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# ILLINOIS EMERGENCY MANAGEMENT AGENCY

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March 6, 2017

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Office of Administration  
Mail Stop OWFN-12-H08  
US Nuclear Regulatory Commission  
Washington DC, 20555-0001

1/19/2017  
82 FR 2399-2  
18

RE: FEDERAL REGISTER NOTICE – REQUEST FOR INPUT AND INFORMATION TO INFORM THE U.S. NUCLEAR REGULATORY COMMISSION EVALUATION OF CATEGORY 3 SOURCE SECURITY AND ACCOUNTABILITY (STC-17-007)

The Illinois Emergency Management Agency, Bureau of Radiation Safety (the Agency), hereby submits its comments on STC-17-007 regarding the “FEDERAL REGISTER NOTICE – REQUEST FOR INPUT AND INFORMATION TO INFORM THE U.S. NUCLEAR REGULATORY COMMISSION EVALUATION OF CATEGORY 3 SOURCE SECURITY AND ACCOUNTABILITY.” Generally, the Agency does not support the full inclusion of Category 3 sources into the 10 CFR 37 rulemaking. Better accountability and licensing practices can be implemented without overly burdensome methods and costs for licensees and regulators alike. Our comments are as follows:

### ***General Questions Related to License Verification***

1. *Should the current methods for verification of licenses prior to transferring Category 3 quantities of radioactive material listed in 10 CFR 30.41(d)(1)–(5), 10 CFR 40.51(d)(1)–(5), and 10 CFR 70.42(d)(1)–(5) be changed such that only the methods prescribed in 10 CFR 37.71 are allowed?*

The Agency believes it is time to make the verification system as paperless as possible. The verification methods can be similar to those for Category 2 material. The Agency would like new regulatory language that requires pending transfers of radioactive material to new licenses to be vetted directly with the licensing authority rather than through third party certifications.

2. *Would there be an increase in safety and/or security if the regulations were changed to only allow license verification through the NRC’s License Verification System (LVS) or the transferee’s license issuing authority for transfers of Category 3 quantities of radioactive material? If so, how much of an increase would there be?*

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Based on the history of known events, there is no evidence that safety or security would be favorably impacted by this change. We would point to the 2014 Radiation Source Protection and Security Task Force Report that indicated they were not aware of any specific threats that would justify a change in security measures. However, current intelligence regarding evolving threats must always be considered when making these decisions. The Agency is not opposed to better tracking of new licenses issued to ensure the proper radioactive material and quantities are ordered if the current threat environment warrants it.

3. *If the NRC changed the regulations to limit license verification only through the LVS or the transferee's license issuing authority for transfers of Category 3 quantities of radioactive material, should licensees transferring Category 3 quantities to manufacturers and distributors be excepted from the limitation?*

The Agency is in favor of excepting returns to a well-established manufacturer/distributor for that specific source.

4. *Is there anything else we should consider when evaluating different methods of license verification prior to transferring Category 3 quantities of radioactive material?*

First, NRC may want to consider only including 'portable' Category 3 sources in this effort. Most of the noteworthy devices are somewhat portable.

Secondly, if bundling of Category 3 sources into a Category 2 configuration is the primary concern, NRC may again want to consider focusing on the prelicensing and licensing procedures for all licenses that potentially could aggregate Category 3 sources before millions of dollars in administrative and physical protective measures are spent by both industry for implementation and regulatory agencies for enforcement of such a rule. It appears that it will be more efficient to catch these problems during the initial licensing process rather than burying industry with more regulations.

#### ***General Questions Related to the NSTS***

1. *Should Category 3 sources be included in the NSTS? Please provide a rationale for your answer.*

Based on the history of known events, there is no evidence that safety or security would be favorably impacted by this change. We would point to the 2014 Radiation Source Protection and Security Task Force Report that indicated they were not aware of any specific threats that would justify a change in security measures. However, current intelligence regarding evolving threats must always be considered when making these decisions.

2. *If Category 3 sources are included in the NSTS, should the NRC consider imposing the same reporting requirements currently required for Category 1 and 2 sources (10 CFR 20.2207(f))?*

NRC should consider less restrictive reporting based on risk.

3. *Should the NRC consider alternatives to the current NSTS reporting requirements for Category 1 and 2 sources to increase the immediacy of information availability, such as requiring the source transfers to be reported prior to, or on the same day as, the source shipment date?*

We would recommend that Category 1 be reported on the same day and Category 2 stays the same. NRC also should require **all** licensees including distributors involved with Category 1 and 2 transfers to report receipt of sources in the NSTS including distributors, nationally and internationally.

4. *Would there be an increase in safety and/or security if the regulations were changed to include Category 3 sources in the NSTS? If so, how much of an increase would there be?*

Based on the history of known events, there is no evidence that safety or security would be favorably impacted by this change. We would point to the 2014 Radiation Source Protection and Security Task Force Report that indicated they were not aware of any specific threats that would justify a change in security measures. However, current intelligence regarding evolving threats must always be considered when making these decisions.

