

NMSS News

Link

OFFICE OF NUCLEAR MATERIAL
SAFETY AND SAFEGUARDS

ANNUAL MEETING OF THE ORGANIZATION OF AGREEMENT STATES

PAGE 1



TRAINING ON THE NATIONAL ENVIRONMENTAL POLICY ACT

PAGE 2



FROM THE DESK OF THE DIRECTOR

PAGE 3



COMMENTS WANTED ON AN ADVANCE NOTICE

PAGE 4



COMMENTS WANTED ON A PROPOSED RULE

PAGE 5



DRAFT REGULATORY BASIS NOTICE

PAGE 6



DECOMMISSIONING FINANCIAL ASSURANCE PROGRAM

PAGE 6



INTERAGENCY TASK FORCE REPORT

PAGE 9



SIGNIFICANT ENFORCEMENT ACTIONS

PAGE 10



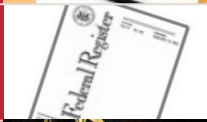
GENERIC COMMUNICATION ISSUED

PAGE 11



SELECTED FEDERAL REGISTER NOTICES

PAGE 12



ONGOING RULEMAKINGS

PAGE 15



TO OUR READERS

PAGE 17



ANNUAL MEETING OF THE ORGANIZATION OF AGREEMENT STATES

On August 25–28, 2014, the Organization of Agreement States (OAS) held its annual meeting at the Omni Chicago Hotel in Chicago, IL. The United States Nuclear Regulatory Commission's (NRC's) Region III office hosted the meeting. The annual meeting brought together more than 130 participants including State radiation control directors and staff from 36 of the 37 Agreement States and NRC staff to discuss a wide range of issues affecting radioactive materials licensees. The theme of the OAS meeting was "Partnership and Communication." The presentations and discussions on the role of the National Materials Program through partnerships and communications led to a very successful meeting.



Left to right: Jared Thompson, Radioactive Materials Program Manager, Arkansas; Richard Ratliff, Radiation Program Director, Texas; NRC Chairman Allison M. Macfarlane; Mike Stephens, Bureau of Radiation Control, Florida; and Lee Cox, Radiation Protection Section Chief, North Carolina

Cindy Pederson, Regional Administrator, Region III, provided the welcome at the opening session along with Joe Klinger, Illinois Radiation Control Program Director. Mr. Klinger read a letter from Governor Pat Quinn welcoming the participants to the meeting. Lieutenant Governor Sheila Simon provided a video welcome. Both the Governor and Lieutenant Governor commended the meeting participants in their role in radiation control and encouraged the opportunities for partnership and communications during the meeting. Commissioner William D. Magwood provided the keynote address and discussed NRC's role as a partner in the National Materials Program. Commissioner Magwood discussed NRC's role to proactively address State performance issues through the NRC evaluation program and his views on both the proposed medical rule and drafted legislation addressing additional security measures.

A highlight of the meeting was the address from Chairman Allison M. Macfarlane on August 27, 2014, which covered several issues of common interest highlighting the National Materials Program and the partnership between NRC and the Agreement States. The Chairman announced that the State of Georgia's Agreement State program was taken off probation after a review earlier this year found that the State had made significant progress in addressing several areas of unsatisfactory

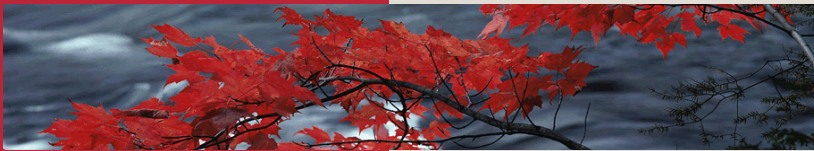
performance found in an earlier review. Chairman Macfarlane also presented certificates to the States of Arkansas, Florida, North Carolina, and Texas commemorating 50 years of radiation protection as an Agreement State and partner in public health and safety. On August 28, 2014, the director of the Georgia program discussed the probation process from the Georgia viewpoint.

The topics for the meeting's sessions included 10 CFR Part 37, "Physical Protection of Category 1 and Category 2 Quantities of Special Nuclear Material," and its security issues; consumer products; emerging training approaches; Web-based licensing; updates to the licensing verification system; revisions to the medical rule; the Advisory Committee on Medical Uses of Isotopes (ACMUI); molybdenum-99 production; cumulative effects of regulations; and Integrated Material Performance reviews and recommendations to enhance the program. NRC senior managers from the Office of the Executive Director for Operations, the Office of Federal and State Materials and Environmental Management Programs, and the Office of Nuclear Material Safety and Safeguards gave presentations on agency organizational issues and initiatives.

The next OAS annual meeting will be held August 22–27, 2015, at the Omni Boston Hotel in Boston, MA.

(Contact: Duncan White, NMSS, 301–415–2598 or Duncan.White@nrc.gov).

TRAINING ON THE NATIONAL ENVIRONMENTAL POLICY ACT



The NRC performs environmental reviews under the National Environmental Policy Act (NEPA) for reactors and materials licensees, as well as for sites undergoing decommissioning, including fuel cycle facilities. With the legal assistance of the Office of the General Counsel

(OGC), the major NRC offices that conduct NEPA reviews are the Office of New Reactors (NRO), the Office of Nuclear Materials Safety and Safeguards (NMSS), and the Office of Nuclear Reactor Regulation (NRR).

