



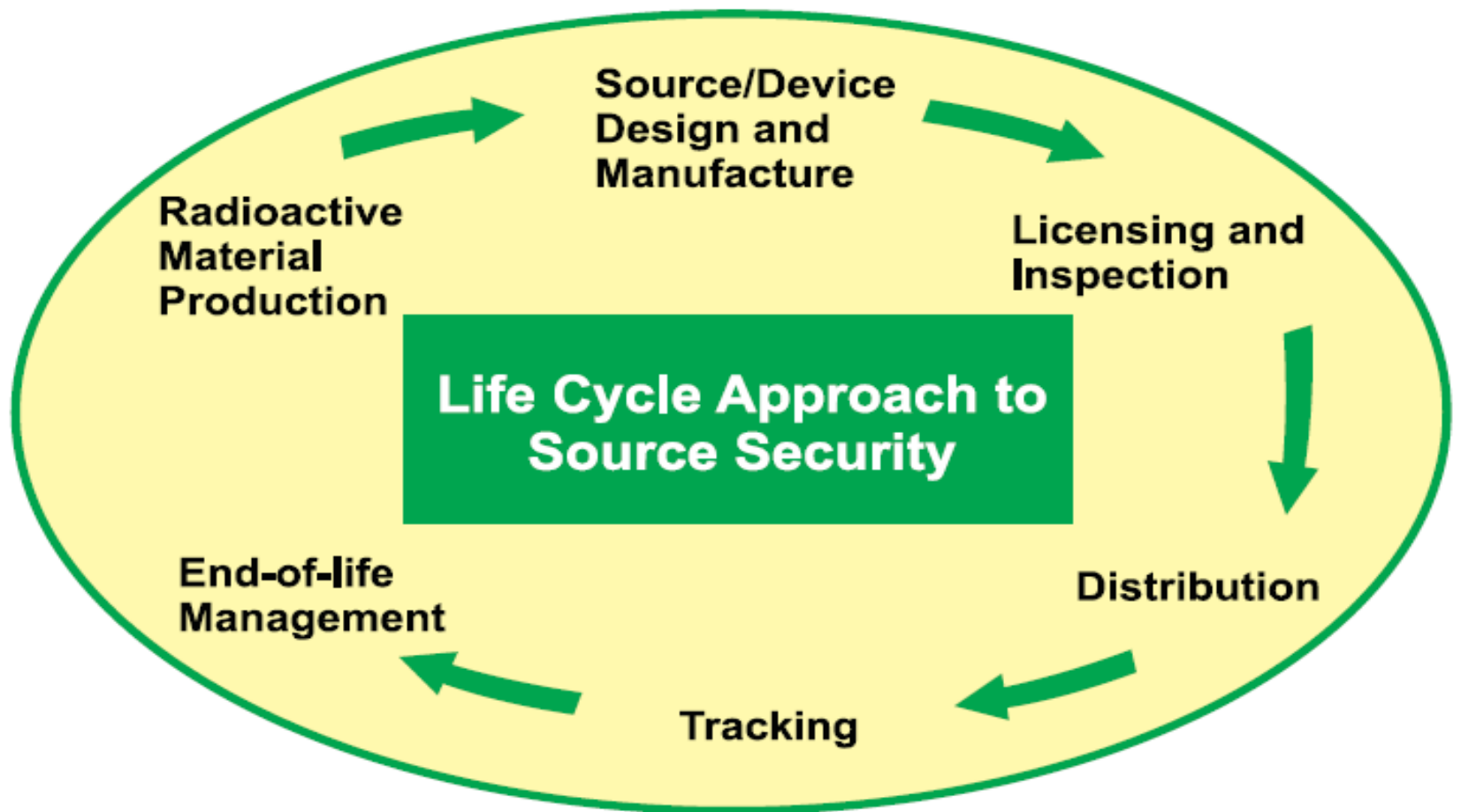
Briefing on Materials Licensing and Security

April 30, 2008

Office of Federal and State Materials and
Environmental Management Programs
and
Office of Nuclear Security and Incident
Response

Overview

- Security and Control Program
- GAO Investigation & Action Plan
- National Source Tracking System
- Web-Based Licensing



Security and Control Program

Materials Security Pre-9/11

- Security Considered in Safety Programs
- Not Focused on Malevolent Acts
- Recognized Need to Improve Control of Risk-Significant Sources
- IAEA Code of Conduct under revision

Material Security Post-9/11

- Applied a risk-informed graded approach to significantly enhance materials security
- Issued Orders: Large Irradiators, Manufacturers/Distributors, Transportation, Increased Controls, and Fingerprinting
- Fingerprinting Order for non-M&D Service Providers

Interagency Coordination

- Radiation Source Security and Protection Task Force
- Nuclear Government Coordinating Council
- NRC/DHS/NNSA Trilateral Activities

Radiation Source Security and Protection Task Force

- Chaired by NRC with Federal and State participation
- Evaluate the security of radiation sources
- Primary vehicle for advancing issues across the government

Radiation Sources Subgroup

- Develop a definition of what constitutes a significant RDD/RED and report to the task force by May 2008
- Re-evaluate lists of isotopes and threshold values that warrant enhanced security and protection and report to the task force by November 2008

Cesium Chloride Subgroup

- Conduct a study to assess the feasibility of phasing out the use of CsCl
- Final Report - estimated August 2008

Alternative Technologies Subgroup

- To evaluate the alternatives for Category 1 and 2 sources
- Requested task force approval to submit Final Report - Spring 2009

National Academies Study on Source Use and Replacement

- The National Academies recommendations to enhance the safety and security of radiation sources are welcomed
- These recommendations will serve as an important point and are being considered along with others from a number of different sources

National Academies Study on Source Use and Replacement (Continued)

- Replacement of radiation sources with alternatives should be implemented with caution, ensuring that the essential functions that radiation sources perform are preserved.

Related Security Rulemakings

- Physical security of sealed sources
- GL Rulemaking
- Transportation Security
- Fingerprinting/Access Authorization

Increased Controls

- Increased Controls – Issued 11/05
Enhance control of material to prevent unauthorized access for malevolent use of material or mitigate consequences
- Implementation Status
- Program Review

Fingerprinting for Increased Controls

- Fingerprinting – Issued 12/07
Fingerprinting is designed to assist in the determination of the trustworthiness and reliability of an individual prior to being granted unescorted access to radioactive material
- Implementation Status

GAO Action Plan Status

2007 GAO Investigation

- Applied for and Obtained NRC License
- Altered NRC License
- Contacted Suppliers to Sell Material
- Parallel Attempt to Obtain Agreement State License Aborted When Notified of Site Visit

Action Plan Overview

- Immediate Actions
- Independent External Review Panel
- Pre-Licensing Working Group
- Materials Program Working Group
- NSTS and WBL
- GL Rulemaking

Independent External Review Panel

- Report issued March 11, 2008
- Commission Briefing
March 18, 2008
- Findings
- Staff actions

Pre-Licensing Working Group

- NRC and Agreement State Co-Chairs
- Issued revised pre-licensing guidance on January 15, 2008 to determine the legitimacy of applicants and uses
- Being implemented by all regions and states

Materials Program Working Group

- NRC and Agreement State Co-Chairs
- Three Objectives
 - Short Term Solutions
 - Evaluate Independent Panel Recommendations
 - Review of Materials Program
- Pending policy issue on transfers

STATUS OF NATIONAL SOURCE TRACKING SYSTEM

National Source Tracking System

- System tracks transactions of Category 1 and 2 sealed sources among NRC and Agreement State licensees; includes DOE sources
- Designed and developed in conjunction with stakeholders

National Source Tracking System Status

- Development completed; testing underway
- Contractor has begun setup of hosting environment
- Initial Deployment 12/2008
- Licensees begin using 1/31/09
- MPKI

Next Steps

- Rulemaking to expand NSTS
- NSTS-Web-Based Licensing Interface
- Procedures for access to information
- Interim Inventory

