



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION IV
1600 E. LAMAR BLVD.
ARLINGTON, TX 76011-4511

January 14, 2015

Randall C. Whitt
Western Region Manager
Counter Terrorism Operations Support Program
National Security Technologies, LLC
P.O. Box 98521
Las Vegas, NV 89193-8521

SUBJECT: DEPARTMENT OF ENERGY PRIME CONTRACTOR EXEMPTION UNDER
10 CFR 30.12

Dear Mr. Whitt:

The Nuclear Regulatory Commission (NRC) received a letter dated October 29, 2014, from you on behalf of National Security Technologies (NST), a prime contractor with the U.S. Department of Energy (DOE) Nevada National Security Site, requesting authorization to conduct training in Beaumont, Texas, using radioactive sealed sources during the week of January 27-29, 2015 under a 10 CFR 30.12 exemption. The objective of the training is to develop the knowledge, skills, and confidence of first responders from local jurisdiction in preventing and responding to radiological/nuclear weapons of mass destruction events.

The NRC regulations provide an exemption in 10 CFR 30.12 to any prime contractor of DOE at a government owned or controlled site, such as NST. However, if the prime contractor or subcontractor is performing work for DOE at another location which is not a government owned or controlled site, then the Commission needs to determine whether the exemption is authorized by law and whether, under the terms of the contract, there is adequate assurance that the work thereunder can be accomplished without undue risk to public health and safety.

In this particular case, NST has requested to conduct work activities in the State of Texas, which is an Agreement State. Under a Commission Policy Statement (46 FR 7540, January 23, 1981), Agreement States may issue case-by-case exemptions only upon a joint determination by the State and the NRC that the necessary findings have been made; hence the requirement in Texas' regulation that the determination of the grant of a specific exemption be made jointly with the NRC.

The NRC has reviewed the salient parts of NST's prime management and operating contract with DOE that was submitted as part of previous requests. As stated in the request letter, NST is still operating under this contractual agreement. The review determined that the exemption under 10 CFR 30.12 is authorized by law. Additionally, the procedures submitted earlier by NST for conducting work activities in the State of Texas were reviewed. Based on this review, the NRC and the State of Texas have determined that there is adequate assurance that the activity can be accomplished without undue risk to public health and safety. Therefore, the exemption under 10 CFR 30.12 is authorized by law.

R. Whitt

- 2 -

If there are any questions or comments concerning this review, please contact Gerald Schlapper, Health Physicist, at 817-200-1273 or the undersigned at 817-200-1106.

Sincerely,

/RA/

Mark R. Shaffer, Director
Division Nuclear Materials Safety

cc:

Richard A. Ratliff, P.E., L.M.P., Chief
Radiation Safety Licensing Branch Manager
Division for Regulatory Services
TX Dept. of State Health Services
P.O. Box 149347-Mail Code 2835
Austin, TX 78714-9347

If there are any questions or comments concerning this review, please contact Gerald Schlapper, Health Physicist, at 817-200-1273 or the undersigned at 817-200-1106.

Sincerely,

/RA/

Mark R. Shaffer, Director
Division Nuclear Materials Safety

cc:

Richard A. Ratliff, P.E., L.M.P., Chief
Radiation Safety Licensing Branch Manager
Division for Regulatory Services
TX Dept. of State Health Services
P.O. Box 149347-Mail Code 2835
Austin, TX 78714-9347

Distribution via E-mail:

L. Howell, DD:DNMS
D. White, NMSS
J. Whitten, C:NMSB-B
V. Dricks, PAO
L. Uselding, PAO
G. Schlapper, NMSB-B
R. Torres, NMSB-B
R. Erickson, SAO
B. Tharakan, SAO

DOCUMENT NAME: S:\DNMS\Nmlb\DOE SAFETY EVALUATION REPORT (SER) 10 CFR 30-12\NSTech - Exercise January 2015, Beaumont, TX\NST Exemption letter for Beaumont 15.docx

<input type="checkbox"/> SUNSI Review		<input checked="" type="checkbox"/> Non-Sensitive		<input checked="" type="checkbox"/> Publicly Available		Keyword:
By: GAS		<input type="checkbox"/> Sensitive		<input type="checkbox"/> Non-Publicly Available		
OFFICE	NSMB-B	NMSB-B	C:NMSB-B	D:DNMS		
NAME	GASchlapper	RJTorres	JEWhitten	MRShaffer		
SIGNATURE	/RA/	/RA/	/RA/	/RA/		
DATE	01/12/2015	01/12/2015	01/13/2015	01/14/2015		

OFFICIAL RECORD COPY