From 2007 through 2014, NRC employees had the opportunity to attend and complete courses in NEPA offered by Duke University and co-sponsored by the White House Council on Environmental Quality (CEQ). Although NMSS had the NRC lead for these contracts, all of the major program offices and three of the NRC regions benefited from having the NEPA courses taught at NRC headquarters. All participating program offices achieved success in training a large number of staff in NEPA in a timely and cost effective manner. In addition, the training positioned many NRC staff to complete the Duke University graduate level professional certificate in "Implementation of NEPA."

In prior years, NRC staff attended those courses at Duke University in Durham, NC. By having the courses taught at NRC headquarters, the NRC saved training dollars because of discounts on tuition and minimization of travel costs.

The Duke NEPA certificate program was designed for professionals seeking essential skills in the understanding and implementation of NEPA. To complete the certificate, a student must complete 100 hours of didactic core work, including the cornerstone course "Implementation of the National Environmental Policy Act," and prepare a capstone paper approved by the Academic Review Committee.



FROM THE DESK OF THE DIRECTOR

On October 5, 2014, the Office of Nuclear Material Safety and Safeguards (NMSS) and Office of Federal and State Materials and Environmental Management Programs (FSME) merged. I have the good fortune to become the Office Director of the new NMSS Office. In my few days in this position, I have already enjoyed warm welcomes, good wishes, and great support from many of you. Thank you. I also want to express my thanks and appreciation to Brian Holian for his service to FSME, and for setting an example of leadership and integrity.

Now, I would like to use this column to discuss further the merging of NMSS and FSME. First, I would like to give you some background. When Congress created the NRC in 1974, it established three specific offices within the agency. One of them was the Office of Nuclear Material Safety and Safeguards, or "NMSS" in NRC shorthand. This office was charged with regulating nuclear materials and the facilities associated with processing, transporting and handling them.

This charge was, and is, broad. The NRC's materials and waste management programs cover facilities that use radioisotopes to diagnose and treat illnesses, devices such as radiography cameras and nuclear gauges, and decommissioning and environmental remediation. It also includes nuclear waste disposal and all phases of the nuclear fuel cycle, from uranium recovery to enrichment to fuel manufacturing to spent fuel storage and transportation. The program also does environmental reviews; oversees 37 Agreement States, which have assumed regulatory authority over nuclear materials; and maintains relationships with states, local governments, Federal agencies and Native American Tribal organizations.

As with all organizations, the NRC's workload has ebbed and flowed in response to a multitude of factors. Over the years, NMSS went through several structural changes to address its workload changes. For example, in 2006, the NRC restructured NMSS, moving some of its programs, including the state and tribal programs, into a new office (FSME). NMSS retained fuel cycle facilities, high-level waste disposal, spent fuel storage, and

radioactive material transportation. FSME was responsible for regulating industrial, commercial, and medical uses of radioactive materials and uranium recovery activities. Also, FSME handled the decommissioning of previously operating nuclear facilities and power plants.

The NRC's materials and waste management workload has now shifted again. Therefore, NRC staff launched a working group last fall to review the organizational structure of the NRC's materials and waste management programs. With the focus shifting to long-term waste storage and disposal strategies, and an increasing number of nuclear plants moving to decommissioning, the group recommended merging FSME's programs back into NMSS. The NRC's Commissioners approved that proposal in July 2014, and the merger of the two offices was effective October 5, 2014.

Current work, functions, and responsibilities at the staff level will be largely unchanged. The management structure will be realigned into fewer divisions with fewer managers.

What does this change mean for you? For the most part, you should see very little impact of this merger in your day-to-day work and interactions with the NRC. As you probably noticed, the title of this newsletter has changed to reflect the new organization. Similarly, in other communications and documents you will see the NMSS title. Most of your contacts for interacting with the NRC will remain the same. If, in specific cases, a contact is changing, you will be individually notified.

We believe that this new structure will better enable us to focus on integrating the front and back ends of the fuel cycle and to meet future challenges. It will improve internal coordination, balance our workload, and provide greater flexibility to respond to a dynamic environment. We fully expect these changes to improve our communications, both inside and outside the agency, and to provide greater efficiency and flexibility going forward.

While we anticipate improvements in many ways, we also expect that there will likely be some hiccups as we shift to the new organizational structure and as staff and managers get acclimated. We appreciate your patience during the transition period and encourage you to contact me or a member of the NMSS team with any feedback as we move forward to standup the new organization.

Sincerely,

A handwritten signature in black ink that reads "Catherine Haney". The signature is fluid and cursive.

Catherine Haney, Director



The elective courses for the certificate fall into two required groups. From the first group, a student was required to take two of the following four courses: (1) "Socioeconomic Impact Analysis under NEPA," (2) "Accounting for Cumulative Effects in the NEPA Process," (3) "Tribal Consultation," and (4) "Preparing and Documenting Environmental Impact Analyses." From the second group, a student was required to take one of the following three courses: (1) "Scoping, Public Involvement and Environmental Justice," (2) "Current and Emerging Issues in National Environmental Policy," (3) "The Law of NEPA," and (4) "Considering Greenhouse Gas Emissions and Climate Change under NEPA."

The courses were specifically designed for mid-level and senior project managers who work to (a) streamline the environmental permitting process for Federal facilities and Federal regulatory activities and (b) prepare and review environmental assessments, environmental impact statements, and other NEPA analyses. The courses taught at NRC headquarters were attended by technical staff, attorneys and management, resulting in a cross section of participation. The courses provided the necessary tools to address the environmental effects of agency actions and to ensure that environmental impact analyses are substantively and procedurally accurate. The course instructors aided students in determining the proper level of documentation to fully record and disclose to the public the results of environmental analysis.

