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DRAFT (1-12-18)

COMMITTEE ON TRANSPORTATION

Tuesday, December 5, 2017 : 0830 - 1000

Offices of Reed Smith, 1301 K Street, NW

Washington, DC, East Tower

Dial-In Number: 1-800-730-9938; Access Code: 4149241

- I. Welcome**
The Committee was called to order by Co-Chairman John Miller / Greg Fulford
- II. Antitrust Guidance from Counsel**
Andy Bernasconi, Reed Smith, CORAR Antitrust Counsel, addressed the members of the committee and reminded them of CORAR's antitrust policy, their obligations as CORAR Members, and the potential repercussions to them, the association and their companies in the event of non-compliance. Counsel remained with the committee through the committee's deliberations.
- III. Approval of the Minutes from the May 2, 2017 Meeting**
A motion of approval was made by a Member of the Committee and the minutes of the May 2, 2017 Transportation Committee meeting were approved as written.
- IV. 2017 Transportation Committee Co-Chair Election Results (M. Guastella)**
Mr. Guastella noted to the group that Greg Fulford from Nordion is confirmed as Co-Chair of the Transportation Committee. Greg will now serve a full two-year term as a Co-Chair beginning on January 1, 2018.
- V. Federal Regulatory/Legislative Update (J. Massie)**
Mr. Massie noted that under Trump there has been a focus on reconsidering the regulations that have been put in place by the Obama administration. To date, congress has been more focused on FAA and immigration regulations than they have with Homeland Security. Most of the issues that CORAR is interested in have not been touched this year. This remains a possibility into next year. Things have been quiet on the regulatory side as the Trump administration continues to staff up. We expect that Transport and DHS should have their staff in place by year end.
- VI. Pending/Ongoing Projects**
 - 1. IAEA Activities:**
 - a. TRANSSC Update incl. SSR-6 (John Miller)**

John Miller provided an update on the status of SSR-6 and TRANSSC activities: A technical meeting was held from January 30 – Feb 3 on the revision to SSR-6 where additional comments to the revision were introduced.

TRANSSC 34 was held from July 12-13 additional revisions to SSR-6 were addressed and a revised draft was issued on July 21, 2017.

TRANSSC 35 will be held from December 11 -15. There will be 4 working groups, 3 of interest to CORAR. 20% dose rate increase during NCT, Interface between Security and Safety as well as the A1/A2 working group. The A1/A2 revision still appears to be a year out. The 20% increase in dose rate issue is a moving target. The proposed revision was accepted, then member state comments from Japan raised the issue of a lack of technical justification so the proposal was removed. The working group during TRANSSC 35 may be tasked with developing technical justification to re-insert the proposed change to the 20% dose rate increase.

As far as publication, SSR-6 20xx is in the final stages of the process with target publication date of Q2 2018. SSG-26 Guidance document is targeted for publication in Q2 2018 as well.

b. NSS No.9 (John Miller)

NSS No 9, Security of Radioactive Material in Transport) is in the last step of the publication process before the document is issued for publication. Expect this Q1/Q2 2018. No expected changes to the US and Canadian transport regulations for category 1 and 2 quantities as a result of the revised NSS No. 9.

c. Nuclear Security Guidance Committee (NSGS) (John Miller)

NSGS meeting held November 27-1 Nothing new to report on the NSGC

d. International Conference on Nuclear Security (Dec. 2016) (Greg Fulford)

There is nothing new to report on this topic. The meeting was held the week of December 5, 2016 at IAEA. As previously discussed Paul Gray attended this meeting and participated in a Panel discussion entitled “Exchanging experience, knowledge and good practices on the use and security of high activity radioactive sources and the exploration of nuclear and radioactive alternative technologies.” Details of the Conference are available on the IAEA site.

e) IAEA Code of Conduct Meeting; 2017 June 26 - 29 (Greg Fulford)

The International Atomic Energy Agency (IAEA) held an Open-ended Meeting of Legal and Technical Experts on the Implementation of the Code of Conduct focusing on financial provisions for returning sources on the Safety and Security of Radioactive Sources, at its Headquarters in Vienna, Austria, from 27 to 29 June 2017.

During the meeting certain member states seemed to expect the IAEA and the richer member states to fund activities around source repatriation. The IAEA pushed back strongly on this idea.

