



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

May 8, 2017

Ms. Shelby Oakley, Acting Director
Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Ms. Oakley:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am writing to describe the actions planned in response to the recommendations identified in the U.S. Government Accountability Office's (GAO) report entitled, "Radioactive Sources: Opportunities Exist for Federal Agencies to Strengthen Transportation Security" (GAO-17-58), published on February 7, 2017.

In the report, the GAO recommended the following:

Recommendation 1

The Chairman of the NRC take actions to collect information from licensees on the number of shipments and mode of transport for such risk-significant radioactive sources—for example, by identifying the extent to which an existing NRC database (e.g., National Source Tracking System (NSTS)) may be used to capture this information.

Recommendation 2

The Chairman of the NRC, in consultation with the Secretary of Transportation and the Secretary of Homeland Security, identify an approach to verify that motor carriers are meeting Title 10 of the *Code of Federal Regulations* (10 CFR) Part 37 security requirements applicable to transportation, for example by having the U.S. Department of Transportation (DOT) inspectors verify compliance with 10 CFR Part 37 security requirements during their on-site investigations.

Recommendation 3

The Secretary of Transportation, in consultation with the Chairman of the NRC and the Secretary of Homeland Security, consider examining the potential costs and security benefits associated with lowering the Highway Route Controlled Quantity (HRCQ) threshold so that more, or all, Category 1 shipments are classified as HRCQ shipments.

The NRC has the following responses to these GAO recommendations:

Response to Recommendation 1

The NRC disagrees with the first recommendation. The NRC believes that an understanding of the potential modes of transport for Categories 1 and 2 quantities of radioactive material is a necessary component for the basis of a robust regulatory structure for safety and security that is focused on providing protection commensurate with the risk associated with the material. However, the NRC disagrees that the specific number of shipments by mode of transport is always needed. Existing information collection requirements in NRC regulations, make available the number of shipments and mode of transport for NRC and Agreement State licensees shipping Category 1 quantities of radioactive material. During the rulemaking for 10 CFR Part 37, the NRC determined that the higher risk associated with Category 1 quantities of radioactive material warranted requiring information regarding shipment of this material in order to protect public health and safety. It was also determined that the collection of shipment information for Category 2 quantities of radioactive material was not necessary given the lower risk associated with this material.

Furthermore, the NSTS would not be an appropriate database to capture shipment information. As noted in the NRC's comments on the GAO report (Appendix III), NSTS provides an after-the-fact accounting function for Category 1 and 2 sources following their manufacture, transfer, receipt, disassembly, or disposal. NSTS is not designed to capture the type of real-time shipment information that GAO is recommending the NRC collect.

The NRC does not consider the proposed collection activity to be of sufficient benefit to justify the additional cost for capturing this shipment information nor would it significantly enhance the security of Category 2 quantities of radioactive material. The NRC meets its statutory goal of providing reasonable assurance for preventing the theft or diversion of materials by providing risk-informed and performance-based regulations that allow NRC licensees to develop safety and security programs that are tailored to their specific facilities and operations. These regulations reflect NRC staff technical expertise, as well as knowledge gained from outreach, research, and operational experience. The NRC leverages staff experience gained through interactions with Federal and State agencies (e.g., DOT, Department of Homeland Security and Agreement States) to understand the potential modes of transport and the prevalence of such shipments.

Therefore, the NRC does not believe that adopting this recommendation would result in significant improvements to safety or security.

Response to Recommendation 2

As noted in the NRC comments on the GAO report, the NRC agrees in general with the second recommendation to explore with Federal partners an approach to verify that motor carriers meet 10 CFR Part 37 transportation security requirements. The NRC commits to exploring how the respective agencies can verify that motor carriers are meeting the NRC's applicable Part 37 transportation security requirements.

Response to Recommendation 3

The NRC recognizes that HRCQ thresholds fall under the jurisdiction of DOT. The NRC commits to exploring with DOT the potential costs and security benefits associated with lowering the HRCQ threshold so that more if not all, of the shipments of Category 1 quantities of radioactive material may be classified as HRCQ shipments.

In conclusion, the NRC is confident that the security requirements in 10 CFR Part 37 are adequate to protect against theft, sabotage, or diversion of Category 1 and 2 quantities of radioactive material. The NRC continues to pursue potential enhancements to the licensing and inspection processes for radioactive materials to ensure their safe and secure use and that they will be used for their intended purpose. The NRC continuously collaborates with its Federal partners to pursue any appropriate enhancements to ensure the safety and security of these radioactive materials during transit.

If you have any questions regarding the NRC's planned actions in response to the recommendations, please contact Mr. John R. Jolicoeur by phone at 301-415-1642, or by e-mail at John.Jolicoeur@nrc.gov.

Sincerely,



Kristine L. Svinicki

Identical letters sent to:

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The Honorable Ron Johnson
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The Honorable Jason Chaffetz
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