As of April 2014, the NRC reported that over 600 NRC staff had taken the NEPA courses offered through this effort. Seven NEPA certificates have been awarded and 24 additional NEPA certificates could possibly be attained. The Duke University library will preserve the students' capstone papers for future use as references and as an integral tool for knowledge management. Those capstone papers are also accessible to other Federal employees.

In February 2014, Duke University taught the last NEPA course at NRC headquarters. The training program has been very successful in providing NRC staff with current NEPA implementation information, in saving the NRC considerable training funds, and (most importantly) in maintaining and enhancing the NRC's NEPA implementation activities.

(Contact: Zahira Cruz, NMSS, 301-415-3808 or Zahira.Cruz@nrc.gov)

COMMENTS WANTED ON AN ADVANCE NOTICE



The NRC is considering amending its basic radiation protection regulations to achieve greater alignment between the NRC's regulations and the recommendations of the International Commission on Radiological Protection (ICRP) contained in ICRP Publication 103 (2007). On July 25, 2014, the NRC published in the *Federal Register* (79 FR 43284) an Advance Notice of Proposed Rulemaking (ANPR) to consider revisions to Title 10, "Energy," of the Code of Federal Regulations (10 CFR) Part 20, "Standards For Protection Against Radiation." The NRC issued the ANPR to obtain input from stakeholders on the development of a draft regulatory basis to support potential changes to 10 CFR Part 20. The website to access the ANPR and to submit comments is <http://www.regulations.gov> (Docket ID NRC-2009-0279). To provide comments by e-mail, please send them to rulemaking.comments@nrc.gov. Comments on the ANPR should be submitted by November 24, 2014.

The NRC staff held four public meetings/webinars on the ANPR, from September 24, 2014 through October 16, 2014. All of the meetings were transcribed to enhance participation and the gathering of feedback from the public, stakeholders and regulatory partners. On September 24, 2014, the NRC held the first meeting to provide a general background of the potential rulemaking and associated issues. This meeting can be viewed at: <http://video.nrc.gov/> by clicking on "Advance Notice of Proposed Rulemaking (ANPR) -- Potential Changes to the NRC's Radiation Protection Regulations, 9/24/14." In addition, the slides presented at all four meetings are available at: <http://www.nrc.gov/about-nrc/regulatory/rulemaking/potential-rulemaking/opt-revise.html> under "Public Involvement."

(Contact: Cardelia Maupin, NMSS, 301-415-2312 or Cardelia.Maupin@nrc.gov)

COMMENTS WANTED ON A PROPOSED RULE



The NRC is proposing to amend its regulations related to the medical use of byproduct material. On July 21, 2014, the NRC published in the *Federal Register* (at 79 FR 42410) a proposed rule to revise certain sections in Title 10, "Energy," of the Code of Federal Regulations (10 CFR) Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material"; Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material"; and Part 35, "Medical Use of Byproduct Material," as well as a notice of availability of the draft guidance to go with these proposed changes. The proposed 10 CFR Part 35 rule is currently open for public comment. The Web site to access the proposed rule and to submit comments is <http://www.regulations.gov> (Docket ID NRC-2008-0175). To provide comments by e-mail, please send them to rulemaking.comments@nrc.gov. Comments for both the proposed 10 CFR Part 35 rule and its guidance should be submitted by November 18, 2014.

On July 20, 2014, the NRC staff attended the four day 2014 annual meeting of the American Association of Physicists in Medicine (AAPM) held in Austin, TX, to encourage the public and key stakeholders to comment on the proposed rule.

NRC staff highlighted major proposed 10 CFR Part 35 rule changes associated with: (1) reporting and notification requirements for a medical event for permanent implant brachytherapy; (2) training and experience requirements for authorized users, medical physicists, radiation safety officers (RSOs), and nuclear pharmacists; (3) the requirements for measuring molybdenum contamination and reporting of failed technetium and rubidium generators; and (4) allowing associate radiation safety officers (ARSOs) to be named on a medical license. Please review the proposed rule and comment!

(Contact: Said Daibes, NMSS, 301-415-6863 or Said.Daibes@nrc.gov)



DRAFT REGULATORY BASIS NOTICE

The NRC intends to release Revision 1 of the draft regulatory basis for a proposed rulemaking to clarify 10 CFR Part 21, "Reporting of Defects and Noncompliance." The release of the draft regulatory basis is scheduled for fall 2014, and will be followed by public meetings to discuss the draft regulatory basis. The draft regulatory basis includes discussions on potential clarifications to the rule as it applies to nuclear power plants and fuel cycle facilities as well as clarifications that are applicable to all stakeholders. For more information and to remain informed on the status of the draft regulatory basis and rulemaking activities, please visit

<http://www.nrc.gov/reactors/new-reactors/oversight/quality-assurance/vendor-insp.html>.

In order to receive notifications, you can also visit the 10 CFR Part 21 Web site at <http://www.nrc.gov/reading-rm/doc-collections/cfr/part021/>. You can receive notifications by clicking "subscribe to page updates."

For the public meeting schedule, please visit <http://meetings.nrc.gov/pmns/mtg>.

