From:Xu, ShirleyTo:"mstults@mssedco.com"Subject:MS SEDCO License RenewalDate:Tuesday, December 20, 2011 2:50:00 PM

MS Sedco, Inc. License # 13-26301-02E Docket # 030-32046 MC # 576206

Mr. Stults,

We wanted to be certain you are aware that in 2007, NRC revised its regulations regarding distribution of smoke detectors. These changes would apply to the smoke detectors you are authorized to distribute under your license. Section E of the final rule published in the Federal Register on October 16, 2007 (72 FR 58473), specially addressed smoke detectors. The entire final rule is available on the Federal Register's web site at http://edocket.access.gpo.gov/2007/pdf/E7-19944.pdf.

Please note that the final rule addressed more than just smoke detectors. An Addendum and Interim Staff Guidance dated November 2007, regarding the regulatory changes that was prepared to support NUREG-1556, Volume 8, "Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Exempt Distribution Licenses," is available on NRC's web site at <u>http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1556/v8/.</u>

The regulatory change provides a new licensing approach for smoke detectors containing no more than 1 microcurie of americium-241 in the form of a foil. As explained in the Federal Register Notice, smoke detectors which meet this criteria would no longer need to be licensed for distribution under 10 CFR 32.26, but instead could be authorized for distribution under 10 CFR 32.14. An important aspect of this change is that a sealed source and device evaluation would not need to be conducted as part of the licensing process.

As your current license authorizes distribution of smoke detectors pursuant to 10 CFR 32.26 that would appear to meet the requirements and be acceptable for distribution under 10 CFR 32.14, you may wish to amend your license to make this change. Because the products covered under your current license may be subject to regulatory requirements that would not be applicable under 10 CFR 32.14, or because your current license may subject you to commitments that would no longer be necessary, if you wish to change the distribution authorization, you must submit a complete up-to-date applicable regulatory criteria specified in 10 CFR 32.14 and 10 CFR 30.15. As previously mentioned, the SSD certificate associated with your device(s) would no longer be necessary. Therefore, you should also request that the certificate be inactivated with issuance of the amended license.

You can check this link for the regulatory requirement for devices under 10 CFR 32.14: <u>http://www.nrc.gov/reading-rm/doc-collections/cfr/part032/part032-0014.html</u>.

Also note this email is to acknowledge receipt of your application dated September 15,

2011, for renewal of Nuclear Regulatory Commission (NRC) Exempt-Distribution Materials License No. 13-26301-02E. Your application is deemed timely filed, and accordingly, the license will not expire until final action has been taken by this office.

Shirley Xu U.S.NRC/FSME/MSSA/LB Mail Stop: T8E24 Washington, D.C. 20555-0001 (301) 415-7640 (Voice) (301) 415-5955 (Fax) E-mail: Shirley.Xu@nrc.gov