

October 22, 2002

ALL AGREEMENT STATES, MINNESOTA, PENNSYLVANIA, WISCONSIN

**PROGRAM INFORMATION: REPORTING OF NUCLEAR MATERIAL INVENTORIES AND TRANSFERS (STP-02-071)**

This letter provides background information on discrepancies noted in the Nuclear Materials Management and Safeguards System (NMMSS) database used by the U.S. Nuclear Regulatory Commission (NRC) and the U.S. Department of Energy (DOE) to track the status of certain quantities of nuclear material. There are requirements for certain NRC and Agreement State licensees to submit reports of inventories and transfers of specific quantities of nuclear material. Specifically, 10 CFR Part 150 and associated reporting instructions, requires the submittal of material transfer reports directly to the NRC whenever certain transfers of **Special Nuclear Material** under 10 CFR 150.16, or **Source Material** under 10 CFR 150.17 occur (see Enclosure). In addition, 10 CFR 150.19 requires reports of attempted theft or diversion of certain quantities of **Tritium**. We informed you of these requirements in All Agreement States Letters STP-00-033 and STP-00-044, available on the Office of State and Tribal Programs Website.

A DOE Inspector General Report, <http://www.ig.doe.gov/pdf/ig-0529.pdf>, noted a number of discrepancies in the NMMSS database which contains information on NRC and Agreement State licensees. In order to help prevent these NMMSS database discrepancies at Agreement State licensees in the future, we request that you inform\* us, on a continuing basis, of the identity of licensees subject to the reporting requirements in 10 CFR 150.16, 150.17 and 150.19 that are planning to terminate their licenses. We will work with you to resolve NMMSS inventory and transfer report discrepancies before these licenses are terminated.

Agreement State Radiation Control Programs are not required to inform their licensees of the 10 CFR Part 150 inventory and reporting requirements. However, if a licensee of the type described above should contact you requesting information on NRC inventory and/or reporting requirements, we would appreciate your referring them to the NRC contact listed below. When you issue new or amended licenses (including license terminations) authorizing the quantities of nuclear material subject to the regulations noted above, we would appreciate your informing these licensees of their obligations under the NRC's inventory and/or reporting requirements in 10 CFR Part 150. NRC will continue to provide to Agreement States, copies of correspondence with Agreement State licensees covered by the reporting requirements under NMMSS program.

The DOE contractor working to resolve NMMSS discrepancies described in the above noted DOE-IG Report is NAC International, Inc. Staff from DOE and NAC may communicate directly with NRC and Agreement State licensees on the discrepancies noted in the DOE-IG Report. If contacted, we would also appreciate your cooperation and assistance in responding to questions from DOE or its contractor.

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\*This information request has been approved by OMB 3150-0029, expiration 06/30/04. The estimated burden per response to comply with this voluntary collection is approximately 6 hours. Forward any comments regarding the burden estimate to the Information and Records Branch (T-6F33), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to the Paperwork Reduction Project (3150-0029), Office of Management and Budget, Washington, DC 20503. If a document does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, a collection of information.

We thank you in advance for your cooperation on this matter. If you have any questions on NMMSS reporting and the DOE Inspector General Report, please contact the individual named below.

POINT OF CONTACT: Brian Horn  
TELEPHONE: (301) 415-8128

INTERNET: BGH1@NRC.GOV  
FAX: (301) 415-5390

***/RA/***

Paul H. Lohaus, Director  
Office of State and Tribal Programs

Enclosure:  
As stated

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| DATE   | 09/20/02        | 09/20/02                  | 10/16/02                  | 09/27/02* | 10/22/2002 |

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**All (NRC & Agreement State) Licensees are Required to Report Directly to the NRC on the Status of the Nuclear Materials Listed Below in Accordance with NRC Regulations**

**§150.16 Covering transfers and receipt of -**

|        |                  |
|--------|------------------|
| Pu-238 | 0.1 gram or more |
| Pu     | 1 gram or more   |
| U-235  | 1 gram or more   |
| U-233  | 1 gram or more   |

**§150.17 Covering transfers, receipt or inventory adjustments for import/export/foreign origin source material -**

|                  |                    |
|------------------|--------------------|
| Natural Uranium  | 1 kilogram or more |
| Thorium          | 1 kilogram or more |
| Depleted uranium | 1 kilogram or more |

**§150.19 Covering attempted theft or diversion of -**

|         |                                                                  |
|---------|------------------------------------------------------------------|
| Tritium | 10 curies at any one time or 100 curies in any one calendar year |
|---------|------------------------------------------------------------------|