



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

August 20, 2010

Patricia Gardner, Chief  
Bureau of Environmental Radiation  
New Jersey Department of Environmental Protection  
P.O. Box 415  
Trenton, NJ 08625-0415

Dear Ms. Gardner:

An orientation meeting with New Jersey was held on June 24, 2010. The purpose of this meeting was to review and discuss the implementation of New Jersey's Agreement State program. The U.S. Nuclear Regulatory Commission was represented by Pamela Henderson, Acting Deputy Director of the Region I Division of Nuclear Materials Safety, Michelle Beardsley and Maria Arribas-Colon of the Office of Federal and State Materials and Environmental Management Programs, and me.

I have completed and enclosed a general meeting summary, including any specific actions resulting from the discussions.

If you feel that our comments, conclusions, or actions to be taken do not accurately summarize the meeting discussion, or have any additional remarks about the meeting in general, please contact me at (610) 337-5371, or email to [Donna.Janda@nrc.gov](mailto:Donna.Janda@nrc.gov) to discuss your comments.

Sincerely,

**/RA/**

Donna M. Janda  
Regional State Agreements Officer  
Division of Nuclear Materials Safety

Enclosure: As stated

cc w/encl:  
Jill Lipoti, State of New Jersey  
Paul Baldauf, State of New Jersey

AGREEMENT STATE ORIENTATION MEETING SUMMARY FOR  
NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION (NJDEP)

DATE OF MEETING: June 24, 2010

NRC Attendees	NJDEP
Pamela Henderson, Acting Deputy Director, Division of Nuclear Materials Safety, Region I	Jill Lipoti, Director, Division of Environmental Safety and Health, NJDEP
Donna Janda, Region I RSAO	Paul Baldauf, Asst. Director, Radiation Protection Programs
Michelle Beardsley, Health Physicist, FSME	Patricia Gardner, Chief, Bureau of Environmental Radiation
Maria Arribas-Colon, Health Physicist, FSME	Jennifer Goodman, Supervisor, Diffuse NARM, Source and Special Nuclear Material, General Licensing & Decommissioning Section
	William Csaszar, Supervisor, Industrial, Medical, and Reciprocity Section
	Richard Peros, Supervisor, Medical Section
	Catherine Biel, Supervisor, Industrial Section

**DISCUSSION:**

New Jersey became the 37<sup>th</sup> Agreement State on September 30, 2009. The Agreement discontinued NRC regulatory authority in the State for: a) byproduct materials as defined in Section 11e.(1), 11e.(3), and 11e.(4) of the Act; b) source materials; and c) special nuclear materials not sufficient to form a critical mass. The Agreement does not cover safety evaluations of sealed sources and devices or regulation of 11e.(2) byproduct material resulting from the extraction or concentration of source material from ore processed primarily for its source material content or its management or disposal.

FSME Procedure SA-118, *Orientation Meetings for New Agreement States*, requires that orientation meetings with new Agreement States take place approximately nine months after the signing of the agreement. The orientation meeting serves as a forum to hold discussions, to exchange information, to identify areas of concern during the initial implementation for the new Agreement State program, and to assess IMPEP review planning. The orientation meeting is not a formal evaluation.

The New Jersey Agreement State Program (the Program) is located in the Bureau of Environmental Radiation (the Bureau), which is located in the Radiation Protection Program within the New Jersey Department of Environmental Protection (NJDEP).

This summary describes New Jersey's orientation meeting.

## NJDEP Orientation Meeting Summary

### TOPICS COVERED DURING THE MEETING INCLUDED:

#### Program Strengths

An experienced and well trained staff is a major strength of the Program. Eight staff members have advanced degrees and greater than 20 years of experience. The Program developed a good working relationship with the regulated community prior to New Jersey's transition to an Agreement State and continues to maintain this effective working relationship. Management support, including upper management, for the Program is very good. According to Program managers, adopting NRC regulations by reference and careful consideration of the licensing fee schedule both contributed to the successful start of the Agreement State Program.

#### Program Weaknesses

According to Program management, the process of populating their electronic license file database to include the license information from NRC paper files had to be done from scratch which required significant resources to accomplish. Merging files took more time than estimated and the Program needed to adapt the database to fit their needs. Staff must spend more time than anticipated to generate licenses and letters. In addition, Program staff identified a weakness associated with their website which needs to be updated with current Agreement State-related information. Program management is considering modeling their website based on the Florida materials program website. The updated website will also have a list server set up so licensees can sign up to receive Program announcements/correspondence.

#### Management Support of the Agreement State Program

Division management is very supportive of the Agreement State Program, including support for training of Program staff.

#### Feedback on the NRC's Program

The Program staff indicated that NRC's general license tracking system (GLTS) database has been found to contain many inaccuracies. A copy of this database was provided to the Program prior to the effective date of the Agreement. Two issues the program identified included finding sources on the list that should have been removed and the inability to locate some licensees based on the information provided in the database. The Program Chief indicated that the State intends to send a letter to NRC describing the issues the State has identified with GLTS.

Program management commented that both the overall relationship and communication with the NRC are good and welcomed the NRC funding of training. The Program Chief stated that the National Source Tracking System (NSTS) webinar conducted by FSME and Increased Controls inspection training provided by Region I staff were good NRC initiatives. The Program staff would like to see more opportunities for NMED training, including a webinar if possible, and/or better guidance for NMED users.

