



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD
ARLINGTON TX 76011-4511

July 12, 2016

Robert W. Ryan, Operations Support 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. Ryan:

The U.S. Nuclear Regulatory Commission (NRC) received a letter dated June 8, 2016, from you on behalf of National Security Technologies, LLC (NST), a prime contractor with the U.S. Department of Energy (DOE) Nevada National Security Site, requesting authorization to conduct training in Texas using radioactive sealed sources during July - August, 2016, under a 10 CFR 30.12 exemption. The objective of the training is to develop the knowledge, skills, and confidence of first responders in preventing and responding to radiological/nuclear weapons of mass destruction events.

The NRC regulations provide an exemption in Title 10 of the Code of Federal Regulations (CFR) 30.12 from the requirement to possess an NRC license to any prime contractor of DOE at a government owned or controlled site. 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 the public health and safety.

In this particular case, NST has requested to conduct work activities in 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. The review determined that the exemption under 10 CFR 30.12 is authorized by law. Additionally, the procedures and commitments made 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 and this activity can proceed without the need to obtain a specific license.

R. Ryan

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If there are any questions or comments concerning this review, please contact the undersigned at 817-200-1189.

Sincerely,

/RA/

Roberto J. Torres, M.S., Senior Health Physicist
Nuclear Materials Safety Branch B

cc:

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