

June 25, 2012

Mr. Bob A. Robnett
Director Operations & Regulatory Affairs
Alpha-Omega Services, Inc.
9156 Rose Street
P.O. Box 789
Bellflower, CA 90706

SUBJECT: REQUEST FOR EXTENSION OF AUTHORIZATION FOR LIMITED SHIPMENTS
USING THE MODEL NO. 5979 PACKAGE

Dear Mr. Robnett:

The purpose of this letter is to provide feedback on your request, dated May 1, 2012, supplemented June 5, 2012, for limited continued use until December 31, 2012, of the Model No. 5979 package, Docket No. 71-5979, for which the Certificate of Compliance (CoC) expired on October 1, 2008.

On March 8, 2012, Alpha-Omega Services, Inc. (AOS) advised staff of a planned request for extension of the Model No. 5979 package, from June 30 to December 31, 2012. On April 11, 2012, the U.S. Nuclear Regulatory Commission (NRC) staff met with AOS staff and Elekta A.B. representatives. During that meeting, staff learned that (i) the completion of the fabrication of the Model No. AOS-100 package was delayed until September 2012 instead of June 2012, (ii) the fabrication of the Elekta loading machine, needed to handle the new package, was not initiated until issuance of the CoC for the Model No. AOS-100 package, and (iii) "life-saving" procedures may be delayed if the Model No. 5979 package cannot be used after June 30, 2012.

As a background to your request, on January 26, 2004, NRC published a final rule in the *Federal Register* (69 FR 3698), amending its Part 71 regulations to make them compatible with the International Atomic Energy Agency regulations. This rulemaking, coordinated with the Department of Transportation (DOT), implemented a planned four-year phase-out, through grandfathering provisions, of some Type B and fissile material transportation packages. The phase-out was to be completed by October 1, 2008. On August 14, 2008, the NRC issued Regulatory Issue Summary (RIS) 2008-18, "Information on Requests for Extending Use of Expiring Transport Packages," to clarify a regulatory method for extending the phase-out plans for limited circumstances. The RIS lists specific information to be provided, i.e., (1) package information, (2) identification of shipments, (3) reasons for requesting extended use, (4) safety justification for continued use and proposed compensatory measures, and (5) a plan and schedule to acquire replacement packages.

By application dated September 17, 2008, AOS first requested authorization to use its Model No. 5979 package beyond the package expiration date of October 1, 2008. NRC staff granted four extension requests: 82 shipments for the period October 21, 2008, through October 31, 2010; 15 shipments for the period November 1, 2010, through February 28, 2011; 27 additional shipments

during the period March 1, 2011, through October 31, 2011; and 42 additional shipments for the period November 1, 2011, through June 30, 2012.

Staff granted such authorizations in part because AOS was actively seeking NRC certification of a replacement package. AOS submitted an application to the NRC in October 2007. In April 2008, AOS withdrew the application due to the identification of major technical deficiencies. In June 2009, AOS submitted a revised application for the replacement package under Docket No. 71-9316. On February 28, 2012, the staff issued CoC No. 71-9316 to AOS for the Model Nos. AOS-025A, AOS-050A, AOS-100A, AOS-100B, and AOS-100A-S packages.

On April 25, 2012, staff requested that you provide specific information as part of your upcoming request for extension of the Model No. 5979 package. In particular, staff requested that (i) you clarify the reason for neither identifying nor informing the NRC of the need of a new loading machine, (ii) explain the good-faith efforts taken to minimize schedule delays, (iii) discuss your contingency plans if, for any reason, the loading machine is not ready for use by December 2012, (iv) describe in detail measures that would be either considered or proposed by AOS to complete shipments deemed to be critical, (v) explain the mitigation measures to be implemented if, for any reason, the planned shipment dates from July 1 to December 30, 2012, cannot be met, and (vi) address possible limitations for each site license regarding the possibility to use foreign sources transportable in certified packages. On May 1, 2012, staff received your request for extension for limited shipments, with a supplement on June 5, 2012.

Your request for extension, dated May 1, 2012, addresses the RIS 2008-18 information needs, while your supplement dated June 5, 2012, addresses more specifically our request for additional information letter dated April 25, 2012. Staff notes that your May 1, 2012, application is for 15 shipments to be conducted between July 1 and December 31, 2012, while your June 5 supplement requests 9 shipments during that same time period. Staff notes that the 15 shipments originally requested were based on "all possible shipments to meet sales forecast while the most recent request for 9 shipments is based on confirmed "source loads/unloads."

It is not the intent of the staff to make, restrict, or influence business decisions of any shipper, user, and or material licensee. However, as part of the information requested, the RIS also provides criteria that should be demonstrated in any planned request for extension. In particular, paragraph 3(c) requires you to demonstrate that "*the transport schedule cannot be adjusted so as to be conducted in accordance with the regulations.*"

Therefore, the staff will evaluate your request for continued use of the Model No. 5979 package when you provide, under oath and affirmation, the information requested in paragraph 3(c) of the RIS. The end-user should also support the justification of any shipment, and further explain the specific impacts of not receiving a planned shipment before December 31, 2012.

B. Robnett

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Staff will consider this information in its review of an application to extend the use of the Model No. 5979 package for limited shipments until December 31, 2012. No further authorization will be granted after December 31, 2012, because the replacement package will be available.

If you have any questions regarding this matter, please contact Pierre Saverot at (301) 492-3408.

Sincerely,

/RA/

Michael D. Waters, Chief
Licensing Branch
Division of Spent Fuel Storage and Transportation
Office of Nuclear Material Safety
and Safeguards

Docket No. 71-5979
TAC No. L24645

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