



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

February 1, 2017

Chéré D. Morgan, Director
Radiological Control
Idaho National Laboratory
2525 North Fremont Avenue
Idaho Falls, ID 83415

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

Dear Ms. Morgan:

The U.S. Nuclear Regulatory Commission (NRC) received a letter dated January 5, 2017, from you on behalf of Battelle Energy Alliance, LLC (Battelle), a prime contractor with the U.S. Department of Energy (DOE), Idaho National Laboratory (INL), requesting an exemption pursuant to 10 CFR 30.12 from NRC licensing requirements to allow Battelle to conduct training using sealed sources that are owned and controlled by DOE INL. The training was described as joint training and field exercises between law enforcement agencies to be conducted in Buckeye, Arizona during February 2017.

The NRC regulations provide an exemption in 10 CFR 30.12 to any prime or subcontractor of the DOE at a U.S. Government owned or controlled site from the requirement to possess an NRC license. However, INL has requested to conduct work activities in a location that is not government owned or controlled in an Agreement State. The Commission Policy Statement on Criteria for Guidance of States and NRC in Discontinuance of NRC Regulatory Authority and Assumption Thereof by States Through Agreement (46 FR 7540, January 23, 1981), states in part that an exemption to the DOE prime contractors or subcontractors may be provided only when the Agreement State and the NRC jointly makes a determination to grant an exemption.

The NRC has reviewed INL's prime management and operating contract with the DOE that was submitted as part of this request to confirm that the contractor satisfies the requirements for the exemption as discussed in 10 CFR 30.12. Additionally, the NRC and the State of Arizona reviewed the procedures and commitments made by INL for conducting work activities in Arizona. Based on this review, the NRC and the State of Arizona have determined that there is adequate assurance that the activity can be accomplished without undue risk to public health and safety. The NRC has also determined that an exemption under 10 CFR 30.12 is authorized by law. Therefore, this activity can proceed without the need to obtain a specific license.

An environmental assessment for this action is generally not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(v).

C. Morgan

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If there are any questions or comments concerning this review, please contact Roberto J. Torres of my staff at 817-200-1189.

Sincerely,

/RA/

Mark R. Shaffer, Director
Division of Nuclear Materials Safety

cc:
Brian Goretzki, Director
Arizona Radiation Regulatory Agency
4814 South 40th Street
Phoenix, AZ 85040

C. Morgan

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cc:
Brian Goretzki, Director
Arizona Radiation Regulatory Agency
4814 South 40th Street
Phoenix, AZ 85040

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ADAMS ACCESSION NUMBER: ML17026A481

<input checked="" type="checkbox"/> SUNSI Review By: RJT	ADAMS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Sensitive <input checked="" type="checkbox"/> Non-Sensitive	<input type="checkbox"/> Non-Publicly Available <input checked="" type="checkbox"/> Publicly Available	Keyword NRC-002
OFFICE	SHP:DNMS/B	C:DNMS/B	D:DNMS	
NAME	RJTorres	VHCampbell	MRShaffer	
SIGNATURE	/RA/	/RA/	/RA/	
DATE	01/26/2017	01/31/17	02/1/17	

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