(Contact: Tomas Herrera, NMSS, 301-415-7138 or Tomas.Herrera@nrc.gov)

DECOMMISSIONING FINANCIAL ASSURANCE PROGRAM

NRC Region I staff performs an annual self-assessment of the region's Decommissioning Financial Assurance Program. This year, the self-assessment included 87 financial assurance instruments for 135 licenses. Financial assurance (FA) instruments are legal documents that commit funding for decommissioning that the NRC can acquire in the event that a licensee goes out of business and still possesses licensed materials and/or owns contaminated facilities. On occasions, the staff has found errors in the FA instruments and has had to get them corrected so that the legal documents are valid. The errors may occur because of changes to a previously issued license which the reviewer or licensee did not realize affected the FA instrument. The resolution of errors related to financial assurance requires a lot of time and effort on the part of licensee and NRC staff. The NRC hopes that, by describing our most common self-assessment findings, we can minimize their recurrence.

This self-assessment ensures that financial assurance instruments maintained by the region are appropriately stored in a secure location (e.g., a safe), are correctly identified in the inventory list, and are completed for all licensees requiring financial assurance in accordance with the requirements of Management Directive (MD) 8.12, "Decommissioning Financial Assurance Instrument Security Program," revised November 22, 2013. In addition, the self-assessment evaluates the adequacy of all Region I financial assurance instruments for all licenses requiring financial assurance using the guidance in Revision 1 of Volume 3, "Financial Assurance, Recordkeeping, and Timeliness," of NUREG-1757, "Consolidated Decommissioning Guidance."

The self-assessment team examines the type of financial-assurance instrument used; verifies that the amount of the financial instrument is consistent with the radionuclides and quantities authorized on the license(s); assures that a certificate of financial assurance has been established; and verifies that the Decommissioning Funding Plan (DFP), if one is established, has been updated and submitted to the NRC within the last 3 years.





In addition, during calendar years 2011 and 2012, all active licenses in Region I that did not have financial assurance provided were reviewed to determine whether any of these licenses required financial assurance. Of the approximately 800 active licenses in Region I, the reviewers identified 5 licenses that required financial assurance to be provided but did not have financial assurance.

Trends over the period from 2009 to 2014: In general, the self-assessment identified fewer findings each year. An increase in the number of findings was noted in 2012 because of licensees and NRC license reviewers not being fully aware of the changes to the decommissioning rule made in 2011.

A common problem: Most errors in determining the correct amount of financial assurance were found to be caused by a lack of understanding that financial assurance is required separately for four categories of material: (1) unsealed byproduct material with half-lives greater than 120 days; (2) sealed byproduct material with half-lives greater than 120 days; (3) dispersible source material; and (4) unsealed special nuclear material (SNM). As a result, a frequent source of error is the incorrect use of one of the standard limiting conditions on the license to eliminate or reduce the amount of financial assurance to be provided.

Specific errors: It is unusual for two or more financial assurance instruments to have exactly the same finding. However, the findings from the self assessments performed over the past 5 years can be sorted into four general "types": errors in determining the correct amount of financial assurance required, errors in the certification of financial assurance, errors in certification of financial assurance, and administrative errors.

Errors in determining the correct amount of financial assurance:

- Krypton 85 was added to a license in an amount which increased the required amount of FA;
- Two licensees added a new radionuclide in amounts for which a DFP was required;
- An unsealed material produced with an accelerator, now regulated under 10 CFR Part 30, was added to a license in amounts that required a DFP;
- An amendment increased the possession limit of americium 241 sealed sources in such a way that the aggregate amount of all sealed sources authorized on the license exceeded the unity rule for requiring FA;
- A materials license under 10 CFR Part 40, "Domestic Licensing of Source Material," did not list a maximum possession limit for 10 CFR Part 40 dispersible material and the license did not include the limiting condition;
- Two licenses listed unsealed materials regulated under 10 CFR Part 70, "Domestic Licensing of Special Nuclear Materials," in quantities that required FA and the licenses did not include the 10 CFR Part 70 material in the limiting condition; and
- A license did not list the maximum possession limit for 10 CFR Part 70 unsealed material and the license did not include the limiting condition.

Other errors occurred when a Master Materials licensee considered only unsealed byproduct material but had some authorized users in possession of unsealed SNM. Also, during an inspection, a licensee discovered that they possessed a greater amount of authorized radionuclides and a DFP was required instead of the original \$225,000 funding.

Errors in the FA documents were caused by errors in the Certification of Financial Assurance (CFA) or errors in the FA instrument.

Errors in the certification of financial assurance:

- no CFA;
- four cases of licensed material not added to the CFA when the license was amended;
- a CFA cited a superseded FA instrument;



- the amount of FA listed on a CFA did not match the amount required by the instrument;
- a CFA cited the wrong Letter of Credit and the wrong amount of financial assurance;
- a CFA contained legal language not acceptable to NRC; and
- two cases of changes in locations of use and of changes in authorized materials required changes in the CFA but the CFA was not revised

Errors in the financial instruments:

- a Statement of Intent (SI) contained legal language not acceptable to NRC;
- two cases in which the SI did not include all of the locations of use of licensed material requiring FA;
- two cases in which Schedule A of the Standby Trust Agreement (STA) did not include all locations of use of licensed material;
- an STA was amended but the attached schedules were not;
- an STA cited an NRC license and an Agreement State license of the same organization as beneficiaries;
- two cases of an STA not having the certificate of resolution, certificate of events, or the letter of acknowledgement;
- an STA was submitted with a blank letter of acknowledgement;
- a letter of credit did not contain the clause automatically renewing it from year to year;
- a self-guarantee agreement that did not have an STA in accordance with the revised 10 CFR 30.35, "Financial Assurance and Recordkeeping for Decommissioning";
- three cases of licensees that did not change from an escrow account to another FA instrument because of the revisions in 10 CFR 30.35; and
- three cases of an incorrect NRC license number listed on the FA instrument

