

June 9, 2006

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS - SECY-06-0094 - TRACKING OR
PROVIDING ENHANCED CONTROLS FOR CATEGORY 3
SOURCES

The Commission has approved the staff's recommended Option 2 to perform a one-time data collection and analysis of Category 3.5 sources. The Commission has also approved the staff's approach in Option 3 to amend certain general licensees (Sections 31.5 and 40.22) and associated manufacturer requirements (Parts 32 and 40).

The staff should collect this data in a manner to support two objectives. First, Category 3 data should be used to expand the National Source Tracking System (NSTS). As such, the staff should submit, with the analysis of the Category 3 data, a proposed rule to include Category 3 data in the NSTS. A formal rulemaking plan is not required, but the staff should plan to complete the expansion of the NSTS within three years. This analysis should also explore ways to ensure that the tracking of Category 3 sources will not divert attention or resources from oversight of Category 1 and 2 sources. The staff should ensure that the NSTS will be capable of being modified to incorporate Category 3 sources.

Second, the Category 3.5 data should be used in evaluating the general and specific licensing limits. The Commission has disapproved in part, the staff's recommended Option 3 to initiate a rulemaking to institute activity limits for general licenses at the "Category 2.5" level. However, the Commission approves moving forward to evaluate specific licensing of Category 3.5. If the staff believes it has appropriate justification for a different threshold value for requiring a specific license, staff can provide their proposal and justification as an alternative recommendation in the rulemaking package. In conducting the one-time data collection and analysis of Category 3.5 radioactive sources, the staff should assess the public health and safety benefits that would result from enhanced controls to this level, along with the potential resource impacts on licensees and the NRC.

If the staff believes that specific types of category 3.5 sources should be exempted from this requirement for specific licensing, the staff may make such recommendations with appropriate justification in the paper forwarding the draft rule language to the Commission.

Finally, the staff should consider standardizing the annual registration thresholds in the general license tracking system to be 0.001 of the IAEA Code of Conduct D values for each radionuclide in the registry.

cc: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield
Commissioner Jaczko
Commissioner Lyons
OGC
CFO
OCA
OPA
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR