

Comments on Proposed Rule Changes for Category 3 Source Security and Accountability

General Questions Related to License Verification

1. Should the current methods for verification of licenses prior to transferring Category 3 quantities of radioactive material listed in 10 CFR 30.41(d)(1)-(5), 10 CFR 40.51(d)(1)-(5), and 10 CFR 70.42(d)(1)-(5) be changed such that only the methods prescribed in 10 CFR 37.71 are allowed?

Response: Although efforts have been taken to ensure that both the WBL, LVS, and NSTS are constantly updated, it is our experience that this is not the case 100% of the time. Agreement states are voluntarily providing risk-significant licenses for inclusion to the WBL. What happens when the state doesn't deem the licensee "risk-significant?" In our industry, many Generally Licenced devices are distributed in Category 3 quantities. These GL holders will not be included in the WBL or LVS since they do not have Specific Licenses.

3. If the NRC changed the regulations to limit license verification only through the LVS or the transferee's license issuing authority for transfers of Category 3 quantities of radioactive material, should licensees transferring Category 3 quantities to manufacturers and distributors be excepted from the limitation?

The proposed relaxation of the rule does not seem clear. If the point is to track specific category 3 sources as they are transferred, what happens if the same source is transferred many times between the manufacturer/distributor and the licensee? It would appear that the M&D would report the transfer of the same source many times, this confusing the WBL, LVS, and NSTS. Additionally, would relaxation of the rule be extended to other M&Ds that are not the original M&D of the source? This clarification would be of significant important to M&Ds that are licensed to service and distribute sources from other M&Ds and also provide storage services.

General Questions Related to the NSTS

1. Should Category 3 sources be included in the NSTS? Please provide a rationale for your answer.

Category 3 sources should not be included in the NSTS. This would impose a significant personnel, time, and financial burden on companies that log multiple transfers of category 1, 2 and 3 sources per week. Additionally it has been our experience that the NSTS database is consistently incorrect. A reason for the errors could be that multiple transferors can submit transfers to a company through the NSTS while the transferee cannot confirm each transfer.

Another consideration is the arbitrary quantity of the category 3 thresholds. While the commensurate safety risk associated with category 1 and category 2 quantities is well documented, there is no data to support the extrapolated 10% threshold for category 3 sources would result in 10% of the risk. Rather the rule is written in order to avoid obtaining enough category 3 sources that would result in a category 2 quantity. Following this practice would result in category 4/5/6 sources also being heavily inventoried in the future.

2. If Category 3 sources are included in the NSTS, should the NRC consider imposing the same reporting requirements currently required for Category 1 and 2 sources (10 CFR 20.2207(f))?

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4. Would there be an increase in safety and/or security if the regulations were changed to include

Category 3 sources in the NSTS? If so, how much of an increase would there be?

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Specific Questions for Licensees Related to License Verification

3. Should license verification be required when transferring to an established manufacturer?

The proposed relaxation of the rule does not seem clear. If the point is to track specific category 3 sources as they are transferred, what happens if the same source is transferred many times between the manufacturer/distributor and the licensee? It would appear that the M&D would report the transfer of the same source many times, this confusing the WBL, LVS, and NSTS. Additionally, would relaxation of the rule be extended to other M&Ds that are not the original M&D of the source? This clarification would be of significant importance to M&Ds that are licensed to service and distribute sources from other M&Ds and also provide storage services.

Specific Questions for Licensees Related to the NSTS

2. Do you have online access to the NSTS? If so, have you experienced any issues with the NSTS? Do you have any recommendations on how to improve the NSTS?

Yes my company has access to the NSTS. It seems easy to confirm your annual inventory reconciliation if your inventory does not change as frequently as ours does. But if you are charged with making changes to the inventory frequently, those changes cannot be submitted online.