

SAFEGUARDS INFORMATION

December 11, 2003

The Honorable Bob Riley
Governor of Alabama
State Capital
600 Dexter Avenue
Montgomery, Alabama 36130

Dear Governor Riley:

On behalf of the Nuclear Regulatory Commission (NRC), I am writing to update you on actions taken by the NRC relating to enhanced physical protection measures for the transportation of spent nuclear fuel (SNF). In a letter from former Chairman Richard A. Meserve to former Governor Siegelman, dated October 3, 2002, the Commission informed your predecessor that the NRC had issued Orders containing additional security measures to NRC licensees transporting greater than 100 grams of SNF. Former Chairman Meserve's letter also indicated that no licensees in your State were issued this Order.

However, the NRC staff has recently been informed by a licensee in your State that it intends to ship SNF in the future. Accordingly, the Commission is issuing an Order to the licensee imposing additional security measures for the transport of SNF greater than 100 grams. These additional security measures are similar to those issued to other NRC licensees in October 2002; however, changes have been made to require that the licensee complete implementation of the additional security measures before any SNF shipments.

For your information, I am enclosing a copy of the Order [Enclosure 1]; Attachment 1 to the Order listing the affected licensee [Enclosure 2]; Attachment 2 to the Order containing the additional security measures [Enclosure 3]; and NRC Regulatory Issue Summary 2002-12I, Revision 1, dated October 3, 2002, "Transportation of Spent Nuclear Fuel Greater than 100 Grams — NRC Threat Advisory and Protective Measures System" [Enclosure 4]. I would note that Enclosures 1, 2, 3, and 4 contain SAFEGUARDS INFORMATION (SGI) and must be protected against unauthorized disclosure. Additionally, the fact of the NRC's issuance to this licensee of an SNF transportation Order is considered SGI in and of itself.

WARNING Violation of Section 147 of the Atomic Energy Act "Safeguards Information" is subject to Civil and Criminal Penalties

When separated from Enclosures 1, 2, 3, and 4, this document is DECONTROLLED.

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If you or your staff have any questions regarding this matter, you may contact me, or Mr. Paul H. Lohaus, Director of the NRC's Office of State and Tribal Programs, at (301) 415-3340.

The Commission appreciates your cooperation and assistance in carrying out this very important matter.

Sincerely,

/RA/

Nils J. Diaz

Enclosures: (Note: Enclosures 1 through 4 contain SAFEGUARDS INFORMATION)

1. Order (U)
2. Order Attachment 1 - Licensee List (U)
3. Order Attachment 2 - Additional Security Measures for the Transportation of SNF Greater than 100 Grams (U)
4. Regulatory Issue Summary 2002-12I, Rev. 1 (U)

cc w/encls: Kirksey E. Whatley
James Walker
Col. W. M. Coppage

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