## NJDEP Orientation Meeting Summary

### Agreement State Program Staffing and Training

The Program is fully staffed. Approximately 12 full-time equivalents (FTE) are allotted to the Program, not including clerical support. Program staff consists of the Program Chief, four Section supervisors and seven technical staff members. According to the Program Chief, the staffing level was a challenge when considerable resources were spent merging docket files after becoming an Agreement State; however, the staffing level is adequate for a normal workload.

Support for staff training exists in the Program. Program staff members have attended NRC and other training courses, including the NRC's Security Systems and Principles Course. The Program Chief noted that they were concerned that they were unsuccessful in enrolling staff in the two NRC medical qualification courses. Training journals are maintained for each staff member and include requests for upcoming training.

### Materials Inspection Program

The Program's inspection frequencies are at least as frequent as NRC's. At the time of the Agreement, NRC Region I provided an approximate three-month "cushion" of completed inspections to allow New Jersey time to concentrate on structuring its Program without concern about the need to immediately conduct inspections. No inspections were completed overdue, and there is no inspection backlog. New Jersey has performed 26 routine inspections since becoming an Agreement State. The Program maintains a database for tracking inspection activities. Program supervisors have started conducting annual inspection accompaniments.

The Program has conducted seven reciprocity inspections of 33 candidate licensees that have entered the State since the effective date of the Agreement. The State has a very active reciprocity program which is reflected in the receipt of approximately 190 requests from these licensees to work in New Jersey. In addition, the State has taken enforcement action against two licensees who did not file for reciprocity with the State prior to conducting licensed activities in New Jersey.

The Program maintains a sufficient number and variety of calibrated radiological survey instrumentation for use during inspections. Additionally, the Program has access to the State's radioanalytical laboratory for sample analyses.

### Licensing

No licensing backlog exists. The Program has approximately 650 active radioactive materials licenses and has completed merging 316 of these licenses into their license database. The Program has processed 436 licensing actions including 26 applications for new licenses since the effective date of the Agreement. Pre-licensing checklists are being used and pre-licensing visits are conducted when appropriate. The Program has received one new application for a gamma knife facility which is currently under review.

## NJDEP Orientation Meeting Summary

### Regulations and Legislative Changes

There have not been any legislative changes or proposals that have affected the Program.

New Jersey adopts NRC regulations by reference with few exceptions. New Jersey regulations are subject to sunset laws and are due to sunset in July 2011. The Program Chief noted that New Jersey will need a new pointer when 10 CFR Part 37 regulations are published. New Jersey will notify their licensees when NRC regulations are out for comment.

### Program Budget/Funding

The New Jersey Agreement State Program is 100 percent funded by the fees charged to licensees by the Program. At the present time the Program is adequately funded. Fees are placed into a restricted account that is available only to the Program. The Program Chief noted that no furloughs or layoffs of Program staff members are expected in the upcoming fiscal year.

### Financial Assurance

The State has 23 licensees that require financial assurance. At the time of this meeting, four licensees have transferred their financial assurance instruments from NRC to New Jersey and four others are in the process. New Jersey is waiting for additional information from the remaining 15 licensees who possess financial assurance instruments.

### Event Reporting

The Program communicates reportable incidents to the NRC Operations Center and Region I when appropriate in a prompt manner. Since New Jersey became an Agreement State, three events were reported to the NRC.

### Response to Incidents and Allegations

The Program is sensitive to notifications of incidents and allegations. Program management quickly reviews incidents for their effect on public health and safety, and staff members are dispatched to perform onsite investigations when necessary. The Program is aware of the need to maintain an effective response to incidents and allegations and has procedures in place to ensure appropriate follow up action is taken. The Program has received two allegations from NRC since becoming an Agreement State. Both of these allegations were followed up and closed out with the allegers.

### General Licensing Program

New Jersey has an active program for generally licensed devices. The Program has contacted the generally licensed device users within the State. As noted previously in this report, the Program has noted that it has been a challenge working with the NRC GLTS database. The Program plans to work with general licensees to establish an accurate and accountable inventory list for general licensed devices in New Jersey. The Program is currently investigating a vendor selling industrial smoke detectors, which may be generally licensed devices, on a public website.

### Security

## NJDEP Orientation Meeting Summary

The current security climate and potential future security measures were discussed in detail, including discussions on fingerprinting requirements and security of self-shielded irradiators. The Program is aware of relevant security issues.

The Program has continued to conduct inspections of licensees subject to the Increased Controls Order. These inspections are conducted in conjunction with routine safety inspections.

### NRC Current Initiatives

Discussion topics included the recent addition of three new Commissioners; new Deputy Executive Director of Operations for Materials and Chairperson for the Management Review Board; Federal Register Notices for Draft Safety Culture Policy Statement, NUREG-0654, and revision of fee schedules; new 10 CFR Part 37; License Verification System; Inspection Manual Chapter 2800 revision; NUREG-1556 series revision; and the Regulation Toolbox on the FSME website.

### CONCLUSIONS:

The New Jersey Agreement State Program appears to be a capable, stable Agreement State program with good managerial support. Staffing has remained consistent since the implementation of the Agreement, and the training and experience level for the staff is good.

NRC staff recommends that the initial IMPEP review should be conducted as scheduled in FY 2011 (tentatively March 2011).