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RESOURCES COMMITTEE

Congress of the United States

House of Representatives

Washington, DC 20515–2107

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The Honorable Nils J. Diaz
Chairman
Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD, 20852

Dear Chairman Diaz:

I am writing regarding reports that two radioactive sources of Americium (Am-241) imported from Russia by Halliburton Energy Services went missing in October 2004 and only yesterday re-appeared in Boston, MA. This incident once again highlights the inadequacies of the Commission's regulations in the area of nuclear materials security.

According to the February 10 edition of the NRC events report, Halliburton Energy Services had shipped a well logging source and calibrating source containing 18.5 curies of Am-241 Be and .5 curies of Am-241 from Nizhnevartovsk, Russia to Houston TX. Both sources were contained in a container which weighed almost 200 pounds. The sources went through Amsterdam to JFK in New York and cleared customs in New York on October 9, 2004, and then disappeared until yesterday, when the source appeared at the Forward Freight facilities in Boston, MA. According to the report, the sources appear to have been trucked to Boston after a Boston label was inadvertently placed on the package at the Newark facility of Forward Freight.

As you know, Al Qaeda is reportedly seeking radioactive materials with which to construct a dirty bomb or homemade nuclear weapon in North America. A current compelling reminder of this threat is provided in *Time Magazine's* February 14, 2005 cover story, "The Merchant of Menace," which describes how Pakistani nuclear weapons scientist A.Q. Khan peddled his nuclear weapons technology and expertise to some of the world's most dangerous regimes, including Iran and North Korea. Osama bin Laden has declared that the acquisition of a nuclear weapon is a sacred duty, and Al Qaeda is known to be actively seeking nuclear weapons and materials.

The amounts of Am-241 Be and Am-241 that disappeared for 4 months fall into the IAEA Category 3 class, which are described as sources, which "if not safely managed or securely protected, could cause permanent injury to a person who handled them, or were otherwise in contact with them, for some hours. It could possibly — although it is unlikely — be fatal to be close to this amount of unshielded radioactive material for a period of days to weeks."

Over the past several years, I have written several letters to the Commission, the Department of Energy (DOE), the Department of Homeland Security and U.S. Customs (see http://www.house.gov/markey/dirtybombs.htm for all such correspondence)

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regarding lax security associated with these materials. This situation points out numerous potential flaws in the Commission's approach to this problem and/or to the private sector's efforts to comply with all relevant laws and regulations. Consequently, I ask for your prompt assistance in responding to the following questions:

1) When was the Commission first informed about the missing shipment? Please provide all relevant documentation.
2) What specific actions did the Commission take to a) investigate the cause of the material's disappearance, b) assist in its location and recovery and c) alert other government, state and local officials to its disappearance?
3) In past correspondence (see http://www.house.gov/markey/Issues/iss_dirtybombs_ltr041021.pdf), you indicated that although an NRC/DOE working group recommended the establishment of a National Source Tracking System in May 2003 (see http://www.zyn.com/flc/meeting/presentations/Chavez_Radioactive.pdf), the system won't be complete until early 2007. Don't you think that if such a system requiring cradle to grave tracking of all radioactive sources had existed, locating these missing sources would have occurred much more quickly? Why or why not? In light of this incident, will you accelerate the development of such a system? Why or why not?
4) Has the Commission investigated the facility in Boston in which the sources were stored? If not, why not? If so, a) could any of the individuals working in the facility been exposed to radiation as a result of this incident, b) why wasn't the extremely large package found earlier and c) was the item stored in a part of the facility that was secure?
5) Was this package labeled as being radioactive? If so, how could an almost 200-pound package with clear markings indicating it was radioactive go unnoticed for 4 months?
6) How did this incident occur? Will penalties be imposed on Halliburton Energy Services or other entities for failure to comply with applicable NRC laws and regulations? Why or why not?

Thank you very much for your attention to this important matter. Please provide your response no later than March 11, 2005. If you have any questions or concerns, please have your staff contact Dr. Michal Freedhoff of my staff at 202-225-2836.

Sincerely,

Ed Markey

Edward J. Markey