Administrative errors:

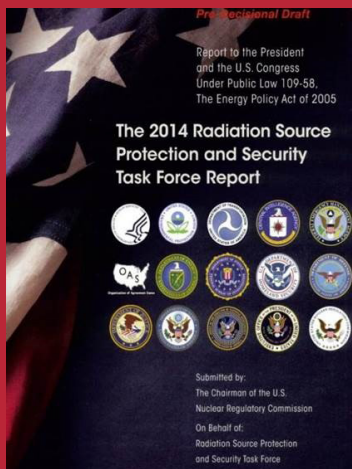
- a licensee amended the license to change the name, but did not amend the FA documents for the new name;
- an SI and its CFA covering multiple licenses were not updated when one of the licenses listed on both was terminated;
- a licensee required by license condition to update the FA instrument, or to provide scoping surveys to show that no FA was required, that did not submit either by the designated date;
- eight cases of a DFP not resubmitted as required by the 2012 revision of 10 CFR 30.35 (seven in 2012 and one in 2013); and
- three cases of the FA instrument being placed in the docket files rather than the safe

Overall, NRC Region I staff finds the annual self-assessment of the financial assurance program to be useful. The requirements for financial assurance can change because of a license amendment, because the licensee changes the type of financial assurance instrument, or because regulations are changed. This annual review of documents identifies issues with financial assurance documents since the last self assessment, and initiates actions to get them corrected.

(Contact: Steven Courtemanche, NRC Region I, 610-337-5075 or StevenCourtemanche@nrc.gov)



INTERAGENCY TASK FORCE REPORT



On August 14, 2014, the NRC submitted the third report of the Radiation Source Protection and Security Task Force (Task Force) to President Barack Obama and Congress, which outlined the Federal Government's efforts over the past 4 years to enhance the security of radioactive sources.

The Task Force was established under the Energy Policy Act of 2005, with the NRC as the lead agency, to evaluate and provide recommendations on the security of radiation sources in the United States from potential criminal or terrorist threats, including acts of sabotage, theft, or use in a radiological dispersal device. Moreover, the Task Force consists of representatives from 14 Federal Government agencies and one State organization.

The legislation also mandated that within 1 year of enactment and every 4 years thereafter, a report be provided. The first report, in 2006, described efforts established or planned to strengthen regulatory controls and made several recommendations to enhance the overall security of risk significant radioactive materials. The second report, in 2010, provided an update on the progress made since the first report and proposed additional recommendations for improving the security of risk significant sources in the United States.

In the four years since the second report, the Task Force has met routinely to discuss progress and evaluate the protection and security of risk significant radioactive materials. The 2014 report identifies the important progress that continues to be made in fostering and tracking the completion and closeout of the remaining recommendations from previous Task Force reports. Eleven of the 2006 Task Force recommendations and actions and six of the 2010 Task Force recommendations have been completed and closed out over the last four years. This report describes the activities, accomplishments, and challenges related to securing Category 1 and 2 quantities of radioactive sources, the most risk significant sources listed in the 2004 International Atomic Energy Agency's Code of Conduct. Three new recommendations with regard to these risk significant sources are introduced in the 2014 report, including topics covering cyber security; disposition/disposal financial planning or other mechanisms; and the transition to effective alternative technologies.

The Task Force will continue to meet to implement and monitor the progress of efforts to improve the security of radioactive sources and identify any gaps that may arise. Specifically, in the next 4 years, in an effort to better streamline its process, the Task Force plans to outline its strategic plan to more effectively and efficiently track open recommendations and actions through other mechanisms. These other mechanisms, such as other routine interagency coordination groups or developments of agreements with applicable agencies that have the responsibility and authority to carry out the recommended initiatives, may better foster timely completion of some of the initiatives.

Additional information on the Task Force, including the 2014, 2010, and 2006 reports, is available on the NRC Web site at <http://www.nrc.gov/security/byproduct/taskforce.html>.

(Contact: Kim Lukes, NMSS, 301-415-6701 or Kim.Lukes@nrc.gov)



SIGNIFICANT ENFORCEMENT ACTIONS

The NRC issued significant actions for failure to comply with a regulation.

ECS Carolinas, LLP, Wilmington, NC (EA-14-029)

On April 23, 2014, the NRC issued a Notice of Violation to ECS Carolinas, LLP (ECS), for a Severity Level III problem for two related violations. The violations involved ECS's failure to: (1) control and maintain constant surveillance of the gauge that is in an unrestricted area as required by Title 10, "Energy," of the Code of Federal Regulations (10 CFR) 20.1802, "Control of Material Not in Storage," and (2) use two independent physical controls that form tangible barriers to secure the gauge from unauthorized removal in accordance with 10 CFR 30.34(i), "Terms and Conditions of Licenses." Specifically, on May 24, 2011, an unsecured portable gauge was inadvertently left unattended and uncontrolled at a jobsite at the Marine Corps Base at Camp Lejeune. The unattended gauge was recognized and recovered by a Camp Lejeune contractor, who secured the gauge and subsequently returned to ECS approximately 3 hours later.

