amount of funds needed to cover travel costs. Staff will inform the Commission of any significant issues related to this topic.

SECY, please track.

cc: SECY
OGC
OCA
OPA
CFO

Chairman Klein's comments on COMSECY-07-0009

I approve the staff's strategy for providing assistance for training and other activities that support development of the National Source Tracking system. I encourage the staff to continue to look for innovative ways to increase the availability of training for this and other program areas through cost effective means, such as the web-based training and "train the trainer" approaches included in the staff's plan.



Dale E. Klein

3/16 /2007



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UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 WASHINGTON, D.C. 20555-0001

March 2, 2007

Approved
 E. McInnes
 3/2/07

MEMORANDUM TO: Chairman Klein
 Commissioner McGaffigan
 Commissioner Merrifield
 Commissioner Jaczko
 Commissioner Lyons

FROM: Luis A. Reyes
 Executive Director for Operations

SUBJECT: STRATEGY FOR FUNDING THE AGREEMENT STATES FOR
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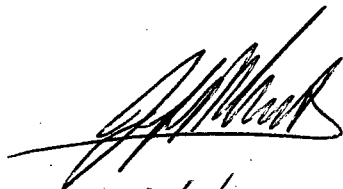
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Commissioner Merrifield's comments on COMSECY-07-0009:

I approve the staff's proposed expansion of its planned National Source Tracking System training program to provide funds for travel to Agreement State personnel as laid out in the paper. Effective and efficient implementation of the National Source Tracking System calls for uniform training and a common understanding of program requirements. My approval of providing funding to the Agreement States for attendance for this training program should in no way be viewed as a willingness on my part to reopen the policy decision of the Commission of NRC not funding Agreement State training in general.




3/7/07

REQUEST REPLY BY: 3/16/07

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March 2, 2007

Approved. See attached
 comments.

 3/13/07
 Gregory B. Jaczko Date

MEMORANDUM TO: Chairman Klein
 Commissioner McGaffigan
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 Commissioner Lyons

FROM: Luis A. Reyes
 Executive Director for Operations



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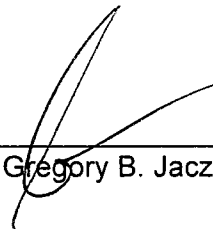
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**Commissioner Jaczko's Comments on COMS-07-0009
Strategy for Funding the Agreement States for Training and Development and
Initiation of the National Source Tracking System**

I approve of the staff's "train the trainer" strategy, including other related costs, for providing assistance to the Agreement States in implementing the National Source Tracking System (NSTS). While I am somewhat reluctant to pay for training the Agreement States, the additional costs incurred for doing so is small considering the importance of the system to protecting the public. Because Agreement States continually face budget challenges the staff should closely monitor their implementation of the system once it becomes operational. Also, the staff should keep the Commission informed of state funding shortfalls that may impact their ability to track sources in the NSTS within their borders.



Gregory B. Jaczko

3/13/07
Date

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I approve the staff's approach to expand its planned NSTS training program and to provide funds to cover travel costs for Agreement State personnel.



MEMORANDUM TO: Chairman Klein
 Commissioner McGaffigan
 Commissioner Merrifield
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 Commissioner Lyons

Peter B. Lyons
 Peter B. Lyons 3/6/07
 Date

FROM: Luis A. Reyes
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