

September 17, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Charles L. Miller, Director **/RA Steve Reynolds Acting for/**
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: FINAL RULE TO AMEND PART 20 NATIONAL SOURCE
TRACKING OF SEALED SOURCES

Enclosed for your signature is a final rule (Enclosure 1) amending U.S. Nuclear Regulatory Commission (NRC) regulations to Part 20.2207, "Reports of transactions involving nationally tracked sources." This amendment revises the compliance dates for licensees to begin reporting source transactions and initial source inventory information to the National Source Tracking System (NSTS).

Background: The final rule establishing the regulatory foundation for the NSTS was published on November 8, 2006 (71 FR 65686). The compliance date for reporting initial source inventory is November 15, 2007, for Category 1 sources and November 30, 2007, for reporting Category 2 sources. These were also the dates to start reporting source transactions to the system. The NRC staff anticipated that system development and all testing would be complete and the NSTS would be operational by November 2007. However, system development has taken longer than anticipated due to IT security issues and the system will not be ready to accept data by November 2007. Therefore, the NRC is revising the compliance dates for which reporting is to start.

The requirements for Category 1 nationally tracked sources will now be implemented by January 31, 2009. This means that by this date any licensee that possesses a Category 1 level source must have reported its initial inventory and must begin reporting all transactions involving Category 1 sources to the NSTS. The requirements for Category 2 nationally tracked sources will also be implemented by January 31, 2009. By this date, all licensees must have reported their initial inventories of nationally tracked sources and begin reporting all transactions to the NSTS.

CONTACT: Merri Horn, FSME/DILR
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Notices: Enclosure 2 (EDO Daily Note) documents that the Executive Director for Operations (EDO) intends to sign the *Federal Register* Notice. A notice to the Commission that the EDO has signed the enclosed *Federal Register* Notice is included (Enclosure 3). The “Approved for Publication,” and the Congressional Review Act forms can be found in, respectively, Enclosures 4 through 5 of this paper. The appropriate Congressional committees will be notified.

Resources: No additional resources will be needed to complete this rule.

Coordination: The Offices of Administration and Information Services have concurred on the rule. The Office of the General Counsel has no legal objection.

Enclosures:

1. *Federal Register* Notice of Final Rulemaking
2. EDO Daily Note
3. Notice of Final Rule Signed by EDO
4. Approved for Publication
5. CRA Forms

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