Dominion NDT Services, Inc., Richmond, VA (EA-14-026)

On April 2, 2014, the NRC issued a Notice of Violation to Dominion NDT Services, Inc. ("Dominion"), for a Severity Level III violation. The violation involved Dominion's failure to file NRC Form 241, "Report of Proposed Activities in Non-Agreement States," at least 3 days before engaging in licensed activities within NRC jurisdiction, as required by 10 CFR 150.20(b), "Recognition of Agreement State Licenses." Specifically, on January 11, 2013, September 28, 2013, and November 2, 2013, Dominion, a licensee of the Commonwealth of Virginia, performed industrial radiography activities at the Craney Island Naval Fuel Depot in Norfolk, VA, an area of exclusive Federal jurisdiction, without filing the required documentation with the NRC.

Kuehne Company, Delaware City, DE (EA-13-244)

On March 20, 2014, the NRC issued a Notice of Violation to Kuehne Company (Kuehne) for a Severity Level III violation. The violation involved Kuehne's failure to transfer or dispose of a device containing byproduct material to persons holding a specific license pursuant to under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material," and 10 CFR Part 32, "Specific Domestic Licenses to Manufacture or Transfer Certain Items Containing Byproduct Material," or to an Agreement State, as required by 10 CFR 31.5(c)(8), "Certain Detecting, Measuring, Gauging, or Controlling Devices and Certain Devices for Producing Light or an Ionized Atmosphere." Specifically, on October 31, 2013, a sealed source with serial number 959-4-88, formerly possessed by Kuehne, was found in a Coatesville, PA, scrap yard, a facility not authorized to receive the sealed source. Kuehne did not properly transfer or dispose of the device containing the source to a facility authorized to receive it.

City of Kirksville, Kirksville, MO (EA-14-001)

On March 17, 2014, the NRC issued a Notice of Violation to the City of Kirksville for a Severity Level III violation. The violation involved the City of Kirksville's failure to transfer byproduct material only to persons authorized to receive such byproduct material in accordance with 10 CFR 30.41, "Transfer of Byproduct Material." Specifically, on or about December 2, 2013, the licensee transferred a specifically licensed portable moisture/density gauge to a company not authorized to receive such byproduct material under the terms of a specific or general license issued by the Commission or an Agreement State.





MEDICAL

Centro de Medicina Nuclear, Santurce, PR (EA-13-059)

On April 8, 2014, the NRC issued an Order Imposing Civil Monetary Penalty to Centro de Medicina Nuclear (CDM). On November 5, 2013, the NRC issued CDM a Notice of Violation and Proposed Civil Penalty Notice. The violation involved CDM's failure to: (1) respond to an August 7, 2012, NRC order revoking its license for nonpayment of its annual fee; and (2) take the actions required by the order (initiating site decommissioning and submitting a written report of the status of CDM's licensed materials and the status of actions taken to dispose of or transfer the materials). Following the NRC's November 5, 2013, Notice of Violation and Proposed Imposition of a Civil Penalty in the amount of \$7,000, the licensee has failed to respond to the notice and the proposed civil penalties. The NRC issued the Notice of Violation and proposed civil penalty to the licensee for a failure to comply with the actions required by an order issued on August 7, 2012, after CDM failed to pay the NRC licensing fee. Accordingly, the NRC concluded that the violation remains valid and issued an order imposing civil monetary penalty in the amount of \$7,000.

Information about the NRC's enforcement program can be accessed at <http://www.nrc.gov/about-nrc/regulatory/enforcement/current.html>. Documents related to cases can be accessed through the Agencywide Documents Access and Management System (ADAMS) at <http://www.nrc.gov/reading-rm/adams.html>. Help in using ADAMS is available by contacting the NRC Public Document Room staff at 301-415-4737 or 1-800-397-4209 or by sending an e-mail to PDR.Resource@nrc.gov.

(Contact: Michele Burgess, NMSS, 301-415-5868 or Michele.Burgess@nrc.gov).

GENERIC COMMUNICATION ISSUED

The following summarizes an NRC generic communication issued by NMSS. If this document appears relevant to your needs and you have not received a copy, please call one of the technical contacts listed below. The Web address for the NRC library of generic communications is <http://www.nrc.gov/reading-rm/doc-collections/gen-comm>.

Regulatory Issue Summary

The NRC provides a regulatory issue summary (RIS) as an informational document used to communicate with the nuclear industry on a broad spectrum of matters.

On May 27, 2014, the NRC issued RIS 2014-08, "Regulatory Requirements for Transfer of Control (Change of Ownership) of Specific Materials Licenses." This RIS was issued to addressees to clarify which information is required to be submitted to the NRC before a change of ownership or control for specific materials licenses issued under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material," or 10 CFR Part 40, "Domestic Licensing of Source Material." This RIS also provides clarification on reporting requirements under 10 CFR 2.1301, "Public Notice of Receipt of a License Transfer Application," and 10 CFR 2.1305, "Written Comments."

SELECTED FEDERAL REGISTER NOTICES

June 11, 2014

79 FR 33600, Well Logging, Tracer, and Field Flood Study Licenses (Draft Program Specific Guidance; Request for Comment)

Summary: The NRC is revising its licensing guidance for well logging, tracer, and field flood study licenses. The NRC is requesting public comment on draft Revision 1 of Volume 14, "Program-Specific Guidance about Well Logging, Tracer, and Field Flood Study Licenses," of NUREG-1556, "Consolidated Guidance about Materials Licenses." The document has been updated from the previous revision to include information on safety culture, security of radioactive materials, protection of sensitive information, and changes in regulatory policies and practices. This document is intended for use by applicants, licensees, and the NRC staff.

