

February 22, 2000

MEMORANDUM TO: Those on the Attached List

FROM: Donald A. Cool, Director */RA/*
Division of Industrial and
Medical Nuclear Safety, NMSS

SUBJECT: POLICY AND GUIDANCE DIRECTIVE (PG) 1-27, "REVIEWING
REQUESTS TO CONVERT ACTIVE LICENSES TO
POSSESSION-ONLY LICENSES"

Policy and Guidance Directive (PG) 1-27, "Reviewing Requests to Convert Active Licenses to Possession-Only Licenses," is attached for your use. Originally, this directive was issued for comment in 1997. The final directive was delayed by the need to establish new program codes in the License Tracking System (LTS). The new program codes are now available in LTS and a description of the codes is attached. The directive was re-issued for regional comment on August 16, 1999, and the comments were incorporated as appropriate. A summary of the comments and responses is attached also.

Each licensing office is requested to review the licenses they have under the old possession-only program codes (03800, 11800, and 23300) and determine if any of the licenses need to be changed to a new "standby" program code. This is a one-time review to be performed over the next few months. Our records indicate that Regions I and II each have about 20 licenses to review, and Regions III and IV each have about 10 licenses to review. Licensees should be informed of any proposed program code changes at least 30 days before the changes are made. The Office of the Chief Financial Officer (OCFO) has informed us that "standby" licenses are subject to annual fees; material licenses authorizing possession or storage only, or decommissioning only, are not subject to annual fees currently. Questions concerning fees should be referred to the OCFO.

Inspection Manual Chapter 2800, "Materials Inspection Program," was revised on December 30, 1999 to incorporate the program code changes. Please note that the inspection priority of possession-only licenses was changed from 3 to 2. In addition, please note that we will continue to use the standard license condition with the 10-year leak test requirement contrary to the 3-year leak test suggested in Information Notice 93-50.

Attachments:

1. PG 1-27
2. New Program Codes
3. Comment Summary

CONTACT: Kevin Ramsey, NMSS/IMNS
(301) 415-7887

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Documents: G:\Ramsey\imns5817.wpd
G:\Ramsey\pg1-27r0.wpd
G:\Ramsey\polcodes.wpd
G:\Ramsey\pg1-27 rgn cmts.wpd

* - See previous concurrence

OFFICE	MSIB*	E	MSIB*	N	DWM*		CFO*	E	OGC*		IMNS	
NAME	KRamsey/lucy		JHickey		JGreeves		JFunches		STreby		DCool	
DATE	5/20/99		2/4/00		7/21/99		8/5/99		7/21/99		2/22/00	

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Attached List for Memorandum Dated: February 22, 2000

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George C. Pangburn, Director
Division of Nuclear Materials Safety, RI

Douglas M. Collins, Director
Division of Nuclear Materials Safety, RII

Cynthia D. Pederson, Director
Division of Nuclear Materials Safety, RIII

Dwight D. Chamberlain, Director
Division of Radiation Safety and Safeguards, RIV

John W. Hickey, Chief
Materials Safety and Inspection Branch, IMNS

Catherine Haney, Acting Chief
Rulemaking and Guidance Branch, IMNS

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