SAFEGUARDS INFORMATION - MODIFIED HANDLING

March 10, 2006

EA-05-006

To: Holders of Material Licenses Authorized to Possess and Transfer Items Containing Radioactive Material Quantities of Concern as listed in Attachment A to Enclosure 1

SUBJECT: ISSUANCE OF ORDER FOR ADDITIONAL SECURITY MEASURES ON THE

TRANSPORTATION OF RADIOACTIVE MATERIAL QUANTITIES OF

CONCERN

Dear Licensee:

The U.S. Nuclear Regulatory Commission (NRC or Commission) issued the enclosed Order (Enclosure 1 with attachments) on July 19, 2005, imposing requirements with respect to the transportation of radioactive material quantities of concern (RAMQC), requiring compliance with the specified additional safeguards and security measures. This Order applies to all NRC and Agreement State licensees listed in Attachment A to the enclosed Order. The additional security measures (ASMs) are listed as Attachment B to the enclosed Order, and contain Safeguards Information. Requirements in this Order supplement, but do not replace existing regulations concerning transportation of radioactive material. Specifically, this Order addresses notification requirements for certain shipments, which are in addition to the notification requirements of 10 CFR 71.97.

The NRC has been notified or has determined you are scheduled to make RAMQC shipments in the near future. Therefore, to support this effort you are being issued the RAMQC Order, ASMs and supporting documentation.

The Commission recognizes that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001. However, in light of the current threat environment, the Commission has concluded that these additional security measures should be embodied in an Order, consistent with the established regulatory framework, and requires the enclosed Order to be effective immediately.

WARNING: Violation of Section 147 of the Atomic Energy Act, "Safeguards Information" is subject to Civil and Criminal Penalties. When separated from Attachments A and B of Enclosure 1, Attachment B of Enclosure 2, Enclosure 3 and Enclosure 4, this document is DECONTROLLED.

The enclosed Order requires that all licensees respond to the Order within twenty (20) days of receipt and implement the ASMs within a specified time frame. If a licensee plans to implement the ASMs, but not within one hundred and eighty (180) days after issuance of the Order, the licensee should provide the NRC with an implementation schedule as part of their twenty (20) day notification or before one hundred and eighty (180) days has elapsed. If a licensee elects not to implement the ASMs and notifies the NRC accordingly, because they do not apply to that licensee's current activities; but, future conditions change such that the licensee will ship RAMQC, the licensee should inform the NRC ninety (90) days in advance of their first RAMQC shipment.

The NRC is also providing the Regulatory Issue Summary 2005-12, "Transportation of Radioactive Material Quantities of Concern NRC Threat Advisory and Protective Measures System," (Enclosure 2 with attachments) to specific NRC and Agreement State licensees who are authorized to possess RAMQC and general licensees as described in 10 CFR Part 71 who are authorized to transport radioactive materials in these quantities. In addition, enclosed are the comments and responses from the stakeholder meetings the NRC conducted on the RAMQC Orders. (Enclosure 3).

The NRC is providing implementation guidance designed to facilitate licensee implementation of the ASMs. The NRC worked with the Nuclear Energy Institute (NEI) Transportation Security Task Force (TSTF) in their development of an implementation guidance document to facilitate licensee implementation of the ASMs. During development, the NRC held numerous meetings with the NEI TSTF to specifically discuss and provide comment on the draft implementing guidance. The NRC determined that NEI's document provides an acceptable method for licensee implementation of the ASMs. Enclosure 4 is a copy of the NEI developed implementation guidance document for use by all NRC and Agreement State licensees listed in Attachment A to Enclosure 1.

Please be aware that the information provided in Enclosure 3 provides sensitive information and Enclosures 1, 2 and 4 contain Safeguards Information, all of which must be protected against unauthorized disclosure. This Order does not obviate the need for licensees to continue to meet and maintain the effectiveness of existing security measures voluntarily initiated by licensees in response to the events of September 11, 2001. These requirements will remain in effect until the Commission determines otherwise.

Please contact Ernesto Quinones (301-415-0271, eqp@nrc.gov), Tomas Herrera (301-415-7138, txh1@nrc.gov), Adelaide Giantelli (301-415-3521, asg2@nrc.gov) or Rocky Foster (301-415-7670, rdf@nrc.gov) to facilitate resolution of any issues or questions related to compliance with the requirements in the enclosed Order.

Sincerely,

/RA/

Jack R. Strosnider, Director Office of Nuclear Material Safety and Safeguards

Enclosures: As stated (4)

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Enclosures: As stated (4)

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* = see previous concurrence

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