(Contact: Tomas Herrera, NMSS, 301-415-7138 or Tomas.Herrera@nrc.gov)

July 10, 2014

79 FR 39289, Export Controls and Physical Security Standards (Final Rule)

Summary: The NRC is amending its regulations pertaining to the export and import of nuclear materials and equipment. This rulemaking is necessary to conform the export controls of the United States to the international export control guidelines of the Nuclear Suppliers Group, of which the United States is a member, and to incorporate by reference the current version of the International Atomic Energy Agency's (IAEA) document, "Nuclear Security Recommendations on Physical Protection of Nuclear Material and Nuclear Facilities (INFCIRC/225/ Revision 5), January 2011." Also, this final rule makes certain editorial revisions, and corrects typographical errors.

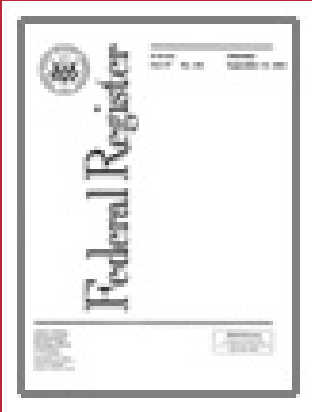
(Contact: Brooke G. Smith, OIP, 301-415-2347 or Brooke.Smith@nrc.gov)

July 21, 2014

79 FR 42410, Medical Use of Byproduct Material—Medical Event Definitions, Training and Experience, and Clarifying Amendments (Proposed Rule; Request for Comment)

Summary: The NRC is proposing to amend its regulations related to the medical use of byproduct material. In this action the NRC addresses three ongoing rulemaking projects and several other related topics. First, this rule proposes amendments to the reporting and notification requirements for a medical event for permanent implant brachytherapy. Second, the rule proposes changes to the training and experience (T&E) requirements for authorized users, medical physicists, Radiation Safety Officers, and nuclear pharmacists; proposes changes to the requirements for measuring molybdenum contamination and reporting of failed technetium and rubidium generators; and proposes to allow Associate Radiation Safety Officers to be named on a medical license. Third, the rule proposes changes to address a request filed in PRM-35-20 to exempt certain board certified individuals from certain T&E requirements (i.e., to "grandfather" these individuals) so they may be identified on a license or permit for materials and uses that they performed on or before October 24, 2005, the expiration date of the prior T&E requirements.

(Contact: Neelam Bhalla, NMSS, 301-415-0978 or Neelam.Bhalla@nrc.gov)



July 21, 2014

79 FR 42224, Medical Use of Byproduct Material—Medical Event Definitions and Training and Experience (Draft Guidance; Request for Comment)

Summary: The NRC is issuing for public comment a draft guidance document entitled “Draft Guidance for the Proposed Rule ‘Medical Use of Byproduct Material–Medical Events Definitions, Training and Experience, and Clarifying Amendments.’” This draft guidance document addresses implementation of the NRC’s proposed rule amending its medical use of byproduct material regulations.

(Contact: Donna-Beth Howe, NMSS, 301–415–7848 or Donna-Beth.Howe@nrc.gov)

July 25, 2014

79 FR 43284, Radiation Protection (Advance Notice of Proposed Rulemaking; Request for Comments)

Summary: The NRC is issuing this advance notice of proposed rulemaking (ANPR) to obtain input from stakeholders on the development of a draft regulatory basis. The draft regulatory basis would support potential changes to the NRC’s current radiation protection regulations. The goal of this effort is to achieve greater alignment between the NRC’s radiation protection regulations and the 2007 recommendations of the International Commission on Radiological Protection (ICRP) contained in ICRP Publication 103 (2007). Through this ANPR, the NRC has identified specific questions and issues with respect to a possible revision of the NRC’s radiation protection requirements. Stakeholder comments, including responses to the specific questions, will be considered by the NRC staff when it develops the draft regulatory basis.

(Contact: Cardelia Maupin, NMSS, 301–415–2312 or Cardelia.Maupin@nrc.gov)

September 22, 2014

79 FR 56524, Medical Use of Byproduct Material—Medical Event Definitions, Training and Experience, and Clarifying Amendments; Correction (Proposed Rule; Correction)

Summary: The NRC published a proposed rule appearing in the *Federal Register* (FR) on July 21, 2014, to amend the NRC’s regulations related to the medical use of byproduct material. The public comment period for the information collection aspects of the proposed rule was to have ended on August 20, 2014. However, the proposed rule inadvertently omitted the one-time implementation costs from the information collection burden estimate. This action sets out the corrected information collection burden estimate in its entirety and allows the public 30 days to comment from the date of publication of this action.

(Contact: Neelam Bhalla, NMSS, 301–415–0978 or Neelam.Bhalla@nrc.gov)



September 26, 2014

79 FR 57721, Domestic Licensing of Special Nuclear Material—Written Reports and Clarifying Amendments (Direct Final Rule)

79 FR 57840, Domestic Licensing of Special Nuclear Material—Written Reports and Clarifying Amendments (Proposed Rule)

Summary: The NRC is amending its regulations related to reportable safety events involving special nuclear material. This rule increases the time licensees are allowed to submit a written follow-up report from within 30 days to within 60 days after the initial report of an event, updates the reporting framework for certain situations, and removes redundant reporting requirements. These amendments affect a licensee or an applicant that is, or plans to be, authorized to possess greater than a critical mass of special nuclear material. This action resulted from a petition for rulemaking (PRM) received by the NRC (PRM-70-8). As a result of this direct final rule, the NRC's "FCSS [Fuel Cycle Safety and Safeguards] Interim Staff Guidance-12, Revision 1, 10 CFR [Title 10 of the Code of Federal Regulations] Part 70—Reportable Safety Events," contains minor editorial updates that reflect the amendments.

