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Secretary, U.S. Nuclear Regulatory Commission Washington, D.C. 20555-0001

DOCKET NUMBER PROPOSED RULE 130,31, 32 170+171 (64 FR 40295)

Attn: Rulemakings and Adjudications Staff

RE: Requirements for Certain Generally Licensed Industrial Devices Containing Byproduct Material (64 FR 40295; July 26, 1999)

Dear Sir or Madam:

Fort James Corporation ("Fort James" or "the Company") hereby submits comments in response to the United States Nuclear Regulatory Commission's ("NRC" or "the Commission") proposed rule: "Requirements for Certain Generally Licensed Industrial Devices Containing Byproduct Material " as announced at 64 *Federal Register* 40295, July 26, 1999 ("the Proposal"). The Company asks that these comments be included in the administrative record for this rulemaking. We are submitting two printed copies of these comments.

Fort James, headquartered in Deerfield, Illinois, is a leading international consumer products company, serving consumers both at home and away from home with bathroom and facial tissue, paper towels, napkins, cups and plates. Product lines include Quilted Northern, Soft 'N Gentle, Brawny, Mardi Gras, So-Dri, Vanity Fair and Dixie in North America and Lotus, Okay, Embo, Colhogar, Tenderly, Kittensoft, Delica and Demak'Up in Europe. In 1998 the company had sales of \$7.3 billion, approximately 28,000 employees and manufacturing facilities in the U.S., Canada and 11 other countries around the world. As these comments explain in detail, Fort James supports much of the Commission's approach in the proposed rule. The Company also has concerns in one area. With thirteen manufacturing locations that would be subject to this rule, the Company has a vital interest in proposed requirements.

GENERAL COMMENTS:

Fort James strongly supports NRC's overall approach to improving management of generally licensed sources. Because nuclear gauges are essential components of manufacturing processes used to make pulp and paper, Fort James has had a comprehensive program for managing its nuclear sources for many years. Many of the elements of the Proposal are already in the Company's program, and, in several instances, Fort James has stricter internal requirements that proposed by NRC. With the exception of one element of the Proposal (the allowable on-site storage time) as more fully discussed below, Fort James supports all the elements of the Proposal related to 10 *CFR* 31.5.

Template = Secy -067

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DISCUSSION

In this Proposal, NRC would limit the storage time for unused nuclear devices to two years.¹ Fort James urges the Commission to limit this provision to nuclear sources that have been removed from service and are either awaiting transfer back to a specific licensee for disposal or have been temporarily removed from service. There are two reasons for this request.

A. Because NRC's Proposal would provide for procedures to assure that sources (including those kept in storage) would be properly managed, there is no compelling reason to limit storage time for unused sources to two years.

In this Proposal, NRC would establish several procedures to assure that all generally licensed sealed sources would be properly managed. These include appointment of a responsible person at each facility who would manage all on-site sources; even those kept in storage. The proposed registration procedures would further assure that all generally licensed sources would be properly inventoried, and none, even those in storage, would be overlooked. With these procedures in place, there is no reason to limit storage time to two years.

Fort James agrees with NRC, however, that sources removed from service for transfer to a properly licensed disposer should be returned as soon as possible. In this scenario, a shorter time frame, such as six months, seems adequate.

For sources that have been temporarily removed from service but will eventually returned to active use, the two-year period should apply. This would allow licensees to remove sources into storage while a production process is being reconstructed or while a new application for the nuclear device is being built. The two-year limit would discourage licensees from holding a discontinued sealed source indefinitely to avoid proper disposal.

B. Some sealed nuclear gauges are essential spare parts for production processes.

There are some applications where nuclear gauges are essential to the operation of process equipment. An example would be a gauge to control the level of material inside a chemical reactor. In several instances, there is no feasible alternative to a nuclear gauge measuring device. If the level gauge fails, the equipment must be shut down until the gauge is replaced. In this case, it is essential to have an on-site spare.

It would be excessively restrictive if the two-year storage requirement were to apply to this situation. A facility would be forced to recycle a new, unused gauge and purchase a new one merely because an arbitrary time limit had passed.

Fort James appreciates the opportunity to submit these comments. If you have any questions or would like to discuss these comments further, please feel free to contact me at (847) 317-5125.

Sincerely,

FORT JAMES CORPORATION

Alan E. Stinchfield, Director / Regulatory Strategy and Technical Services

¹ 10 CFR 31.5(c)(15) cited at 64 FR 40307