

LOW-LEVEL RADIOACTIVE WASTE FORUM, INC.

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Disused Source Working Group Meeting

Hutton Centre Room
Double Tree Club by Hilton Hotel
Orange County Airport
Santa Ana, California

February 11-12, 2016

Draft Meeting Minutes

DSWG Members and Staff in Attendance:

Kathy Davis
Leo Drozdoff
Ray Fleming (*via phone*)
Rich Janati
Susan Jenkins
Joe Klinger
Todd Lovinger
Gary Robertson
Leonard Slosky
Cecilia Snyder

NEWS

Ray Fleming and Richard Ratliff retired this week, along with two other staff members, as a direct result of sting conducted by General Accounting Office (GAO). Ray will resign from the working group as a consequence. When GAO carried out the sting, Texas issued a license for Cat 3 quantity of material to a non-existent company. GAO attempted to get licenses in 3 states – Michigan, North Dakota and Texas. The U.S. Nuclear Regulatory Commission (NRC) handled Michigan. In neither Michigan nor North Dakota, were licenses issued. In Texas, a license was issued for 16 millicuries of radioactive material. They then altered the license to aggregate sources. Now, NRC is re-thinking their strategy and more receptive to focus on aggregation. Final GAO report will come out around April/May. Draft report to come out soon. Ray does plan to write an op-ed piece and send it to *New York Times*. He plans to be very outspoken and use this to push for greater security. He appreciates if keep confidential until report comes out.

First sting was done years ago in the State of Maryland. At the time, they did not inspect the point of origin. Plan was to follow through and have a site but not have anything at the site.

States involved in the recent sting were Michigan, North Dakota, and Texas. All but Texas sent deficiencies letter and did not issue licenses. Texas, however, issued a license.

At the site visit in Texas, the owner said he was not going to invest the money until he had received the license. Texas accepted the plan and issued the license. Texas regulators did not confirm the PIN number and did not do background check of Radiation Safety Officer (RSO), which information was falsified. Also, there was no documentation of two years of training. As part of licensing procedure, there should have been a background check, calling and Internet check; however, the reviewer did not do an adequate screening.

When the GAO got the license, they altered it and placed orders. They could have received 32 curies of radioactive material. Cat 3 aggregation of sources was an issue.

Joe found out about this a couple of days ago. He says Ray had repeatedly told that license reviewer to always assume it is GAO, but the reviewer did not follow procedures. He did not follow NRC guidance for doing background checks. Program Coordinator actually signed license.

Joe says this will have significant consequences to Texas program and work that we are doing. Joe says he thinks that the GAO is going to use this as an example.

Richard had almost 44 years. He wanted to work for 2 more until 70. He had been planning to retire in near term anyway.

Joe asks about two license reviewers. The male issued the license. The Program Coordinator reviewed the license and provided the second signature. A few years ago, GAO did a sting and the Organization of Agreement States (OAS) was very non-receptive including Kansas (Tom Conley), in particular. GAO's response was to attempt to show that they could get a license for Cat 3 sources and aggregate to Cat 2 quantities. In the first instance years ago, NRC Region I issued the license. They went through the entire process of having a fake license application.

Rich Janati asks if reviewer was supervisory? Ray responds that he was not, but notes that he was a health physicist/scientist that has been working for the Texas State Department of Health Services (TSDHS) for 16 years.

GAO is supposed to come out with a draft in February. There will then be a 30 to 60 day comment period for states involved and NRC only. Ray estimates that a final report will be issued in the April/May time frame. Ray disputed some of the facts, but not sure if they will accept them.

OAS and the Conference of Radiation Control Program Directors (CRCPD) have annual briefing of NRC Commissioners in April and then CRCPD has annual meeting in May.

Leonard asks what agencies are involved in this? All of the Agreement States have been notified. Some staff at the National Nuclear Security Administration (NNSA) has been notified as security partners. So far, several thousand people know about it, but not public information.

GAO and NRC said that they did not think Texas staff should be fired over it. Ray thinks that the word to fire everyone came from Governor's office because it would be an embarrassment.

Joe Klinger asks what is next for Ray? He is going to do an op-ed piece that explains details. He plans to move to Europe and take a sabbatical and write next physics book.

Joe says that Ray's leadership has given so much credibility to the Disused Sources Working Group (DSWG) and hopes that it will not do anything to change perceptions. Ray says that he believes that this unintentionally advances DSWG message.

9:00 am - 12:00 pm (Executive Session: Open to Working Group Members, Staff Only)

- review and approval of agenda items (*DSWG Members and Staff Only*)
- report on significant activities since DSWG meeting in Chicago, Illinois in October 2015 (*DSWG Members and Staff Only*)
 - implementation of recommendations contained in the March 2014 DSWG report—status update, prioritization and path forward

Gary: There is a concern amongst stakeholders of potential impact of some of the DSWG recommendations, but he believes that's the cost of doing business.

Leo: There is always going to be an impact, it's just a question of who pays.

Gary: We reached out to Joe when we were wondering about financial impact. In Illinois, they have a phased approach. So, to do business, you have to have at least \$25,000 in financial assurance for any source over a curie.

Joe: It accomplishes a number of things. We have collateral if they walk. Also, they realize they have a liability.

Leonard: When you implemented this new requirement, how many went out of business?

Joe: It did not have that much of a consequence. If they are not in a position to get a bond, they should not be doing business.

Kathy: But, ADCO is still in business?

Joe: He has transportation "business" in California. He is getting away with transport regulation. But, Illinois shut him down in our state.

Rich: It would be good to have a list of states that have implemented financial assurance.

Gary: Oregon has requirements.

Todd: We have footnotes in the March 2014 DSWG report identifying those states that have financial assurance regulations, but not specific detail.

Rich: It would be good to have it in one list.

Gary: We put together in our document four references of who has requirements -- \$4 million, some from 5% surcharge and penalties and fines.

Rich: Where do I go to get that info?

****ACTION ITEM****

Joe: *This would be a good thing for Anine Grumbles to put together or make available.*

Gary: NRC needs to take the first step. They have an outdated rule. NRC needs to be forced to implement the financial assurance. Anine asked Jim Shaffner to put this in the report that they are doing on the byproduct material financial scoping study. NRC needs to be forced to take financial surety and impose it on everyone else.

Rich: We can tell the NRC that the consequence was not that bad in Illinois and other states.

Leo: We are looking for other points to leverage. For example, we are approaching NNSA. Also, brainstorm to front channel and back channel to get this moving forward.

Todd: It's a problem when the states say they don't have the resources and it gives NRC an out. So we need to find a way for the states to have a more uniformed message. Perhaps ask for a session at CRCPD or OAS to discuss state concerns about additional costs and come up with information to give them guidance on actual costs to those states that have already implemented this.

Joe: Illinois has model wording that licensees can use. Not too expensive. Illinois has close to \$1 million in their R&R fund. Unfortunately, it got swept, but the legislature says that they will return it if need to do so in the future.

Gary: The part that will cost states money is if they go it alone. However, if NRC moves forward and pays for the costs, then the states can ride on the coattails.

