



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

October 21, 1998

MEMORANDUM TO: Chairman Jackson  
Commissioner Diaz  
Commissioner McGaffigan

FROM: William D. Travers   
Executive Director for Operations

SUBJECT: INTERNATIONAL REGULATIONS FOR THE SAFE TRANSPORT OF  
RADIOACTIVE MATERIAL

The International Atomic Energy Agency's (IAEA's) *Regulations for the Safe Transport of Radioactive Material* form the basis for the domestic transport regulations for most of the world's major industrial countries, including those of the United States (U.S.). As such, the U.S. Department of Transportation (DOT) and the U.S. Nuclear Regulatory Commission (NRC) have a significant stake in the outcome of IAEA's regulatory process. This memorandum is to inform the Commission of an upcoming IAEA meeting on regulatory reform for transportation regulations and to report on the progress of NRC's and DOT's on-going initiatives to revise IAEA's regulatory process.

On October 19, 1998, IAEA will convene a technical committee meeting (TCM) on improving the regulatory process for revising international transportation regulations. Among the items to be discussed at the TCM are proposed revisions to the regulatory process, including scheduling, administrative procedures, the roles of Member States and IAEA organizations, and the use of risk-informed decisions and cost-benefit analysis in the regulatory decision process. As with previous meetings of this nature, DOT has requested, under its Memorandum of Understanding with NRC, that NRC provide technical assistance at the TCM. Accordingly, the U.S. Delegation will consist of: 1) Richard W. Boyle, Chief, Radioactive Materials Branch, Office of Hazardous Materials Technology, DOT; and 2) Earl P. Easton, Section Chief, Transportation and Storage Safety Section, Transportation and Storage Directorate, Spent Fuel Project Office, Office of Nuclear Material Safety and Safeguards, NRC.

At the TCM, the U.S. Delegation will continue to press for further consideration of its two proposals to revise the IAEA regulatory process (Attachment 1). These proposals are aimed at fundamentally changing the IAEA regulatory process by: 1) establishing clear and precise guidelines, procedures, and schedules for submitting and considering regulatory changes; and 2) formalizing the use of risk-informed decisions and cost-benefit analysis in developing and adopting transportation regulations. The proposals from the U.S. are based on our view that the current IAEA revision process is too long (10 years); that risk and cost-benefits are not adequately considered in IAEA's regulatory process (Attachment 2); and that U.S. stakeholder

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**The Commissioners****2**

concerns are not adequately considered in the IAEA process. The U.S. partially addressed the latter concern in 1995 by adopting a policy of holding public stakeholder meetings before every IAEA TCM where proposed regulations were under consideration. However, we believe more could be done to assure stakeholder input at a much earlier stage in the international rulemaking process.

To date, international reaction to our proposals to revise the IAEA regulatory process has been mixed. Although substantial progress has been made toward developing guidelines, procedures, and schedules for submitting and considering regulatory changes, the use of risk-informed decisions, and cost-benefit analysis as major components in the regulatory process have not been universally accepted. For example, at the June 1997 TCM on regulatory reform, a minority of Member States recommended that a group of experts be convened to study the use of safety goals and cost-benefit analysis for transportation regulations. The remaining Member States, although not opposed, were not convinced of the merits of adopting the proposed approach. However, most Member States have accepted the concept that additional guidelines are needed for developing, justifying, and adopting specific regulatory provisions.

The U.S. delegation also plans to use the October 1998 TCM to generate additional support for its regulatory reform goals by meeting with individual Member States. In particular, we plan to discuss the implications of risk-informed decisions with the French, British, and German delegations, particularly in the context of recent spent fuel cask contamination incidents, and the proposed approval of large components, such as the Trojan Reactor Vessel, for shipment. It should be noted that the U.S. delegation does not intend to submit a specific proposal to revise cask contamination limits at this TCM. If, at some later time, the U.S. decides to submit such a proposal, it would be done in accordance with the current U.S. proposals for regulatory reform, (i.e., after completion of a cost-benefit analysis and risk study).

Staff would like to emphasize that changing the IAEA regulatory approach for transportation regulation is a long and complex process, and that it is important for representatives from NRC and DOT to consistently reiterate the U.S. position and seriousness of U.S. intent when dealing with our international counterparts. It is also important that NRC representatives on IAEA's Advisory Committee on Safety Standards and Transport Safety Standards Advisory Committee express strong support for U.S. proposals.

Finally, the staff will keep the Commission informed on the progress of current U.S. initiatives on IAEA regulatory reform.

**Attachments:**

1. Ltr to IAEA dtd 9/19/96
2. Ltr to IAEA dtd 5/31/96

cc: **SECY**  
**CIO**  
**CFO**  
**OGC**  
**OCA**  
**OPA**

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