(Contact: Keith McDaniel, NMSS, 301-415-5252 or Keith.McDaniel@nrc.gov)

September 30, 2014

79 FR 58664, Safeguards Information—Modified Handling Categorization; Change for Materials Facilities (Direct Final Rule)

79 FR 58701, Safeguards Information—Modified Handling Categorization; Change for Materials Facilities (Proposed Rule)

Summary: The NRC is amending its regulations to remove the Safeguards Information—Modified Handling (SGI-M) designation of the security-related information for large irradiators, manufacturers and distributors, and for transport of category 1 quantities of radioactive material. The rulemaking also removes the SGI-M designation of the security-related information for the transportation of irradiated reactor fuel that weighs 100 grams or less in net weight of irradiated fuel. The security-related information for these facilities and the transportation of certain materials will no longer be designated as SGI-M and will be protected under the information protection requirements that apply to other materials licensees that possess category 1 and category 2 quantities of radioactive material.

(Contact: Vanessa Cox, NMSS, 301-415-8342 or Vanessa.Cox@nrc.gov)



ONGOING RULEMAKINGS

RULEMAKING	DESCRIPTION	STATUS
PROPOSED RULES		
10 CFR Part 61, "Low-Level Radioactive Waste (LLRW) Disposal"	The proposed rule would revise 10 CFR Part 61 to require LLRW disposal licensees and license applicants to conduct updated and new site-specific analyses and to permit the development of criteria for future LLRW acceptance based on the results of these analyses	The rulemaking package (SECY-13-0075 dated July 18, 2013; ADAMS No. MLI3129A268) was sent to the NRC Commission for review. The staff requirements memorandum (SRM) was issued on February 12, 2014 (ADAMS No. MLI4043A371). A revised proposed rule is due to the Office of the Secretary (SECY) in 12 months (February 2015).
10 CFR Part 35, "Medical Use of Byproduct Material—Medical Event Definitions, Training and Experience, and Clarifying Amendments"	The proposed rule would amend the reporting and notification requirements for a medical event, would amend training and experience requirements, and would make changes to address a request filed in a petition for rulemaking.	The proposed rule and draft guidance were published in the <i>Federal Register</i> (at 79 FR 42224) for public comment on July 21, 2014. The comment period closes on November 18, 2014
FINAL RULE		
10 CFR Part 71, "Compatibility with Transportation Standards"	The rule would amend the transportation safety requirements in 10 CFR Part 71 to make changes to the NRC regulations for the packaging and transportation of radioactive material.	The NRC published the proposed rule in the <i>Federal Register</i> (at 78 FR 28988) for public comment on May 16, 2013. The final rule is currently under review by the Commission.
DIRECT FINAL RULE		
Appendix A, "Reportable Safety Events," to 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material"	The direct rule and companion proposed rule would modify the event reporting requirements in Appendix A to Part 70.	The direct final rule and companion proposed rule were published in the <i>Federal Register</i> (at 79 FR 57721) on September 26, 2014

DIRECT FINAL RULE (cont.)

10 CFR Part 73, "Physical Protection of Plants and Materials"

The direct final rule and companion proposed rule would amend 10 CFR Part 73 to remove the "SGI-M" designation of the security-related information for large irradiators, M&D licensees, and any licensee that transports Category 1 quantities of radioactive material or transports small quantities of irradiated reactor fuel with a net weight of 100 grams or less. The security-related information for these facilities and the transportation will be protected under the requirements of the new 10 CFR Part 37, "Physical Protection of Category 1 and Category 2 Quantities of Radioactive Material."

The direct final rule and companion proposed rule were published in the *Federal Register* (at 79 FR 58701) were published on September 30, 2014. The public comment period ends on October 30, 2014.

PETITIONS

PRM-32-8, CampCo Petition

CampCo submitted a petition for rulemaking asking the NRC to amend regulations to allow commercial distribution of tritium markers.

The receipt and request of the petition was published in *Federal Register* (at 78 FR 41720) on July 11, 2013, for a 75-day public comment period. The petition is currently under NRC review.

POLICY STATEMENT

Tribal Policy Statement

The Tribal Policy Statement being developed will describe the Commission's policy for consulting and coordination with Native American tribes.

The staff sent the Commission a Tribal Policy Statement in January 10, 2014 (SECY-14-0006; ADAMS No. MLI3317B141). The policy statement will likely be published for public comment in late 2014.

PRE-RULEMAKING

10 CFR Part 20, "Standards for Protection Against Radiation"

The rulemaking would incorporate recommendations from the International Commission on Radiological Protection to revise 10 CFR Part 20.

The NRC published an Advance Notice of Proposed Rulemaking in the *Federal Register* (at 79 FR 43284) on July 25, 2014. The public comment period ends on November 24, 2014.



TO OUR READERS

Thank you for your interest in our newsletter. In our attempt to keep the NMSS Licensee Newsletter—The NMSS News Link relevant, we welcome feedback on its contents. If you would like to suggest topics for the newsletter, please contact Vanessa Cox of the NMSS Rulemaking and Project Management Branch by telephone at 301-415-8342 or by e-mail to Vanessa.Cox@nrc.gov. In addition, to ensure proper delivery of the NMSS Licensee Newsletter—The NMSS News Link and to prevent any interruption of service, please report any e-mail address changes to Ms. Cox at NMSS_Newsletter@nrc.gov.

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