Leo: Even in my state, we have people who will say they don't have the funds.

Gary: But if NRC does it first, they can pave the way for the states to follow.

****ACTION ITEM****

Susan asks if NNSA is willing to offer funding to our group, would they be willing to offer grants to states to put these programs into place. Leo thinks we should ask NNSA that. NNSA is putting their funds into alternate technologies that will render these sources useless.

Rich: People don't want the extra work. We are raising fees.

Todd: I often hear the states sending the message to NRC that they don't have the resources. We need to address this as it gives NRC an out to avoid taking action.

Gary: The states who did it, they did not lose licensees, and we can find out more specific costs and present that to NRC. Get some real data about the real impact and then present it at the OAS and Health Physics Society (HPS) meetings.

Susan: NNSA is willing to provide funding for our group. The U.S. Department of Energy (DOE) provides grants for the Waste Isolation Pilot Plant (WIPP) inspections. If there were some grants or one-time money for states, why wouldn't they do that?

Rich: Yes, the U.S. Environmental Protection Agency (EPA) and DOE provide grants.

Leo: NNSA's response is that they are exploring alternate technologies.

Gary: The grant can be tied to a needs group.

Todd: NNSA is being more cost-conscious and have told me that they cannot afford to continue to throw money at this problem. They are getting a lot of pressure from Congress to reduce costs and that it should not be seen as a federal responsibility. We might be able to use the argument that this is a way to start moving the costs from the federal government to the states.

Leo: There may be a short term incentive to achieve that long term goal. We do need some seed money from the feds to change the dynamic.

Joe: First, we need to get NRC to update their rules.

Joe: Regarding the first priority, has anyone started an education to proposed buyers of sealed sources regarding the life-cycle costs? The CRCPD E-34 committee is going to start working on it and it would be helpful to have these materials.

Todd: There is interest, but we need to have funding, which would be part of the next phase. That would be one of the first things we would start on with the new NNSA funding contract with the goal of having something for review at the May E-34 meeting. NNSA has stressed that the educational materials would be a high priority.

Kathy: The development of educational materials should be a top priority.

Kathy: Where are we with the contract renewal?

Todd: The procurement officer approached me to do a 6-month extension. The reason we haven't applied is because it was a contract, not a grant. Procurement feels it should be issued as a grant. Procurement then decided to go to battle with the Legal team and fight for sole-source no compete contract. Also they are operating under a continuing resolution and they don't have a budget.

****ACTION ITEM****

Contingent upon the receipt of new funding, on or after April 1, begin to develop draft educational materials regarding the life-cycle costs and responsibilities associated with source management and disposition for presentation to the CRCPD E-34 Committee at their upcoming meeting in Lexington, Kentucky in May 2016.

- follow-up and next steps from scoping session re brokers and processors perspectives re disused source management and disposition at fall 2015 LLW Forum meeting in Chicago, Illinois

Todd: What do we want to accomplish in regards to launching the consortium at the April meeting? We don't have enough time to properly organize/prepare and to provide travel-funding assistance since we will not receive confirmation of the new funding mechanism until the end of March—which is only two weeks prior to the spring 2016 DSWG meeting. We have two options: (1) still launch at the LLW Forum April meeting or (2) postpone and instead use the April meeting for something different, like inviting the brokers and processors in for a more intimate, one-on-one discussion of the recommendations that were made during the fall 2015 scoping session.

Leo: Who is on the consortium now? Who are we looking to add?

Todd: The consortium has not yet been officially formed. The initial groups that we are targeting include HPS, CRCPD, and OAS. We would also like to eventually include representatives from the medical community as well as possibly manufacturers, brokers/processors, disposal facility operators and other interested stakeholders.

Leo: Are these groups only going to come if we have a grant and can pay for them to come?

Todd: I have already talked to Angie and Tameka about providing travel assistance which should be possible, but not until we have confirmation of additional funding, which will likely not occur until late March.

Leo: If the groups come on their own dime, it would be good to have the launch right after the April LLW meeting.

Rich: Is the idea to get support from these groups?

Todd: My understanding of our prior discussions is that we plan to launch the consortium and get buy-ins on the recommendations and then develop a process as a coalition to implement them. For instance, we would likely write a letter with all coalition members sign on asking for a meeting with NRC. The idea is that working together as a group should make it harder for NRC to ignore.

The first step would be to see where we all have common ground. For instance, there seems to be more support for the recommendations from CRCPD than OAS, but hopefully that will change once we all get into a room and discuss our perspectives.

Kathy: Maybe we should have an exploratory meeting, no registration fee, to lay out the vision, get their feedback, find out if they are interested.

Todd: In my mind, we have to invite CRCPD, OAS, and HPS. We may also want to consider inviting the National Council of Radiation Protection and Measurements (NCRP). We would then have to start at the beginning with a presentation of the original report—i.e., these were the original issues identified, findings, and recommendations; we then received additional feedback and input from stakeholders and revised accordingly; and, now we would like to work together to identify areas of common agreement and therefore propose to form a consortium to begin working on a path forward.

Leo: Reach out and see if they are available to come to the LLW Forum meeting in April.

Gary: All of these groups are going to be at the CRCPD meeting. We could always coordinate a meeting before or after theirs, which will be in mid May in Kentucky.

Todd: I suggest that we think about it tonight and agree to leave the meeting tomorrow with a definite plan. I have spoken with CRCPD and HPS and a little with OAS. If we want to do this at the April LLW Forum meeting, we could invite Ruth, Nancy and Sherrie and ask them what is the process for getting buy-ins from their members. Time is of the essence, however, since all of them have annual meetings coming up in the spring. I assume that they would need to go back and get formal approval from their boards. We can ask them to put it on their agendas and Gary and I can be available for questions. And, then we would know by the summer whether or not forming the consortium is a viable option. We would ask Los Alamos to execute an agreement to cover their travel.

Gary: Would we invite licensees? What about brokers and processors?

Todd: I recommend that we limit it first to see if we get the buy-in from the first set of target groups and then make a decision together so that the other entities feel included.

****ACTION ITEM****

Confirm this plan tomorrow.

Joe: Can you please give me more info about OAS's turn-around on this issue.

Todd: We went to their meeting in Boston in August. The DSWG presentation was on the responses to the survey and this time there was more acknowledgements that there are issues and areas of common agreement.

Ray: Absolutely. We began to see a turn-around.

Gary: Mike hated the term “inadequate regulatory control” and Ray has done a great job at getting away from that language.

Todd: The initial period of upset with the language has passed and now there is an acceptance that the issues are on the table and they are not going away. It was a very different reception.

Gary: I think the survey really turned them around

- outreach to and participation in monthly conference calls of Part S Working Group of the Conference of Radiation Control Program Directors (CRCPD) re suggested state regulations on financial assurance for disused sources

Gary: We talked about the cost of financial assurance. It would be interesting if we could get four states that have financial assurance type regulations to participate on a panel session at CRCDP and discuss what happened – i.e., Florida, Illinois, Texas, and Oregon – so that everyone would hear what happened when they implemented their regulations.