Status of Web-Based Licensing

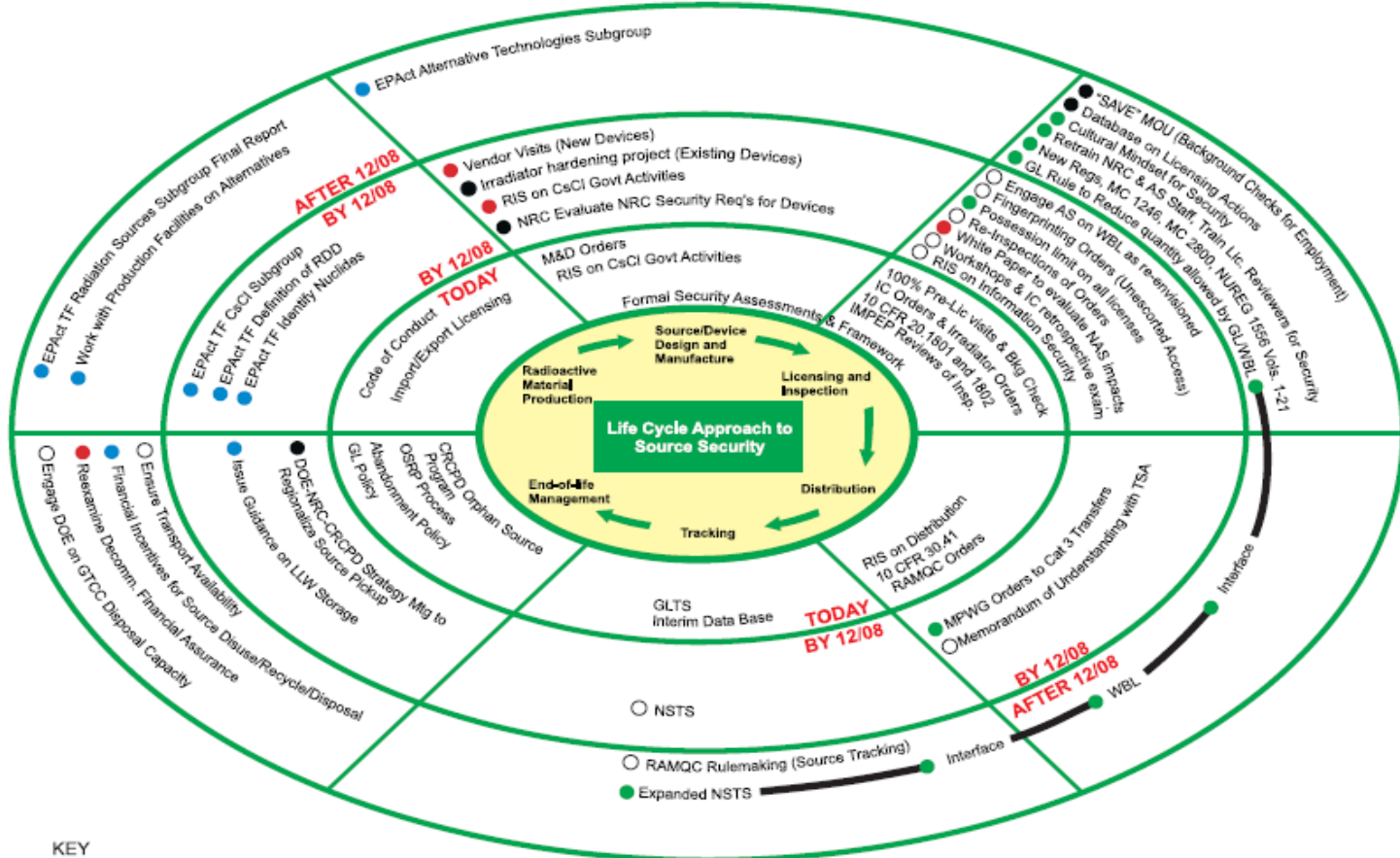
Web-Based Licensing

- Replacement of License Tracking System used for Materials Licensing
- WBL development in coordination with Agreement States – Working Group
- Proceeding with procurement

Automated License Verification Service

- The purpose is to establish automated verification checks using WBL and NSTS data
- Responsive to both GAO and IERP Recommendations
- Development in FY10

Vision and Future of the Materials Security Arena



- KEY**
- Energy Policy Act Task Force
 - Government Accountability Office/Senate Follow-up
 - National Academies of Sciences/DSB
 - Government Coordinating Committee/DHS & Trilaterals
 - NRC - INITIATED

Acronyms

- CsCl – Cesium Chloride
- DNDO - Domestic Nuclear Detection Office
- DOE – Department of Energy
- DHS – Department of Homeland Security
- GAO – Government Accountability Office

Acronyms

- GL – General License
- IAEA – International Atomic Energy Agency
- IERP – Independent External Review Panel
- M&D – Manufacturer and Distributor
- MPKI – Managed Public Key Infrastructure

Acronyms

- NNSA – National Nuclear Security Administration
- NRC – Nuclear Regulatory Commission
- NSTS – National Source Tracking Systems
- RDD – Radiological Dispersal Device

Acronyms

- RED – Radiological Exposure Device
- WBL – Web-Based Licensing