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March 11, 2011

Ms. Sarenee Hawkins
Office of State & Federal Materials
and Environmental Programs
Mail Stop T8E24
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

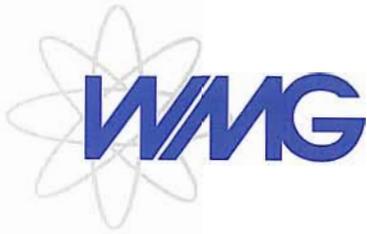
Dear Ms. Hawkins:

WMG Inc., is preparing to release a new version of Radman[®] Software used for the classification of low level radioactive waste and the preparation of shipping documents for radioactive material shipments. This version will use a commercially hosted remote SQL Server database.

Rackspace, Inc., an internationally recognized host partner, was selected in part because of their successful completion of a SAS 70 Type 2 audit. This audit includes detailed testing of the design and operating effectiveness regarding the handling of sensitive information. Security of our infrastructure, includes class leading Cisco security appliances, encrypted communication channels (SSL), private subnets for our database servers, 24/7 system monitoring and threat analysis, a dedicated support team, physical security of our servers which includes biometric authentication, key-cards and PINs, and password protected least-privileged accounts for both database and server logins.

Despite these security measures, a number of our customers have expressed concerns that the proposed storage of characterization data, for a Radioactive Material Quantities of Concern (RAMQC) shipment, may represent a potential violation of the requirements for handling Safeguards Information-Modified Handling (SGIMH). These requirements are found in 10 CFR 73.23. The specific concern is that the presence of the licensee's address, the transportation carrier, the destination, and the approximate shipment date in fields of a database could be considered security sensitive data requiring safeguards information controls.

The shipment date is required to decay the radionuclide concentrations and determine the activity present at the time of the shipment. The other information is required to properly complete shipping papers and the NRC Uniform Low-Level Radioactive Waste Manifest (NRC Form 540). No other security sensitive information is stored.



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10 CFR 73.23 (a)(2)(ii) states, "...Scheduling and itinerary information used for the purpose of preplanning, coordination, and advance notification may be shared with others on a 'need to know' basis and need not be designated as Safeguards Information-Modified Handling."

In order to confirm our interpretation of the regulation, and reassure our customers that the stored data does not represent a security risk, we would like an answer to the following question.

Can this data be electronically transmitted and stored, as described above, as **non-SGIMH** with WMG Inc. and its subcontractors in accordance with the exclusion in 10 CFR 73.23 (a)(2)(ii)?

We appreciate your opinion and guidance in this matter.

Sincerely,

A handwritten signature in black ink that reads "S.R. Berger". The signature is written in a cursive, flowing style.

Steven R. Berger
Director of Technical Services

SB/kw

Handwritten initials in black ink that appear to be "MAR". The letters are written in a cursive, slightly slanted style.