Todd: Maybe we could do it at the OAS meeting as well.

Joe: Even if we could not get a panel, we could do this during the states’ updates portion of the CRCPD meeting, although agree that a panel would be the preferred option.

Gary: I phoned in to the Part S Working Group (financial assurance group) in December. I summarized the top five DSWG recommendations and the Part S Working Group for the most part agreed with them and indicated that they want to work with our group to get financial assurance implemented. I also talked about the proposed coalition and gave them a list of who might be invited to participate on it. They really want to work with us

****ACTION ITEM****

Action Item: Gary says it would be very interesting to get at least 4 of the states that have financial assurance to discuss their impressions of implementing it – i.e., Florida, Texas, Illinois, Oregon. Joe will send a note asking Ruth if we can do this at their annual meeting. Perhaps try to do it at OAS meeting as well. If can’t get a panel, then perhaps try to do it in state reports.

Gary: Nobody called in for the January Part S Working Group meeting in January except Anine, so it was canceled. For further information about the December call, see email that Todd distributed with Gary’s call summary. Gary notes that the AAPM person said that they should be involved. They really want to work with us. Gary will send Todd the AAPM person’s contact information. Jim Shaffner says they are working on scoping document and then will do a SECY paper. The Part S Working Group asked Jim to put in the SECY paper that NRC needs to take the lead on this. The Part S Working Group had a meeting this past Tuesday, but Gary was unable to participate in it.

Rich: The DSWG priority chart needs to be redone, not by category, but by what is most important.

Todd: The categories came from the original recommendations.

****ACTION ITEM**** *Reorder Priorities chart*

The last column should be on the left, keep the other two columns on the right and no categories.

- recent plenary session presentation at Health Physics Society (HPS) mid-year meeting in Austin, Texas from February 1-3, 2016

Leonard: Todd and I did not get negative feedback after presentation. We did also stay for the NORM session and there was a discussion about compacts. There was a lot of interest and a lot of confusion about the compact's responsibility over NORM issues. Overall, I think that it was a worthwhile effort to continue to build the relationship.

Kathy: Maybe do the presentation at some more meetings?

Todd: Our presentation was on both Part 61 and DSWG. We plan to reach out to others to make presentations, as appropriate. I do want to point out my discussion with Russ Meyer on the Type B container issues. According to Russ, there continue to be problems with the Source Collection and Threat Reduction (SCATR) program with having sources that can't be shipped. Russ agrees that a viable, efficient and cost-effective solution would be to certify international containers for use in the United States. It would resolve shipping and cost problems. I suggest that the DSWG and CRCPD need to have more dialogue with Russ because this is different from what we have been hearing from other stakeholders.

Gary: The G-71 committee wrote a document on how to easily authorize removal of a source head that is under peer review. I could resubmit to Aaron and ask him to expand our scope. That is one idea that will help the shipping problem. DOE is worried that once they kick their program off and are willing to pay half, that there will be a lack of waste processors who will be able to use them. DOE has already hired someone to do training.

- inclusion of disused source management and disposition topics during upcoming LLW Forum-organized panel for Waste Management Symposium: March 7, 2016

Todd: Our session is right after lunch. We have five panelists, including two (John McCormick and Gregory Suber) that are scheduled to discuss disused source management related issues.

- Texas draft storage rule: status of proposal, feedback received to date, and next steps

Ray: It has been approved and was forwarded for printing in the *Texas Register*. Expect it to be published in approximately two weeks. It will be enacted on the publication date. People will have to comply with it.

Joe: I look forward to seeing what the exceptions are in the rule.

Ray: Licensees can apply for an alternative time frame if appropriate. Gives state and licensees flexibility.

Todd: Is there anyone in the office who attends CRCPD and OAS meetings who could talk about this once it is final?

Ray: Helen Watkins is the most senior person now. She will probably be the Director now.

- review of comments and next steps re NRC's byproduct material financial scoping study

Todd: The public meeting on the byproduct material financial scoping study that NRC held in October 2015 was supposed to be three hours, but it only lasted about an hour and a half. NRC's concern is that they don't have enough feedback and they want to hear from other stakeholders (i.e., brokers and processors, manufacturers, licensees, etc.); however, I do not believe that they will hear from them until they actually do something. My understanding is that they will have something to release in the spring of 2016. I should have more information after the Waste Management conference and LLW Forum meeting.

- potential pilot program re disposal of higher activity disused sources via Source Collection and Threat Reduction Program (SCATR)

At last week's HPS meeting, Ruth said they are putting together a pilot program with SCATR to address higher activity sources. Russ expressed a concern about the amount of money it will cost to dispose. But that is something new they are working on now

Gary: Washington State was supposed to be a pilot but they ended up recycling the intended source instead. It was a disappointment to DOE because they wanted to see it put in the ground.

Leo: Who is heading this?

Todd: Russ Meyer

Joe: This is a golden opportunity, if you want to get rid of your sources. This could be a good motivation for brokers.

Planning for Afternoon Session

Todd: I'd like to go off agenda and discuss what we want to accomplish during the afternoon session today.

Rich: I want to know about the practical options. What are the consequences to the industry? What is practical and what is not and why?

Kathy: In looking at Larry's paper, he indicates that the shipping of some sources on a bill of lading is a viable option.

Ray: Yes, Texas already allows that. The closest model that they have is Thermo, but they have been closed down. John McCormick is working with Ken Krieger, but there is a bottleneck in finding someone that can remove sources from head.

Kathy: California is involved with that too and we should be working with the private sector.

Gary: You can save money by having a central source processing facility. Does Texas have that?

Ray: No, but we are working on that. John McCormick is working with Tim Reiger. It is a bottleneck right now

Leonard: What is the problem we are trying to solve?

Gary: The issue is whether it should be allowable to ship sources on a bill of lading and thereby not declare it as waste. Washington would have a problem with that. The Northwest Compact would say what percent of the sources are being recycled? And, if it were a small percentage, the compact would find it to be sham recycling. In such case, the compact would continue to require that the sources be disposed at the US Ecology facility. That may change once Mike Garner retires and Earl Fordham takes over. In the Northwest Compact, if only a small percentage of sources are being recycled, then the compact considers that sham recycling. Leonard says that his compact will continue requiring permits, but cost is insignificant.

Leonard: What is stopping that from happening now?

Gary: It is happening in Texas.

Kathy: It's happening in California, too.

Ray: We would still require export permit and other paperwork. It won't circumvent the compact rules.

Gary: So the Southwest Compact could receive sources from any state?

Kathy: No, only from our compact member states.

Rich: If a container is manifested for disposal, it is waste. If it is being shipped to a waste broker, it is not necessarily deemed to be waste. The Central Midwest Compact does it the same. The Northwest Compact has no authority over exports, but Washington has requirements that the last person to put the material to a practical use must declare it a waste. If somebody receives something and did not put it to a practical use, then the compact would go back to the shipper and say that they did it wrong.

Joe: We do that, too. It is the age-old question of when waste becomes a waste.

