December 1, 2005

The Honorable Tom Davis Chairman, Committee on Government Reform United States House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC) and in accordance with

31 U.S.C. 720, I enclose the NRC's response to the recommendations made by the U.S.

Government Accountability Office (GAO) in its report entitled "Nuclear Security: DOE Needs

Better Information to Guide Its Expanded Recovery of Sealed Radiological Sources" (GAO-05-

967). If you have any questions or comments, please contact me.

Sincerely,

/**RA**/

Nils J. Diaz

Enclosure: NRC Response to GAO Recommendations

cc: Representative Henry Waxman

Identical letter sent to:

The Honorable Tom Davis Chairman, Committee on Government Reform United States House of Representatives Washington, D.C. 20515 cc: Representative Henry Waxman

The Honorable Susan Collins Chair, Committee on Homeland Security and Governmental Affairs United States Senate Washington, D.C. 20510 cc: Senator Joseph I. Lieberman

The Honorable George V. Voinovich Chairman, Subcommittee on Clean Air, Climate Change, and Nuclear Safety Committee on Environment and Public Works United States Senate Washington, D.C. 20510 cc: Senator Thomas Carper

The Honorable Ralph M. Hall Chairman, Subcommittee on Energy and Air Quality Committee on Energy and Commerce United States House of Representatives Washington, D.C. 20515 cc: Representative Rick Boucher

The Honorable Joe Barton Chairman, Committee on Energy and Commerce United States House of Representatives Washington, D.C. 20515 cc: Representative John D. Dingell

The Honorable James M. Inhofe Chairman, Committee on Environment and Public Works United States Senate Washington, D.C. 20510 cc: Senator James M. Jeffords

The Honorable David M. Walker Comptroller General of the United States U.S. Government Accountability Office Washington, D.C. 20548 cc: Gene E. Aloise, GAO

The Honorable Joshua B. Bolten Director, Office of Management and Budget Washington, D.C. 20503

NRC RESPONSE TO GAO RECOMMENDATIONS

In its report, "Nuclear Security: DOE Needs Better Information to Guide Its Expanded Recovery of Sealed Radiological Sources" (GAO-05-967), the U.S. Government Accountability Office (GAO) made recommendations for ensuring the control and safe disposal of sealed radiological sources. Specifically, GAO recommended that the Secretary of Energy and the Chairman of the U.S. Nuclear Regulatory Commission (NRC), in collaboration with the Task Force on Radiation Source Protection and Security, evaluate and report on:

- the cost implications of a potential expansion of the Department of Energy's (DOE's) recovery and disposal of non-greater than Class C (GTCC) waste from sealed radiological sources,
- options for DOE to recoup these costs from licensees that may have no commercial waste disposal options,
- the feasibility of disposing of this waste at DOE sites, and
- how a national source tracking system can be designed and implemented to improve DOE's ability to identify and track sealed radiological sources that may need DOE recovery and disposal.

NRC Response:

The Energy Policy Act of 2005, section 170H, directs the Task Force on Radiation Source Protection and Security to report to Congress and the President on recommendations for, among other matters,

- "(i) a list of additional radiation sources that should be required to be secured under this Act, based on the potential attractiveness of the sources to terrorists and the extent of the threat to public health and safety of the sources, taking into consideration--
 - (I) radiation source radioactivity levels;
 - (II) radioactive half-life of a radiation source;
 - (III) dispersability;
 - (IV) chemical and material form;
 - (V) for radioactive materials with a medical use, the availability of the sources to physicians and patients for medical treatment; and
 - (VI) any other factor that the Chairperson of the Commission determines to be appropriate;
- (ii) the establishment of, or modifications to, a national system for recovery of lost or stolen radiation sources;
- (iii) the storage of radiation sources that are not used in a safe and secure manner as of the date on which the report is submitted;
- (iv) modifications to the national tracking system for radiation sources;
- (v) the establishment of, or modifications to, a national system (including user fees and other methods) to provide for the proper disposal of radiation sources secured under this Act;..."

Chairman Diaz, who is leading the Task Force, intends to bring the GAO report, and particularly its recommendations, to the attention of the members of the Task Force. It is expected that the recommendations developed by the Task Force will address the issues raised by the GAO recommendations. In parallel with this Task Force effort, these GAO issues will continue to be subjects of discussion between the NRC and DOE.