



INTERNATIONAL SOURCE SUPPLIERS  
AND PRODUCERS ASSOCIATION

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SAFE AND SECURE AT THE SOURCE



December 23, 2010

Ms. Margaret Doane  
Director  
Office of International Programs  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

Grant R. Malkoske  
CHAIRMAN

John J. Miller  
SECRETARY

Wolfgang R. Fasten  
TREASURER

Subject: Industry Comments on Final 10 CFR Part 110 on Imports and Exports Made Effective on  
August 27, 2010 (75FR44072), NRC Docket ID 2008-0567

Dear Ms. Doane:

The International Source Suppliers and Producers Association (ISSPA) is an association that is comprised of companies who are international industry leaders in the manufacture, production and supply of sealed radioactive sources and/or equipment that contain sealed radioactive sources as an integral component of the radiation processing or treatment system, device, gauge or camera.

On behalf of US industry and other organizations that are part of the global supply chain, ISSPA submits the following comments on the final rule, "Export and Import of Nuclear Equipment and Material; Updates and Clarifications" published in the Federal Register on July 28, 2010 and in effect on August 27, 2010. As you are aware, US manufacturers and distributors of sources containing Category 1 and Category 2 quantities of material, as defined in the rule, are concerned about the unintended impact of the phrase "of U.S. origin" in 10 CFR Part 110, section 110.2 - Definition of Radioactive waste (1) of the final rule.

ISSPA believes that this rule has wider implications on the use and life cycle management of radioactive sources globally. The international efforts that all suppliers and distributors have toward safety and security of radioactive sources have benefited the public at large. This has been well discussed in the development of the IAEA "Code of Conduct" and at various international meetings regarding the implementation of the Code of Conduct and the Import/Export guidance documents. There has been substantial international regulatory collaboration to ensure that sources are well managed, accounted for, and do not end up as orphan sources for lack of a disposition mechanism.

We would appreciate understanding what the intent was behind the insertion of the phrase "US origin" in the final rule, as it was not in the proposed rule nor did industry have an opportunity to comment on it before the final rule was promulgated. In particular, the phrase "US origin" is not defined and would have a significant impact on well established and regulated practices within industry. These include items such as realignment of companies through normal commercial transactions, where foreign companies may be bought or sold by US entities, the practice of a "one-for-one" exchange that takes place in the radiography and gamma processing industries, and the recycling efforts that many companies make to extend the life of radioactive sources all the while the activity is reduced by decay mechanisms.

Many of the details of this issue are well enunciated in the NEI letter to you of December 3, 2010.

Certainly the regulatory issues associated with the import and export of radioactive material are complex with international consequences. Therefore, we request that NRC maintain the previous view of industry practice and regulatory oversight regarding the import and export of Category 1 and Category 2 quantities of material that was in place prior to the effective date of this rule. Further, we are not aware of any evidence to suggest that past industry practices were unsafe; rather, we believe that the rule impacts described above were unintended and should be promptly addressed.

ISSPA would appreciate your timely consideration of this matter so that a satisfactory outcome can be reached that meets the objectives of all stakeholders. If you wish to discuss this further with me, please feel free to contact me at 613-762-0282.

Yours truly,

A handwritten signature in black ink, appearing to read 'Grant Malkoske', with a stylized flourish at the end.

Grant Malkoske  
Chairman, ISSPA

c.c. Ms. Cindy Bladey, ADM/NRC  
Mr. Robert Lewis, FSME/NRC