Gary: The Northwest Compact doesn't see it that way. If you are shipping, it has to be put to a practical use. If it can't be, then it is a waste. We had a problem with the generator ATG, with waste imports.

Todd: I have some questions similar to Leonard's. I am not sure that they are addressing what the real issue is that is preventing sources from being disposed. From my conversations with stakeholders, the real issue is the cost to put it in the ground. But, maybe we will get more clarity this afternoon. In any case, if we are talking about compact authority, I think that we would need to have a meeting with the compacts to get their perspectives. Another concern that I have is that we not be seen as supporting a proposal that could create a monopoly amongst certain individual brokers and processors.

Rich: We have to be very careful about what we call waste and what is recyclable. Need more flexibility. Our generators want to optimize flexibility.

Gary: We take an extra step, so if you want to have a recycle facility, we look at the percentage of what is recycled. That is what ATG was doing. Then, they would dispose the sources as waste.

Rich: For me, it is good if NRC does not define what constitutes a waste. Not having a definition allows us more flexibility.

Todd: I am not saying these are not good ideas, I'm just not sure what problem is being solved if Texas is already doing this. I am hoping that the conversation this afternoon will help to clarify. My initial concern to Anine's paper is that there is a lot of "perhaps" and "could" or "should" – there is too much theory, but unless someone is forced to do it, it will not happen. In order to have success in this area, NRC needs to develop regulations. I believe that these ideas need more fleshing out. The way it is currently written, it gives NRC the perfect out to say someone else will step up and resolve this.

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- outreach to and coordination with other stakeholders (*DSWG Members and Staff Only*)
 - CRCPD Part S Working Group on financial assurance for disused sources: continued participation in conference calls and path forward
 - Health Physics Society: request to update position statements

Gary: I talked to Nancy about updating the HPS position statements. She agreed. However, since one of the papers is 30 pages long, it will take more time. HPS is going to develop a white paper that reviews the position statements paragraph by paragraph.

Todd: Ruth will be working on this and probably Russ Myer. We should talk to them about this in April. We should ask if there is a way for the DSWG to make suggestions.

Gary: By July, maybe they will incorporate Anine's chart.

****ACTION ITEM****

Todd will Follow-up on this with Nancy and/or Ruth to discuss how DSWG can make suggestions during process

- Organization of Agreement States (OAS): next steps and path forward

Todd: The next annual meeting is scheduled for the last week of August. We are going to reach out to them regarding the LLW Forum meeting. Who has a good relationship with them?

Joe: I have a good relationship with Sherrie.

****ACTION ITEM****

Joe to reach out to Sherrie and nurture the relationship and support the idea of OAS meeting with the DSWG.

- National Council on Radiation Protection & Measurements: status update re report on disused source management and disposition, next steps and path forward

Todd: I have been trying to attend one of their meetings, but unfortunately there have been conflicts. This year, their meeting is scheduled for the same week as the spring 2016 LLW Forum meeting.

Joe: Last year, much of Kathy Prior's presentation was based on the DSWG's work and it was very well received.

Leonard: Has NEI dropped out of the picture?

Todd: We met with them in January. There was some opposition to the original recommendations similar to what we heard from OAS. We haven't pursued more formal interaction with them. I suggest that we pick it back up once we have our coalition.

Leo: They sent out a letter to NRC. They weren't that supportive. They expressed concerns about costs.

- Advisory Committee on Medical Uses of Isotopes: next steps and path forward

Todd: We have reached out to the Advisory Committee on Medical Uses of Isotopes (ACMUI) several times and have gotten pushback. They may be more receptive once we get the coalition together. One way or another, however, I think that we will need to get a buy in from the medical community in order to achieve success.

- brokers and processors: next steps and path forward

Todd: I had a recent discussion with Larry about whether there is value in meeting with the brokers and processors again? I think we should consider meeting with them privately to follow up on the session that we had at the fall 2015 LLW Forum meeting.

Kathy: I would like to have them at my meetings in California.

Leo: Perhaps we should consider having a warm-up meeting before the consortium roll out. We could meet with them the afternoon after the LLW Forum meeting.

Kathy: We are better off to wait to schedule the meeting with OAS, CRCPD and HPS until we can provide travel funding assistance.

Joe: I agree.

Todd: I would like to have the meeting before their annual meetings, but we don't have enough time after the spring 2016 LLW Forum meeting. If we don't meet with them in April, I suggest that we ask the brokers and processors to meet with us to follow up from our discussions at the April 2016 LLW Forum meeting and meet with the consortium in the summer—most likely in the June timeframe to schedule it before the HPS and OAS annual meetings. The only problem is that the CRCPD has their annual meeting in May.

Joe: I don't think CRCPD is a problem because they are on board with us.

Todd: We can reach out to CRCPD, OAS and HPS and say that we want to have a meeting with them in June.

****ACTION ITEM****

Todd will reach out to CRCPD, HPS and OAS about the possibility of scheduling a meeting with the DSWG in the summer of 2016.

- survey re management and disposition of disused sources (*DSWG Members and Staff Only*)
 - potential further action regarding results of state radiation control program directors
 - potential revisions to and distribution of new survey to other stakeholders (e.g., licensees, federal regulators, waste processors, waste disposal facility operators, etc.)

Todd: This would be a good pitch to involve HPS to modify and distribute the survey and send out to their members. Ray and I have heard that the survey was very useful; however, we have also received feedback that it is of limited value since it was distributed to a limited audience. NRC wants to hear from more stakeholders. But we can start with HPS and work with Nancy to get more responses and do a preliminary report. NRC has received input from EnergySolutions and Qal-Tek, as well as JL Shepherd & Associates, on their byproduct material financial scoping study.

- other outstanding issues and considerations (*DSWG Members and Staff Only*)
 - planning for development of consortium of stakeholders (i.e., DSWG, CRCPD, HPS, OAS, etc.) that would identify areas of agreement and then work as a cohesive group to encourage implementation of our joint recommendations: methodology, participation and next steps

Todd: We have one shot at organizing this consortium, so I think that it is important that we take the time to put together our best pitch.

- development and distribution of materials to educate licensees about the life-cycle costs related to source management prior to purchase

Todd: I have been talking to Mike Klebe and Gary Robertson. NNSA would want this to be a deliverable for the next phase of funding of the DSWG project.

- potential revisions to DSWG materials (e.g., poster, brochure, talking points, etc.)

Todd: I suggest that we able this for now. The original idea was to take out the language related to security due to OAS objections, but we should wait until the GAO report comes out and gauge the response from various stakeholders.

- planning and input for next Radiation Source Protection and Security Task Force report, due in August 2018

Todd: We need to start consulting with NNSA on how we can have input and impact on the development of the 2018 Radiation Source Protection and Security Task Force (RSPSTF or task force) report. If we can get buy in from CRCPD and OAS, that will help. Joe was the OAS representative on the last report.

Kathy: Shouldn't we make sure that we have more LLW Forum meetings in DC so that we can get more participation from NRC and NNSA?

Leonard: Do we know who will Chair the task force?

