

~~SAFEGUARDS INFORMATION—MODIFIED HANDLING~~

January 23, 2014

EA-13-241

TO: Licensee Authorized to Operate Panoramic or Underwater Irradiator Containing Greater Than 370 Terabecquerels (10,000 Curies) of Byproduct Material as Listed in Attachment 1 to Enclosure 1

SUBJECT: ISSUANCE OF ORDER IMPOSING COMPENSATORY MEASURES

Dear Licensee:

The U.S. Nuclear Regulatory Commission (NRC or Commission) has issued the enclosed Order (Enclosure 1 with attachments), imposing requirements with respect to panoramic or underwater irradiators containing greater than 370 terabecquerels (10,000 curies) of byproduct material. This Order requires compliance with specified compensatory measures (CMs). This Order applies to the licensee listed in Attachment 1 to the enclosed Order. The CMs are listed as Attachment 2 to the enclosed Order, and contain some Safeguards Information.

The Commission has concluded that these CMs should be embodied in an Order to assure the common defense and security, consistent with the established regulatory framework, and has determined the enclosed Order is effective immediately.

One of the CMs referenced in Attachment 2 to Enclosure 1 requires fingerprinting of all individuals who seek unescorted access to radioactive materials determined by the Commission to be of significance to the public health and safety or common defense and security, in accordance with § 149 of the Atomic Energy Act of 1954, as amended. "Access" to these radioactive materials means that an individual could exercise some physical control over the material or device.

The enclosed Order calls for responses within specified time frames. You must submit an initial response within 20 days. With respect to the notices and submissions required by Sections III B and III C of the Order, for any requirement of Attachments 2 or 3 to Enclosure 1 that is contingent on completion of another requirement of Attachments 2 or 3 to Enclosure 1, it will be a sufficient response if you state in your 20 day submission that completion of the requirement depends on completion of another requirement and the expected date of completion of the other requirement.

Warning: Violation of Section 147 of the Atomic Energy Act of 1954, "Safeguards Information" is subject to Civil or Criminal penalties.

Document transmitted herewith contains Safeguards Information. When separated from attachments 1 and 2 to enclosure 1, and from enclosures 1 and 2 to enclosure 2, and from enclosure 3, this document is Decontrolled.

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Upon completion of such other requirements, you should promptly submit the results and the actions thereafter proposed with respect to the requirement at issue, as well as the projected date of completion. No extension of time from the 20 day requirement is necessary for such responses submitted within 20 days.

The NRC is also providing the Regulatory Issue Summary (RIS) 2002-12L, Revision 1 with enclosures, "Panoramic and Underwater Irradiator Licensees NRC Threat Advisory and Protective Measures System" (Enclosure 2), which is applicable to licensees who are licensed to operate panoramic and underwater irradiators containing greater than 370 terabecquerels (10,000 curies) of byproduct material. In addition, the NRC is providing implementation guidance (Enclosure 3) designed to facilitate licensee implementation of the CMs. Enclosure 4 provides additional guidance in the form of frequently asked questions related to Safeguards Information for Irradiator licensees.

The NRC is also providing "Guidance for Licensee's Evaluation of Access to Safeguards Information or Unescorted Access to Radioactive Materials with the Inclusion of Criminal History (Fingerprint) Checks" (Enclosure 5). Please note that individuals who have been fingerprinted and granted access to Safeguards Information by the licensee reviewing official under the NRC's "Order Imposing Fingerprinting and Criminal History Records Check Requirements for Access to Safeguards Information" do not need to be fingerprinted again for purposes of satisfying this Order. This Order also requires that a reviewing official must consider the results of the Federal Bureau of Investigations criminal history records check in conjunction with other applicable requirements to determine whether an individual may be granted or allowed continued unescorted access. The reviewing official may be one that has previously been approved by the NRC in accordance with the "Order Imposing Fingerprinting and Criminal History Records Check Requirements for Access to Safeguards Information" (EA-13-041) dated June 5, 2013. Licensees may nominate additional reviewing officials for making unescorted access determinations in accordance with NRC Order EA-13-041. The nominated reviewing official must have access to Safeguards Information or require unescorted access to the radioactive material as part of their job duties.

Please pay special attention to the markings on the various enclosed documents as some of the documents contain sensitive unclassified information, marked, "Official Use Only-Security-Related Information" and will be withheld from the public. Information using the "Official Use Only-Security-Related Information," marking must, as a minimum, be stored in a space or building that is protected by electronic access controls, security guards, or alternatively, in a locking cabinet or other equivalent storage container. Some of the other documents contain Safeguards Information-Modified Handling, all of which must be protected against unauthorized disclosure in accordance with NRC Order EA-13-040, as applicable, issued on June 5, 2013, entitled, "Order Imposing Requirements for the Protection of Certain Safeguards Information."

Licensees are required to submit fingerprints in accordance with this Order. The current processing fee is \$26.00 per submission and payment should be made electronically through <http://www.pay.gov>. Details regarding fingerprint submittals and payment of fees are found in Attachment 3 to Enclosure 1.

The enclosed Order requires that the Licensee respond to this Order within twenty (20) days of the date of its issuance, and implement its requirements before allowing unescorted access to radioactive materials to any individual.

Licensee responses to the enclosed Order (not fingerprint cards) are required to be submitted to the Director, Office of Federal and State Materials and Environmental Management Programs, and should be addressed to the attention of **Kim Lukes**, Mail Stop T8E24. The following mailing addresses should be used:

For normal postal delivery, mail to:

Director, Office of Federal and State Materials and
Environmental Management Programs
U.S. NRC
Washington, DC 20555-0001
ATTN: **Kim Lukes**, Mail Stop T8E24

For delivery services requiring a street address, mail to:

Director, Office of Federal and State Materials and
Environmental Management Programs
U.S. NRC
Two White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738
ATTN: **Kim Lukes**, Mail Stop T8E24

Licensee fingerprint cards are required to be submitted to the Director, Division of Facilities and Security, and should be addressed to the attention of the Criminal History Program, Mail Stop T-03B46M. The following mailing addresses should be used:

Director, Division of Facilities and Security
U.S. Nuclear Regulatory Commission
11545 Rockville Pike
Rockville, MD 20852-2738
ATTN: Criminal History Program, Mail Stop T-03B46M

Please include the docket number listed in Attachment 1 to the enclosed Order in all your correspondence with the NRC. In addition, Licensee responses shall be marked as "Security-Related Information - Withhold Under 10 CFR 2.390."

Please contact Kim Lukes at 301-415-6701, or at Kim.Lukes@nrc.gov, to facilitate resolution of any issues or questions related to compliance with the requirements in the enclosed Order.

The Order without the Safeguards Information or "Official Use Only–Security-Related Information" content, has been forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Brian E. Holian, Acting Director
Office of Federal and State Materials
and Environmental Management Programs

Enclosures:

1. Order Imposing Compensatory Measures with Attachments
2. Regulatory Issue Summary (RIS) 2002-12L, Rev 1 with Enclosures (Official Use Only – Security Related Information)
3. Implementing Guidance for EA-13-241 (Contains Safeguards Information)
4. Frequently Asked Questions about SGI-M
5. Guidance for Licensee's Evaluation of Access to Safeguards Information or Unescorted Access to Radioactive Materials with the Inclusion of Criminal History (Fingerprint) Checks

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NAME	LDudes	BMcDermott for JWiggins	CPoland	BHolian
DATE	12/23/2013	1/8/2014	1/14/2014	1/23/2014

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