5. *Is there anything else we should consider as part of our evaluation of including Category 3 sources in the NSTS?*

None

#### ***Specific Questions for Agreement States Related to License Verification***

1. *Approximately how many licenses do you authorize for Category 1, 2, and 3 quantities of radioactive material?*

139

2. *If license verification through the LVS or the transferee's license issuing authority is required for transfers involving Category 3 quantities of radioactive material, would you encourage the use of LVS among your licensees, or plan for the additional burden imposed by the manual license verification process?*

The Agency will encourage the use of LVS but is prepared to handle whatever manual verifications are required.

3. *If license verification through the LVS or the transferee's license issuing authority is required for transfers involving Category 3 quantities of radioactive material, would you consider adopting the Web-Based Licensing System (WBL) to ensure that the most up-to-date licenses are available for license verification using the LVS or voluntarily provide your Category 3 licenses (similar to what some Agreement States do now for Category 1 and 2 licenses) to be included in WBL, or would you do neither and prefer licensees to use the manual license verification process?*

IEMA prefers not to adopt the WBL at this time because of local administrative and professional preferences. The speed of entering and extracting information is of paramount importance to us. Use of a third party system including support for the system is a major concern.

4. *What would the impact in time and resources be on your program to handle the additional regulatory oversight needed for Category 3 licensees if license verification through the LVS or the transferee's license issuing authority was required for transfers involving Category 3?*

For the **verification** of Category 3 licenses only, the impact would be minimal. The impact of licensing and inspecting Category 3 licensees to the level mandated by 10 CFR 37 would be immense, requiring an additional 1-2 FTEs.

#### ***Specific Question for Agreement States Related to the NSTS***

1. *The NRC currently administers the annual inventory reconciliation process on behalf of the Agreement States. This process involves providing hard copy inventories to every licensee that possesses nationally tracked sources at the end of the year, processing corrections to inventories, and processing confirmations of completion of the reconciliation into the NSTS. The process involves a significant amount of staff time and resources from November to February. If the Agreement States were to adopt administration of the annual inventory reconciliation process and if Category 3 sources were included in the NSTS, what would the additional regulatory burden be on the Agreement States to perform the annual inventory reconciliation for Category 1, 2, and 3 sources?*

First of all, NRC does not solely administer the process. Most Agreement States are in constant contact with the licensees and assist with their efforts to meet the reconciliation throughout the process.

The Agency also believes that many of the licensees involved have operations in every jurisdiction and likely prefer dealing with one NRC portal directly on this rather than 38 different parties.

Additional concerns about data security would also have to be addressed if the number of players involved in this effort is expanded.

Finally, regarding resources, most states are in a far less desirable position than NRC to support such an operation either with staffing or funds.

This should remain an NRC mandate.

### *Other Questions*

1. *Should physical security requirements for Category 1 and 2 quantities of radioactive material be expanded to include Category 3 quantities?*

Based on the history of known events, there is no evidence that safety or security would be favorably impacted by this change. We would point to the 2014 Radiation Source Protection and Security Task Force Report that indicated they were not aware of any specific threats that would justify a change in security measures. However, current intelligence regarding evolving threats must always be considered when making these decisions.

Again, you may want to consider only including 'portable' Category 3 sources in this effort. Most of the noteworthy devices in this group are somewhat portable. NRC should also require a 2-lock rule for all portable devices. Many licensees implement this procedurally, but it is not required. Non-portable Category 3 sources are usually fixed to a structure and unlikely to be stolen from a licensee without personnel noticing the theft.

Secondly, if bundling of Category 3 sources into a Category 2 configuration is the primary concern, NRC may again want to consider focusing on the prelicensing and licensing procedures for all licenses that potentially could aggregate Category 3 sources before millions of dollars in administrative and physical protective measures are spent by both industry for implementation and regulatory agencies for enforcement of such a rule. It appears that it will be more efficient to catch these problems during the initial licensing process rather than burying industry with more regulations.

2. *Some Category 3 sources are covered under a general license (10 CFR 31.5). Should the NRC consider establishing maximum quantities in general licensed devices, thereby reserving authorization to possess Category 1, 2, and 3 quantities of radioactive material to specific licensees?*

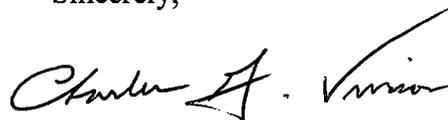
If this measure moves forward, the Agency believes that Category 3 sources will have to be specifically licensed especially to address situations involving collocation. The upside is many of the general licensees involved also have specific licenses which will ease the transition.

At a national level, NRC will have to consider the impact this will have on manufacturers for distributing product as well as the administrative burden for States/NRC to amend regulations and multiple sealed source and device evaluations. Devices currently in use will have to be reissued under specific licenses and all labels on existing devices will have to be changed. Additional training for these licensees may also be warranted.

As a final comment, Agreement States are very interested in the mechanism that will be used to implement oversight of Category 3 sources if it is deemed necessary. Rulemaking is obviously the preferred method over orders or legally binding amendments.

The Agency appreciates the opportunity to comment on this important document. If you have any questions, please feel free to contact me at (217) 785-9928 or via e-mail at [Gibb.Vinson@Illinois.gov](mailto:Gibb.Vinson@Illinois.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Charles G. Vinson". The signature is fluid and cursive, with a prominent initial "C" and a long, sweeping line extending from the end of the name.

Charles G. Vinson, Head  
Radioactive Materials Section  
Illinois Emergency Management Agency

cc: Jim Lynch  
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