Todd: NRC will be the agency that serves as Chair, but we don't yet know the name of the individual NRC staff person.

- any other outstanding issues

Todd: I plan to invite Mary Shepherd to participate on the agenda for the spring 2016 LLW Forum meeting and DSWG meeting to provide more input from manufacturers.

Joe: I suggest that we develop a resolution expressing appreciation to Ray for all of his work as DSWG Chair and in furtherance of the efforts of the working group.

****ACTION ITEM****

Todd will work with Joe on writing a resolution of support for Ray's work as DSWG Chair.

1:00 pm - 5:00 pm (Open to Working Group Members, Staff and Invited Guests)

Larry McNamara, Consultant to NNSA

- review and discussion re White Paper on suggestions made during scoping session on brokers and processors perspectives re disused source management and disposition at fall 2015 LLW Forum meeting in Chicago, Illinois (*Larry McNamara, Consultant to the National Nuclear Security Administration*)
 - consideration of a new approach to packaging and shipping: the concept of a central source processing facility combined with permitting brokers to receive sources on a bill of lading (this could allow consolidation prior to packaging and disposal and would require a reporting system to assure compact import and export policies are accommodated)
 - consideration of a new approach to packaging and shipping: the concept of a central source processing facility combined with permitting brokers to receive sources on a bill of lading (this could allow consolidation prior to packaging and disposal and would require a reporting system to assure compact import and export policies are accommodated)
 - compacts becoming more creative in the way they import and export small shipments/sealed sources: what are the technical requirements that are absolutely needed to be satisfied and to assure public health and safety, the need to anticipate potential public reaction to an improved regulatory framework and the potential political fallout, and the potential that this may lead to more consistent national regulations
 - development of a subcommittee including disposal site operators, brokers and processors to provide a sounding board for potential improvements and a source of ideas for the DSWG's consideration
 - follow-up re NRC's suggestion to make recommendations to improve Type B container requirements
 - development of a strong communication plan to address the current lack of licensee's disposal actions
 - creation of a plan to maximize the lessons learned from the Source Collection and Threat Reduction (SCATR) and Off-Site Source Recovery Program (OSRP) with the goal of developing a broker driven process

Larry McNamara Presentation and Discussion

Larry: In the white paper, I attempted to define the issues and recommendations including:

- trying to focus on practical aspects of disposing of radioactive material;
- want to identify the reason that sealed sources are not being disposed of;
- idea is to put together some input from commercial side; and,
- a lot of aspects associated with disposal, regulations and licensees need to be incorporated into the process.

The first issue is that there are problems associated with the management and disposition of small sources. Brokers and processors have to take sources from 100 plus sites to fill one 55 gallon drum for disposal.

Is there a way that generators, with help from broker and processors, could move sources independently to a consolidation facility for reuse, recycle or disposal? The idea is that sources could be moved to that facility with a license-to-license transfer. Sources could then be consolidated and packaged for disposal. It is a particular problem when there is a compact to compact transfer. There are a lot of issues associated with that.

The paper tries to acknowledge that compacts have worked very hard not to be bulldozed over—i.e., Texas is taking in waste from other states. As a result, any problems become a Texas' problem.

Ray: We initially relied on the information given to us by Thermo Fisher, but subsequently determined that they were actually collecting waste. Under the existing rules in Texas, they would not be allowed to operate the same way. Currently, there is not a good option because NSSI is the only broker that is operating in Texas and is not competitive. We are trying to address removal of sources from the device head. Ken Krieger is working with Texas on this. The problem is that companies do not want to become a waste broker and recycler.

Larry: If the economics don't work, then the commercial side won't deal with it. We need to try to figure out what it would take to create an economic model to create a facility to do this.

Gary: Have you done any cost comparison between individual licensing verses implementation of a collection facility.

Larry: No, we have not. It helps to be able to be able to bundle the sources in terms of the shipping.

Gary: When we had the manufactures and brokers come in during development of the original DSWG report, their strong concern was competition. If we create one central location, will they support that concept?

Larry: No one has a clear idea of how many sources are out there, but there is a lot of business. Brokers and processors can figure out how to make a profit.

Anine: What if it was a virtual site—i.e. in which each broker makes a decision about the waste and whether to recycle or dispose. That would keep the monetary possibilities within the brokers.

Larry: I think a lot of that is already happening with some brokers. There is an aspect that could be done on an Internet approach, where there could be requests and matches could be made.

Anine: But, you need one clearinghouse.

Gary: That was one of the DSWG recommendations. The problem is that we can't get the specifics of the waste—i.e., make and model. The issue has to do with security concerns. Who is secure enough to manage and provide that information?

Joe: The concept of a radioactive exchange is a good one. But, do you feel that the only way to make this economically viable is to make a national clearinghouse?

Larry: Yes. But there has to be accountability. If a source is sent from California to Texas, who is responsible for providing any required notification? If you are putting multiple sources into one bundle, then the reporting is at least as important as the composition of the actual sources.

Gary: Since we are talking about Texas, why can't it be next to or at the Waste Control Specialists (WCS) site?

Leo: What states do you think would be interested?

Larry: There are only a few places—i.e., Utah, Texas, Washington. Maybe Barnwell. In the 80's, the Army was having a lot of trouble with disposal so they built a consolidated facility on Barnwell and another one in Richland. I believe that this concept would work best. EnergySolutions is already working on it.

Larry reviews five things that he thinks would help the process. (See list on page 2 of Larry's handout). The first is that it has to be determined if the source is recyclable or not. If it is determined to be a waste, then have to determine attribution. In order to proceed, we would need to get input from licensing state as to what is acceptable and what is not.

Gary: Utah is more limited because they only take Class A.

Rich: So what is the next step?

Larry: First need to decide if it is recyclable or waste. Still need to identify the source. Before the licensing state issues the license.

Rich: Perhaps it would help to conduct a survey of how compacts are defining what constitutes waste.

Gary: I could see mixing it as long as you document it. Then the consolidation company owns it.

Larry: It is not necessarily the licensing that is the problem. It is the attribution.

Leonard: Texas requires that the waste be attributed back to the original generator.

Rich: The key is to track the processing. They batch so that they can maintain accountability to the compacts.

Leonard: What I hear is what the brokers and processors are already doing every day.

Larry: We are talking about small sources that would come in on a bill of lading.

Susan: We had this problem in South Carolina. It goes back to the question about defining waste.

Larry: Yes, at what point are you transferring material versus waste. The licensee makes the decision as to when something becomes a waste.

Rich: I think you need to take a survey of how compacts define waste.

Todd: I am still not clear as to what is the roadblock that you are trying to address if Texas is already allowing it to be shipped on a bill of lading?

Gary: I think there are only two compacts that have an issue: Washington and South Carolina.

Larry: One of the issues is that there are too many uncertainties. So we are doing the legwork to see what would be the positive and negative aspects for setting up this kind of facility. But, the brokers need information about the regulations, the framework, an idea of the market (i.e., how many sources).

Gary: I think Ray was working with a potential company that was interested in a centralized facility. Right now the only viable option is Texas.

