

## REQUEST FOR ADDITIONAL INFORMATION

### SECTION 12: MATERIAL CONTROL AND ACCOUNTING

#### HONEYWELL LICENSE RENEWAL APPLICATION DATED FEBRUARY 8, 2017

##### Renewal of Source Materials License SUB-526 Honeywell International Inc. Metropolis Works, Metropolis, Illinois

Source material licensees are not subject to the material control and accounting (MC&A) requirements of Title 10 of the *Code of the Federal Regulations* (10 CFR) Part 74, "Material Control and Accounting of Special Nuclear Material." However, the MC&A requirements that apply to source material facilities are limited to the recordkeeping requirements in 10 CFR 40.61, "Records," and the reporting requirements in 10 CFR 40.64, "Reports."

#### RAI 12-1, 10 CFR 40.61 – Records

Provide a statement in the license renewal application (LRA) regarding how the recordkeeping requirements of 10 CFR 40.61 are met.

Paragraph 40.61 of 10 CFR contains specific recordkeeping requirements, including those related to MC&A documentation. Paragraph (a) of this section requires each licensee who receives source material to keep records showing the receipt, transfer, and disposal of licensed source material in accordance with the specified retention periods.

No statement was included in the LRA regarding the recordkeeping requirements for the receipt, transfer, and disposal of licensed source material. To ensure compliance with this recordkeeping requirement, the staff requests the licensee revise the LRA to include a statement regarding how the recordkeeping requirements of 10 CFR 40.61 are met.

#### RAI 12-2, License Condition LC-21

Revise Section 12.0 of the license renewal application to parallel the language of the current License Condition 21, or otherwise provide justification why it is reasonable to exclude the specific language regarding the Nuclear Material Transaction Report.

Paragraph 40.64(a) of 10 CFR requires, in part, that a licensee who imports or exports greater than 1 kilogram of source material complete a Nuclear Material Transaction Report (DOE/NRC Form 741) within 10 days after the material is received. During the previous license renewal in 2007, the licensee was granted an exemption to this requirement, and the NRC provided relief by imposing License Condition 21. Currently, License Condition 21 states that the licensee "shall, within 10 days of receipt of source material, report to the Nuclear Material Management Safeguards System's (NMMSS) database, the shipper's values of the natural uranium. Shipper's values shall be reported (Blocks 1 through 27s of DOE/NRC Form 741) as required in Section 2.1.1 of NUREG/BR-0006. The final quantity determination, as agreed upon with the supplier, shall be reported to the NMMSS database within 10 days of the date on which the agreement is finalized."

Section 12.0, "Material Control and Accounting," contains language similar to License Condition 21, but excludes specific details regarding the Nuclear Material Transaction Report. To ensure that the LRA contains an adequate description of the licensee's activities regarding the exemption to the ten day reporting requirement of 10 CFR 40.64(a), the staff requests that the applicant revise Section 12.0 to parallel the language of the current License Condition 21, or otherwise provide justification to why it is reasonable to exclude the specific language regarding the Nuclear Material Transaction Report.