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MDS Nordion
Science Advancing Health

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USNRC

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OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Mr. Stephen Dembek
Section Chief
Export Controls and International Organizations
Office of International Programs
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD
20852
United States

**RE: Export and Import of Nuclear Equipment and Radioactive Materials:
Security Policies
RIN 3150-AH44
Federal Register Vol.69, No.179, September 16, 2004**

Dear Mr. Dembek:

MDS Nordion welcomed on February 16, the opportunity to discuss the comments submitted on the United States Nuclear Regulatory Commission's (USNRC) proposed security rules for import and export of radioactive material. Further to the comments mentioned during the meeting, MDS Nordion would like to present additional information and concerns over the impact of the new rule on the return of disused sealed sources to foreign manufacturers. MDS Nordion has provided sources for over 50 panoramic wet storage irradiator sites, over 500 self-shielded irradiators and over 50 teletherapy devices in the United States. These devices contain sources which when returned would still be classified as Category 1 or 2 sources. Hospitals, blood banks and universities own many of these devices, which would now require an export permit prior to the safe return the disused source to the manufacturer. This is an additional administrative layer, which may discourage the safe return of disused sources to the manufacturers as per the Code of Conduct. This may in fact add to the Orphan source problem.

The return of disused sources to a foreign manufacturer should remain under the general license criteria in 10 CFR 110.27 with the additional need for notification under 10 CFR 110.50. This will ensure the expiated return of disused sources and allow the USNRC to

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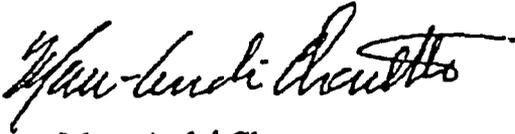
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track the sources. MDS Nordion would welcome an opportunity to discuss this issue and the possible solutions.

If you have any questions or require further information please feel free to contact me by telephone at mcharctte@mds.nordion.com.

Yours sincerely



Marc-André Charette
International Transport & Nuclear Initiatives
Manager, Regulatory Affairs

Copy: Ed Martell, Grant Malkoske, MDS Nordion

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