Larry: Not necessarily. If there was a way to do it at Hanford, they may be able to come up with a business model that works.

Gary: And if you could assure that all the outside waste is separate from the Northwest Compact waste, that could be viable.

Anine: Can NNSA be approached to provide some seed money to support a group to determine if any specific companies would be interested in accepting waste in aggregate?

Todd: So, are you saying that by putting all of this information in one place, it would make it more palatable for a business to consider creating a model?

Larry: Yes, but the brokers and processors do not understand the impact of collecting waste from multiple sources and tracking it.

Moving on to item no. 2 in the white paper, the proposal is to create a sub-group of facility operators, brokers/processors to give input. I believe that you are already working on this.

Gary: The proposed coalition will have to include stakeholders down the line—i.e., brokers and processors, manufacturers, disposal facility operators, etc.

Joe: Would that be a working group of the LLW Forum?

Todd: If there is interest, I would suggest that this be created as a subcommittee/advisory group that would inform the DSWG. But, again, the DSWG did reach out to brokers and processors when we were putting together our original report. The feedback that they provided at that time was that they don't have the money or there is no profit in it. I do also want to point out that Bionomics and Qal-Tek have now joined the LLW Forum, so now we will have more input from that sector.

Larry: If they are going to start attending LLW Forum meetings, I suggest that you give them time to discuss these issues and/or give presentations.

Moving on to item no. 3 in the white paper, the NRC suggested that if we had any ideas re containers and alternate suggestions that this be put into a request for rulemaking. Los Alamos National Laboratory (LANL) has done a lot of work on this.

Leonard asks what determines if need to use a Type B cask?

Larry says NRC alluded to having an entity ask them to reevaluate the relevant charts and tables.

Anine: The problem is that Type B casks are not feasible for a lot of sources due to cost and other considerations. The Department of Transportation (DOT) response is to just leave it where it is.

Leonard: Whose has the expertise to look at charts and make recommendations? Gary says HPS.

Leonard says that he thinks that the issue of allowing casks that they now consider unsafe to be used again is a dead issue. Several DSWG members suggest that we recommend that ask HPS look into this issue.

Rich: The purpose of the cask is to provide shielding. If the radiation level is low, can an alternative cask be used?

Gary: The regulators would likely respond that the Type B cask has gone through all the testing regarding safety.

Larry: The NRC alluded to the use of alternative casks, so this may be a possibility.

Todd: If this would help resolve the issue, why have the brokers and processors not addressed this with NRC? Who is the right entity to do this? NNSA has paid to design casks and get them certified, but still need to find a private company that is interested in fabricating commercially.

Gary: We need to discuss transportation with NRC and DOT to see if we could use the old containers.

Todd: My understanding is that was already decided and DOT and NRC won't revisit it.

Leonard: There is still an opportunity to see if we can use international casks for domestic shipping.

****ACTION ITEM: ****

Todd will talk to Nancy to see if HPS will look at the tables and report back to the group

Larry: Let's move on to item no. 4 re Texas storage rules and the development of educational materials for consideration by the CRCPD's E-34 Committee.

Anine: Licensees often provide the same excuse—i.e., "I paid a lot of money for this and I might need it someday."

Larry: I suggest that discussions need to be initiated with the licensee's Risk Manager about potential risks and costs if there is exposure. Evaluations should not be limited to just storage verses disposal cost. There are all sorts of other considerations that need to be taken into account.

Joe: Ray's two-year limit on storing is a great start.

Todd: And, we plan to develop educational materials in cooperation with CRCPD. That plus the financial assurance might provide more motivation and understanding of the costs and risks ... and, get someone like the Radiation Safety Officer (RSO) to sign off on disposal costs.

Susan: What about having regulators write a letter to ask about licensee's plans for their sources? The letter could identify the risks and liabilities for keeping/storing them verses disposing them?

Rich: Regulators should also start doing more inspections and asking questions about disused sources during the inspection process. This should be incorporated into inspection procedures.

Anine: When the state regulators make visits, we might call in the managers and explain that it is not going to get any cheaper to dispose of sources if they hold on to them and ask what is their plan. But, a lot of places are winding down. They are making changes in the lab that are replacing the use of radioactive materials.

Larry: When these companies are making decisions about whether to use radioactive or other sources, the educational materials you create should be able to help them make an informed decision.

Anine Grumbles, Washington Department of Health and Chair of Surety and Bonding Committee for CRCPD's Suggested Regulations Committee

- CRCPD's Part S Working Group on developing suggested state regulations concerning financial assurance for disused sources (*Anine Grumbles, Part S Working Group Chair and Official with Washington Department of Health*)
 - background and overview: basis for formation of working group, membership and participation, mission statement, goals, timeline, anticipated end-product, and path forward for implementation thereof
 - work to date and current status of project: summary of proposals for how to develop suggested state regulations on financial assurance for disused sources, review and explanation of chart of recommendations developed to date
 - comments submitted on the U.S. Nuclear Regulatory Commission's (NRC's) byproduct material financial scoping study
 - discussion re coordination of efforts between Part S Working Group and DSWG to maximize the opportunity for success
- summary and overview of day's discussion / closing remarks

Anine Presentation and Discussion

Anine: One of my recommendations is to revoke General Licenses (GLs). This is not a formal CRCPD position, but rather just that of Washington State.

Leo: It would be great to do an evaluation of the chart Anine has created and provide support for it. The chart drills down to a deeper level.

Susan: If you have more Specific Licenses (SLs), then NRC is going to require the state to perform inspections. What would be their new license fee?

Anine: That would have to be decided by each state.

Joe: Every state is a little different. We have three different levels.

Anine: There are things happening now. Walmart's smoke detectors is an example. If we don't care about them now, what is going to happen 20 years from now? They are general licensed now, but might become a health hazard if they fry and leak, so maybe they should be specifically licensed. All the GLs are supposed to be leak tested, maintained, etc. Who is checking that?

Joe: We do inspections and people are shocked that they even have radioactive materials.

Susan: There is no point in having a regulation if we are not checking it and enforcing it.

Anine: Getting rid of GLs would increase security and control. Right now you have a high curie limit before financial surety applies.

Leo: What kind of reaction did you get from CRCPD, OAS and others? What can we do to help? Should there be an associated cask for all Category 1 and 2 sources?

Discusses idea to lease sources. Licensee on receiving end says it has to go back to manufacturer.

Larry raises issue that bonding agency will not want to do it for leased sources because the manufacturer has no control over source while outside of its possession.

Gary: There has to be assurance that any state in which it is manufactured is doing it properly. If lease it to licensee, then not responsible for their misuse.

Larry: Are you going to project useful life of source and then do present value of costs associated with disposition?

Todd: Asks if received feedback from manufacturers? Explains that the DSWG explored the concepts of leasing and return to manufacturer during the first phase of the project, but we were told that it would put manufacturers at a competitive disadvantage globally due to foreign competition.

