

UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS
WASHINGTON, D.C. 20555

July 6, 2006

NRC INFORMATION NOTICE 2006-12: EXERCISING DUE DILIGENCE WHEN
TRANSFERRING RADIOACTIVE MATERIALS

ADDRESSEES

All material licensees.

PURPOSE

The U.S. Nuclear Regulatory Commission (NRC) is issuing this Information Notice (IN) to alert licensees to the due diligence that should continue to be exercised before and during transfer of radioactive material. It is expected that the recipients will review the information for applicability to their radiation safety programs, and consider actions, as appropriate. However, recommendations contained in this IN do not contain new NRC requirements; therefore, no specific action nor written response is required.

DESCRIPTION OF CIRCUMSTANCES

Since September 11, 2001, NRC has particularly emphasized the security and control of radioactive materials, because of the risk associated with their potential use in malevolent activities. It has taken aggressive measures through a graded, risk-informed approach, to issue Orders for licensees that are authorized to possess risk-significant quantities of radioactive material [i.e., those radionuclides and quantities, described as Category 2 and above, by the International Atomic Energy Agency (IAEA), in its "Code of Conduct on Safety and Security of Radioactive Sources"].

In addition, all NRC licensees are subject to the regulatory requirements, in 10 CFR Parts 30, 40, and 70, when transferring any byproduct, source, or special nuclear material, respectively. In particular, the regulations specify that licensees shall verify that the transferee's (i.e., the recipient's) license authorizes the receipt of the type, form, and quantity of material to be transferred. This IN is alerting licensees to exercise extra caution to ensure that only legitimate, licensed entities are on the receiving end of transfers of licensed material. The following discussion illustrates considerations that should be taken into account when a transfer of licensed material occurs.

DISCUSSION

A licensee seeking to transfer licensed material must verify that the transferee's license authorizes the receipt of the type, form, and quantity of material to be transferred, pursuant to 10 CFR Parts 30.41(c), 40.51(c), and 70.42(c). This verification, before transfer, ensures that the recipient is aware of the regulatory requirements associated with the receipt and possession

of the material. This also provides a level of security that the material will be used as intended, and not for malevolent purposes. Both the transferor and transferee may be subject to enforcement actions in cases where a licensee transfers licensed material to unlicensed or unauthorized entities.

When transferring material to a licensed recipient, the transferor must verify that the recipient possesses a license authorizing the receipt of the material. Section 10 CFR Parts 30.41(d), 40.51(d), and 70.42(d) provide acceptable methods for such verification.

Transferors may encounter situations when extra care is warranted. For instance, when a long time has transpired since the last transfer or, any time there is a change in procedure or routine that stimulates suspicion, a licensee transferring material should pursue further information to alleviate the concern. Changes in routine could include: 1) a significant increase in the quantity of material ordered; 2) a change in location where the material is delivered; 3) a change in type or form of material; or 4) a change in key personnel, without prior notice. Any of these changes could be (and generally are) legitimate, but they could also be precursors to the diversion of materials for other than their authorized use. In the event that any of these changes in routine occur, you may contact the NRC or licensing agency of an Agreement State with any concerns regarding the legitimacy of the license.

RELATED GENERIC COMMUNICATIONS

NRC Information Notice 98-06, "Unauthorized Use of License to Obtain Radioactive Materials, and Its Implications under the Expanded Title 18 of the U.S. Code," describes an unauthorized use of a broad-scope academic medical license to obtain radioactive materials.

CONTACT

This information notice requires no specific action nor written response. If you have any questions about the information in this IN, please contact the technical contact listed below or the appropriate regional office.

/RA/

Charles L. Miller, Director
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Enclosure: List of Recently Issued NMSS
Generic Communications

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Enclosure: List of Recently Issued NMSS
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Recently Issued NMSS Generic Communications

Date	GC No.	Subject	Addressees
04/23/06	RIS-06-10	Use of Concentration Control for Criticality Safety	All licensees authorized to possess a critical mass of special nuclear material.
01/26/06	RIS-02-15, Rev. 1	NRC Approval of Commercial Data Encryption Products For the Electronic Transmission Of Safeguards Information	All authorized recipients and holders of sensitive unclassified safeguards information (SGI).
01/24/06	RIS-06-01	Expiration Date for NRC-Approved Spent Fuel Transportation Routes	The U.S. Nuclear Regulatory Commission (NRC) licensees who transport, or deliver to a carrier for transport, irradiated reactor fuel (spent nuclear fuel (SNF)).
01/13/06	RIS-05-27, Rev. 1	NRC Regulatory Issue Summary 2005-27, Rev. 1, NRC Timeliness Goals, Prioritization of Incoming License Applications and Voluntary Submittal of Schedule for Future Actions for NRC Review	All 10 CFR Parts 71 and 72 licensees and certificate holders.
06/12/06	IN-06-11	Applicability of Patient Intervention in Determining Medical Events for Gamma Stereotactic Radiosurgery and Other Therapy Procedures	All medical licensees.
03/31/06	IN-06-07	Inappropriate Use of a Single-parameter Limit as a Nuclear Criticality Safety Limit	All licensees authorized to possess a critical mass of special nuclear material.
03/21/06	IN-02-23, Supl. 1	Unauthorized Administration of Byproduct Material for Medical Use	All medical licensees.
01/19/06	IN-06-02	Use of Galvanized Supports and Cable Trays with Meggitt Si 2400 Stainless- Steel-jacketed Electrical Cables	All holders of operating licenses for nuclear reactors except those who have permanently ceased operations and have certified that fuel has been permanently removed from the reactor vessel; and fuel cycle licensees and certificate holders.

Note: NRC generic communications may be found on the NRC public website at <http://www.nrc.gov>, under Electronic Reading Room/Document Collections.