October 17, 2006

Mr. Mike Broderick
Environmental Program Manager
Radiation Management Section
Land Protection Division
Department of Environmental Quality
707 North Robinson
P.O. Box 1677
Oklahoma City, OK 73101-1677

Dear Mr. Broderick:

I am responding to your September 27, 2006, letter to Ms. Janet Schlueter regarding Oklahoma's implementation of the National Source Tracking System (NSTS). You expressed concern over the short timeframe provided to Agreement States to implement the NSTS, the security of licensee reporting, and some language contained in the proposed rule.

The final rule for the NSTS was approved by the Commission in June. NRC re-noticed the rule in June due to a proposed change in basis from common defense and security to public health and safety. Because the NRC received substantive comment on the basis change, the final rule has been provided to the Commission for re-approval. It is expected that the final rule will be approved and published before the end of 2006. It is not expected that the rule language will change as the Commission approved the final rule language when they approved the basis change. See Enclosure 1 to SECY-06-0205 for the final rule language. While the proposed rule did contain a March 2007 date for NSTS deployment, it is now expected that the NSTS will not be deployed until at least November 2007. We will keep the Agreement States informed of the status of the system and will work with the States so that all licensees (NRC and Agreement State) begin reporting at the same time.

Second, you expressed concern over the security of the reporting of the information by licensees. You requested information on the method NRC will institute to prevent unauthorized access. Due to the sensitivity of NSTS data, the system will comply with all applicable information security standards as defined by the National Institute of Standards and Technology (NIST). These controls are outlined in NIST Special Publication 800-53, *Recommended Security Controls for Federal Information Systems*. Additionally, an interagency working group is defining the business process by which a potential NSTS user will demonstrate the appropriateness of and obtain system access. You also requested information on whether data transmitted by the secure Internet reporting system would remain on that database for some considerable time or whether it would be removed from the database promptly. Upon entry of any NSTS data, that data is stored in the database on a long term basis for source history analyses. The records retention period has not yet been finalized.

Finally, you have also expressed concern related to the use of the word "transfers" in the rule text. You are concerned that "transfers" may be read to include "transports" or that "transports" may be added to the list of reportable actions. The use of the word "transfers" is discussed in

the Statement of Considerations (SOC) for the final rule. The SOC makes it clear that the term refers to a transfer from one licensee (the sending licensee) to a second licensee (the recipient). The transport company is not involved in reporting the transaction. General licensees are not impacted by the rule. There are currently no plans to include "transports" as a reportable action.

In closing, NRC plans to use several mechanisms for communicating and working with the Agreement States to help ensure a consistent uniform national approach to implementing the NSTS rule. These mechanisms include use of routine calls, electronic communications, and formation of an NRC-State working group. Through these interactions the staff will continue to cooperate with the States to further verify the rule requirements, the implementation period, and approach, and identify and address implementation issues as they arise.

If you have any questions on the NSTS rule, please contact Ms. Merri Horn of my staff. She may be reached at (301) 415-8126 or by e-mail at <a href="mailto:mlh1@nrc.gov.">mlh1@nrc.gov.</a>

Sincerely,

## /RA/

Dennis Rathbun, Director
Division of Intergovernmental Liaison
and Rulemaking
Office of Federal and State Materials
and Environmental Management Programs

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Dennis Rathbun, Director
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NAME:	MHorn	MDelligatti MH for	DRathbun	
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