Discussion follows that includes:

- There is a precedent for bonding and surety in construction and other industries. The cost of doing business includes a surety bond for a construction company, performance bonds, bid bonds, payment bonds, etc.
- Gives example of Price Anderson – three layers of responsibility including first licensee, then state, then federal government to a limited extent. Correction that second layer is a pooling of all licensees.
- Hoping to have coordination between our committees and working groups. Hoping to have a unified message and actions.
- Most states have told the committee that only will make changes if required to be compatible with NRC regulations.

Gary: I would really recommend that the committee hold your ground on this.

Todd: What happens when committee finishes work?

Gary: Once finished, they will need to get it out of committee, get three peer reviewers, then goes to Council Chair, then go to full Board for a vote. Joe thinks it would be approved because simply constitutes suggested regulations. Leonard asks time frame. Joe says can go through approval

process in 2 months. Gary says need to write regulatory language to serve as a model. Larry says write proposed regulation with chart alone and then other suggestions could be done separately.

Anine: We are still at the working group level. Most states are not going to do anything until NRC makes a rule. Although we are raising awareness, we are not going to get a lot of takers unless and until NRC takes action.

Larry: The first thing that must be considered with regulation is the impact on generators. Will you all develop a position that addresses those issues and provide arguments for the states?

Anine: Oregon does not allow for GLs. We might have to start that process.

Gary: I hope that you are not going to wait on NRC before going forward with this. It is important that NRC hear from CRCPD during their review of comments on the byproduct material financial scoping study and any subsequent action thereon.

Leo: This group is charged with building consensus to implement the recommendations. So, how can we help with supporting the materials you have provided?

Anine: When manufacturers and distributors accept return of sources that they have sold, they take responsibility for the entire life cycle of the sources. Another alternative that we have considered would be to lease a source, such that it stays under the ownership of the manufacturer. In this case, the leasing fees would include financial surety. This would require a lot less regulation. Providing financial surety and an insurance policy that covers liability if it is stolen brings the issue to a whole different level.

By implementing this method, the manufacturers would decide how much financial surety or insurance they want to dictate. This takes it out of the hands of the states or feds – i.e., less regulation. The manufacturer is responsible for the final disposition. The bonder will provide the necessary financial assurance because the licensee needs to have it in order to receive a license from the state. This takes the onus off of the state to take care of it. If the manufacturer leases it, they are not responsible for the criminal misuse by the licensee.

Gary: Florida has a risk calculator.

****ACTION ITEM****

Gary to provide Florida risk calculator to Anine and rest of group.

This opens opportunities to the private sector if they want to take it on—i.e., bonding, banks.

Gary: Could this provide a competitive edge?

Anine: For the person who requires an irradiator for 2-3 years to do research, then he can send it back.

Todd: When we broached this issue before, the manufacturers said that it would put them at a competitive disadvantage. Especially when competing within the international markets.

Larry: The answer is to say that you can't receive a source unless you have this contract.

Anine: There is a precedent – the cost of doing business—i.e., construction. We want to make sure that they will not default on their source. But, it has to be a level playing field, so more like single payer—i.e., Price Anderson model.

Larry: It is in three layers. Have you considered that model?

Joe: Most insurers have specific exceptions for radioactive materials.

Leonard: You need to talk to someone in the insurance to make sure you are using the proper terminology of surety and insurance and bonding.

Anine: We are hoping to get coordination between DSWG and SRS. This would provide a unified message and actions in what we say to stakeholders and in our recommendations to federal officials.

Until there is a regulation in place that forces the manufacturers to take action, nothing will move. It is up to the NRC. Most states are only required to be compatible with NRC.

Todd: Once you are done, does this stay as a recommendation from the committee, or does it get elevated for concurrence and approval by the full CRCPD Board of Directors?

Ray: You get it out of committee, you get three peer reviewers, and eventually it goes to the Council Chair.

Joe: Then it goes to the full Board for a vote. We are providing a tool for states—i.e., guidance. It might not work for every state, but at least we have a template.

Ray: You need to provide regulatory language.

Larry: You can use the chart and write the regulations around it, and then the rest of the suggestions can be used as a guide.

Todd: Have you received any feedback from NRC?

Anine: No, we are sharing but not receiving any information back.

Joe: You can look at our rules just for ideas on how to write it up, might get rid of Category 1-3 references since this can be controversial.

Larry: If this goes, what else has to happen to make it a CRCPD official?

Joe: It is just a matter of writing the narrative and then to the full Board.

Leo: Is it a goal for this to be a model regulation for states or could it be CRCPD's position for NRC?

Joe: It can be both.

Leo: Coming out of this working group and CRCPD, as a position to NRC, that would be something we would definitely support.

Todd: Have you had any interaction with OAS and if not, it seems they would be more cooperative if they were included early in the process. So, if the end game is to get OAS to buy in, then I would strongly suggest that you consider bringing them in earlier in the process.

Larry: Do you think it would be worth it to send it out to the materials people and push like we did with the survey?

Ray: Or, in the alternative, you could send it to OAS and ask them to send it out. That would make them more receptive. And, let the Council Chair know that you are doing this.

Todd: And, it is still early enough to involve OAS since their annual meeting, which is not until August.

Larry: That is a really strong argument if you have CRCPD and OAS both in agreement and can have an impact with NRC.

Todd: Also, if we have agreement from CRCPD and OAS, it takes away from NRC's argument that there is no interest in this issue.

Anine: Should I also send to HPS?

Leo: How can it hurt?

Todd: That would address NRC's major concern, which is that they are not hearing from licensees and users.

Discussion of Next Steps:

- Anine needs to take this chart and write them into the regulations.
- John Fassell of California and Earl Fordham have guided committee.
- Todd makes recommendation that include OAS early on in the process.
- Email came from Ruth McBurney to get state input.
- Larry suggest perhaps pair request for state input down to chart and ask for comment on that alone.
- Joe heard from Earl that Anine should present this at HPS.

****Action item****

- **Todd reach out to John Hageman and suggest that he invite Anine and Jim Yusko. Follow-up item to prepare and submit abstract for HPS with DSWG, Anine, Jim Yusko, NNSA by deadline of February 19, 2016.**

Meeting Adjourned

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February 12, 2016

9:00 am - 10:30 am (Open to Working Group Members, Staff and Invited Guests)

- review and continued discussion re prior day's agenda topics on (1) White Paper on suggestions made during scoping session on brokers and processors perspectives and (2) CRCPD's Part S Working Group on developing suggested state regulations concerning financial assurance for disused sources (*DSWG Members, Staff and Invited Guests*)

Anine: Who are the peer reviewers? Can they be outside people?

Gary: You ask your council person and they have to approve it and then do it. Anine says perhaps she can ask the LLW Forum to do the review.

Gary: I spoke to Jim Shaffner yesterday and he said that the SECY paper is written and is under review now.

Anine: When do we need to have this in the council person's hands?

Gary: It was sent to the reviewer about a month ago and still waiting for response.

Anine is planning to finish her review and updates in about a week to 10 days. Mostly state people, but NNSA has also served as advisors. Ryan Whited or Jim Shaffner have been participating in the last three calls.

