



PR 110
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8 September 2009

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Ms. Annette L. Vietti-Cook, Secretary
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Attn: Rulemakings and Adjudications Staff

Subject: RIN 3150-AI16

Industry Comments on Proposed Rule on "Export and Import of Nuclear Material and Equipment and Material; Updates and Clarifications"

Dear Secretary:

These comments are submitted on behalf of QSA Global Inc, a worldwide manufacturer and distributor of sealed sources and devices used in industrial, medical and research applications. In general we support the proposed changes to 10 CFR Part 110. We have been operating under three import/export licenses that were issued to us as a result of the rule change in 2005 and have first hand knowledge in the day to day implementation of the current requirements. We appreciate the opportunity to provide comments on the proposed rule and hope that NRC will consider them in the final rule.

We are glad to hear that NRC is taking credit from the many enhanced security requirements currently in place and revising the rule to remove duplication of requirements and effort.

We support the proposed modification to allow the importation of Category 1 and 2 quantities of materials under a general license, if the receiver has a valid NRC or Agreement state license. This is consistent with the practices of other countries, and removed the need for redundant approvals.

We support the additional flexibility afforded by the proposed modification to 10 CFR 110.32 to allow export licensees to verify the authorization from the importing country at the time of shipping instead of at the time of license application. This approach is more efficient and will likely result in more accurate and up to date information being submitted to NRC. Upon the

initial requirements for an export license in 2005, we had asked for and received this allowance from NRC and we have found it to be very effective and more timely as you always have current licensing information. It also allows for a consistent approach for the licensee to authorize both domestic and export transfers in the same manner (ie reviewing the customer licenses before transferring a source), thereby eliminating the need for a separate procedure.

We agree with The NRC's effort to limit the number of routine export applications requiring Commission review to only those that raise policy issues, as this approach will be more efficient for NRC and licensees without compromising safety or security since other checks and balances are in place for this purpose.

We strongly support the proposed definition of radioactive waste – that it does not include a sealed source being returned to the manufacturer. This allows for sources to be transferred and transported easily to an entity that may be able to recertify the source or recycle the source for beneficial use and it does not have to go for disposal.

The definition of bulk material is confusing. Is it intended to cover “raw” material, ie that material produced in reactors, and then incorporated into sealed sources? The definition also seems to imply that Category 3, 4 and 5 sources would be considered bulk material. How is it known when the quantity is deemed to pose a risk similar to or greater than a Category 2 source?

We are very concerned with the proposed modification to 10 CFR 110.50(c) that would require advance notification of imports to be submitted seven days in advance of shipment. Currently, notifications are required at least seven days before shipment, to the extent practical, but in no case less than 24 hours in advance of each shipment. For imports of category 2 sources, there are many instances where our customers do not tell us when a source is being returned. For radiography sources, it is common industry practice for the source (Ir-192) to be returned to a manufacturer for disposition without having a specific approval and/or notification. In many of these cases we do not receive any advance notification before the import, making it impossible to provide a seven day and even in many cases 24 hour notification.

If we do not receive notification from our customers from the 90 countries we routinely receive sources from, we are completely unable to make this advance notification. We cannot control what licensees in other countries do or don't do for advance notification. It is unreasonable for NRC to implement regulations that the US licensee has no jurisdiction over. This is a current problem and if a 7 day advance notice is required it will cause many importers of category 2 sources to be out of compliance even though attempts are made to get this notification from the customer. We had made similar comments when the M&D security orders were issued.

There is not a clear basis for the reasoning for the advance notification for importing Category 2 sources, the only explanation is to allow NRC adequate time to verify information. What

information needs to be verified if the importer is an established licensee and routinely receives returned sources? As is explained in the supplementary information, the use of the NSTS does account for these sources once received under an NRC or Agreement State license. There does not appear to be any benefit to having advance notice of these imports. We strongly recommend that there not be any requirement for advance notification for the Category 2 sources as these will be accounted for in the NSTS and there is no documented benefit in having advance notification.

The imports of Category 1 quantities are typically the bulk/raw material and we closely coordinate with the reactors on shipment dates and routinely provide advance notification, but this is usually the 24 hour advance notification as the shipper does not provide this information seven days in advance as the final shipping arrangements can and do change on a daily basis. We recommend that NRC retain the current wording in 110.50(c) and allow no less than 24 hours for category 1 shipments.

We appreciate the opportunity to provide comments and support the NRC's efforts to streamline the import/export licensing. Please contact me if you would like clarification or any additional information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cathleen Roughan".

Cathleen Roughan
Director, Regulatory Affairs/Quality Assurance

Rulemaking Comments

From: Roughan, Kate [Kate.Roughan@qsa-global.com]
Sent: Tuesday, September 08, 2009 5:04 PM
To: Rulemaking Comments
Subject: FW: Part 110
Attachments: Part 1110 comments Sep 09..pdf

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(148.184.200.145) with Microsoft SMTP Server id 8.1.393.1; Tue, 8 Sep 2009
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From: "Roughan, Kate" <Kate.Roughan@qsa-global.com>
To: <rulemakingcomments@nrc.gov>
Return-Path: Kate.Roughan@qsa-global.com
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