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VIA ON-LINE COMMENT AND COURIER

December 21, 2002

DOCKETED  
USNRC

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

December 23, 2002 (4:03PM)

ATTN: RULEMAKINGS AND ADJUDICATIONS STAFF

OFFICE OF SECRETARY  
RULEMAKINGS AND  
ADJUDICATIONS STAFF

Dear Sir or Madam:

SUBJECT: PROPOSED RULE: FINANCIAL ASSURANCE AMENDMENTS  
FOR MATERIALS LICENSEES

During the present comment period for the proposed rule concerning financial assurance for materials licensees, you received a letter from the Gamma Industry Processing Alliance (GIPA). GIPA commented that the rule should allow the decommissioning cost for large irradiators to continue to be covered under the certification amount, as the commercial value of the cobalt exceeds the cost to remove and transport it. As the leading supplier of cobalt for these irradiators, MDS Nordion supports GIPA's view. The demand for cobalt will continue to be very strong as new applications such as microbial reduction in food become more widely used.

On another matter, the proposed rule indicates that the certification amount is required when the sealed source material is greater than  $10^{10}$  times the applicable quantities of Appendix B to part 30, which becomes 10,000 Ci for cobalt ( $10^{10}$  times 1.0  $\mu$ Ci). This requirement causes problems for owners of cobalt teletherapy units, in which a new source is typically more than 12,000 Ci, and decays to below the 10,000 Ci in the first two years of use. Financial guarantees initially required then become unnecessary for the remainder of the source's life, which causes complications in financial arrangements. We therefore request that the exempted amount be raised to  $5 \times 10^{10}$  times the Appendix B quantity, as no teletherapy source exceeds 15,000 Ci.

Thank you for considering our comments. As always, please feel free to contact us at any time about them or any other matter.

Sincerely,

E. S. Martell  
Vice President, Quality and Regulatory Affairs  
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