Leo: Nevada is trying to schedule a call the week of the 23rd to get a little more detail. Keep reaching out to brokers and processors.

Larry: I encourage putting the information out there and letting the brokers/processors do with it what they want. I am particularly interested in developing a list of issues—i.e., things that the brokers/processors would have to consider. Bionomics and Bear Creek are doing a lot of work on this and have experience.

Ray: I have had the conversation with WCS about having them do the waste broker side and they indicated that they are not willing to do so. They were very territorial and do not want someone in Texas doing the business even though it is business that they do not really want.

Larry: One of the reasons that EnergySolutions agreed to do the variance was it was brought up with both the company and the state at the same time. If going to approach WCS or anyone, then we need to be clear as to what we are asking, what are the issues, implications for licenses, bonding, etc. There are always people within a company that want to see a new product line developed, but need to understand potential obstructions to regulatory and capital contributions and so forth.

Ray: WCS would be doing a service that would reduce their profits so economically it does not make sense. Working with sources has a lot of issues and potential implications and problems.

Larry: EnergySolutions and WCS are too big to want to take on this project. Bear Creek needs work, so that could be a possibility.

Leonard: Would NNSA would be willing to put money into this?

Larry: Only through a contractor.

Leonard: My idea is that NNSA issue an RFP to identify someone that wants to establish such a facility for a limited time. There is a process, so that they select someone to do this and they contribute a certain amount (i.e., 10%) to get it off the ground.

Larry: My experience is that NNSA prefers to go through a contract.

Leonard: I am still stuck on what is the impediment to brokers doing this now?

Larry: The economics are not shown to bear it out.

Leonard says that Bear Creek did it for the Clive variance.

Leonard: We need to understand what is the impediment to them doing this on a larger scale and what can we do to help remove the impediment. How can we create incentives so that the private sector does this on a regular basis?

Susan: The biggest proposed change is not declaring the sources to be a waste.

Leonard: Compacts are not acting as an impediment. The problem is that licensees do not want to get rid of sources. Financial assurance and two-year storage limit are good hammers.

Larry: Part of the problem is that brokers and processors have to take sources as waste, but if they take it as material, then they have more flexibility.

Leonard: Who says that they have to manifest it?

Larry: This is partly because of the way brokers are licensed. Their licenses require them to take it as waste.

Susan: South Carolina has a separate regulation for transporting of waste. If sending it to a processing facility, then need to manifest it as waste.

Rich: An important issue is the need to identify it from where came from.

Leonard sees Larry's idea as potentially dramatically reducing cost if are able to consolidate sources. Larry says this could be an added incentive.

Anine: Once material is manifested as waste, can it again be treated as material and recycled?

Leonard says yes. Larry, however, has questions. He says once someone declares it waste, then they are responsible in perpetuity. Leonard says his compact permits all of the time for stuff to be sent as waste via permit which is then later found to have recycle value and done as such. It is a \$200 permit to ship as waste verses a \$5,000 enforcement action.

Rich: Once you have contacted the two or three entities, they should answer the questions. Once find interested entity, they can get answers relatively easily. Rich says Bionomics is doing this stuff every day. He thinks we are doing their work for them.

Anine: What about source manufacturers—i.e., International Isotopes, Dade Moller and so forth. They are somewhat nationwide.

Joe: Rich is on to something here. John McCormick deals with this all of the time. We can ask him directly. Let them identify what are the obstacles and impediments. I believe that this is the way to go.

****ACTION ITEM****

Larry to identify obstacles and impediments

While Larry is doing that, we can continue working on financial assurance and storage limits and so forth.

Rich: If Pennsylvania develops more stringent regulations, there is a cut off date for sources that are already out there. How deal with that? Would financial assurance apply to sources that are already owned and sitting in storage?

Anine: It would be taken into consideration in the updates.

Rich: There are two issues here – legacy sources that are already out there and new sources. A few years ago, I received a call from educational institution that did not even know they had sources.

Gary disagrees and so does Joe. Gary says states that have implemented regulations have seen licenses step up.

Leonard and Joe say that is a perfect role for SCATR and OSRP. Joe says have hardly used OSRP. NRC funds it and they have money. If a state identifies a source about which they are concerned, then feds will come in and take care of it.

Joe : Don't let money be an impediment to the proper management of orphan sources.

Kathy: South Dakota has three high schools that found geiger counters but don't want them. They have asked the state for assistance. What should they do?

Joe: Have them contact me directly. There are several ways to deal with it. For instance, HPS has a program where they would take them and donate them to other schools that want them. Some states will collect them and dispose of it with their own low-level radioactive waste.

Leonard says they issue multiple permits for brokers that do this several times throughout the year.

Larry: Back to Rich's point about legacy waste, financial assurance will help get more accurate inventories.

Rich: I am hearing that Pennsylvania is in pretty good shape. Inspectors are checking and do not have a lot of problematic sources. SCATR has helped them significantly.

Gary: In Washington, as part of license condition, the state requires licensees to get rid of old sources before getting a new source if not putting up financial assurance.

****ACTION ITEM****

Larry is going to review his paper, work with brokers and processors to get answers to some of our questions, and give the DSWG feedback from as many brokers/processors as possible. Larry will work with Gary to answer question as to whether broker is authorized to transfer material to a facility as part of his license.

Anine: In place of using Category 1 and 2, is it better to use risk-significant quantities or quantities of concern in place of those?

The issue is that they need to have security as part of the regulation.

Leonard: If it is going to be a regulation, then can't be ambiguous. I suggest that decisionmakers look at Illinois' regulation as a model. Certain sources, because they need to have security, then need to have some financial assurance. Gary suggests take it out of table and include in regulations.

10:30 am - 12:00 pm (Open to Working Group Members, Staff Only)

- planning and coordination re next steps and path forward (*DSWG Members and Staff Only*)

Todd and Cecilia will be putting together the final deliverable for the DSWG grant. Then, we will work on preparing educational materials in time for the CRCPD meeting this coming May.

Group agrees to invite CRCPD, HPS, and OAS to meet with DSWG this summer—i.e., we will reach out to them and work on securing travel assistance funding. They are welcome to come to the April meeting, but our target should be June.

****ACTION ITEM****

Get everyone's schedule regarding proposed June meeting.

****ACTION ITEM****

Redo priority list and redistribute to group.

- planning and preparation re April 2016 LLW Forum meeting: development of agenda sessions on disused source management, working group meeting, invitations and methodology for consortium building (*DSWG Members and Staff Only*)

Following discussion, the DSWG agrees to invite brokers/processors and JL Shepherd for one part and then do planning for summer meeting for the second part.

- next DSWG meeting date and location (*DSWG Members and Staff Only*)

The CRCPD is meeting on May 16, 2016.

The Texas Compact Commission has a meeting scheduled on June 30, 2016. However, the compact commission often adjusts dates going forward.

Susan will be on vacation from June 3-14, 2016. She will be flying out of Denver on the morning of June 14.

- any other outstanding issues (*DSWG Members and Staff Only*)

None.

Meeting Adjourned