The following observations were made;

- Considerable progress has been made by both States and users in assuring that the safe and secure management of disused sources is addressed.
- the scope and definition of application of financial provisions need to be clarified by States prior to the selection and establishment of a financial provision requirement
- Continuous engagement between regulatory bodies with licensees and industry is essential to ensure appropriate cooperation.
- many States continue to face challenges in obtaining the necessary technical and legal expertise for identifying, evaluating, and implementing financial provisions
- further guidance on State and regulatory body responsibilities as well as management options for disused sources is needed

Recommendations coming from the meeting included;

- the Agency is encouraged to consider ways in which an annotated listing of existing financial assurance mechanisms, including a set of considerations and factors to enable States to make an appropriate selection, could be established
- When a 'return to supplier' agreement is the selected option for management of a disused source, States should consider requiring that users, in any agreement with the supplier, include provisions for the initial estimation and allocation of costs of return
- in cases where arrangements for management of disused sources were not made, or where prior arrangements can no longer be implemented, the State in which the disused sources are located should consider the need to assume financial responsibility for the management of such sources in their national strategy

Following the meeting, the IAEA Board of Governors approved the draft Guidance on the Management of Disused Radioactive Sources. They requested the Director General to transmit it to the General Conference with a recommendation that the Conference endorse it and encourage its wide implementation; and to issue it as guidance supplementary to the Code of Conduct.

f) 3rd Ad hoc Mtg. of Stakeholder States re: AT (2017 June 30) (Greg Fulford)
The Ad hoc Group of Stakeholder States Involved with Technological Alternatives to High-Activity Radioactive Sources (Group) met, as a side meeting to the Code of Conduct, to share information on States' implementation of the Code of Conduct on the safety and security of radioactive sources and its supplementary guidance on the import and export of radioactive sources (CoC meeting). This meeting was attended by over 50 participants from around the world.

The group published their terms of reference which included the following goal; Recognizing previous international developments on alternative technologies (alternatives) including the Joint Statement on the Security of High Activity Radioactive Sources, the goal of this group is to exchange views and ideas on the use and consideration of alternatives to high-activity sealed radioactive sources. The group will establish a document(s) to: capture specific considerations for the

use of alternatives; outline goals and activities dedicated to improving international cooperation on the adoption; and, where appropriate, consider the promotion of alternatives to high-activity sealed radioactive sources among States and other stakeholders represented.

There were several presentations by the IAEA as well as DITTA, the Diagnostic Imaging and Radiation Therapy Trade Association, New York City Department of Health (NYC-DOH) and Mt. Sinai Medical Hospital on their experience with alternative technologies.

There were breakout sessions discussing evaluation tools, involvement and role of stakeholders as well as obstacles in transitioning to alternative technologies.

This group plans to meet again in 2018.

Ira Goldman noted that at the recent DOHA meeting there was an emphasis on alternative technologies. There was a panel discussion on alternative technologies as well as a National Threat Institute (NTI) talk on replacement of Cs-137 blood irradiators and potential replacement for Co-60.

Craig Piercy pointed out that there continues to be a focus on AT. The GAO will be coming out with a report that will discuss AT. He also noted that NNSA was now targeting well logging and radiography devices.

g) Future meetings anticipated prior to May 2018 CORAR Meeting (John Miller)

- TRANSSC-35 – December 11-15: discussed above.
- TRANSSC-36 – June 4-8
- TM on Security of Nuclear and other Radioactive Material in Transport – July 9-13, 2018

Upcoming meetings that may be of interest to CORAR members:

- HPS 51st Mid-Year Meeting, February 4-7 2018, Denver CO.
- NCRP 2018 Annual Meeting, *Radiation Responsibility in Medical Imaging*, March 5-6 2018, Bethesda MD.
- IRPA 2018 5th European IRPA Congress, 4 - 8 June 2018, The Hague, The Netherlands - Encouraging Sustainability in Radiation Protection. Topical areas in Safety and Security of Radioactive Sources

2. NNSA:

a. Alternative Technology Working Group/ NNSA / ORS Activities (Greg Fulford)

NNSA was questioned in the last few months about status with respect to whether or not the ATWG report is being worked on and whether it would be completed. They have confirmed that it will be completed, however not until mid-2018. The ATWG had a few meetings early in 2017 in which they set an aggressive schedule to get each of the Chapters' completed. There have not been any meeting in the

latter part of 2017. NNSA is going through a 3 step review process with the SMEs (who contributed to the initial meetings by giving presentations on their industries' specific sealed source use), being asked to review, comment and amend "their" specific Chapter. None of these targets were met and there has been no substantial change in moving towards completion of the report.

3. Source Security Working Group (SSWG) (Craig Piercy)

Mr. Piercy reported that it is our understanding that NNSA has sought to continue the interagency group on alternatives to radioactive sources (GARS). While no additional reports are expected, the SSWG will continue to monitor it and engage DOE to prevent or mitigate any adverse actions that might take.

SSWG also continues to monitor the DHS Alternative Technologies for Radioactive Sources Working Group as they continue to complete the chapters of their report. We have not seen much movement in the last few months.

SSWG continues to engage with the appropriate officials in the Government Accountability Office (GAO) to ensure they have the necessary information and contact as they begin to prepare their report to Congress on radioactive source security, as mandated by the FY 2015 energy and water development appropriations legislation.

Finally, SSWG is collaborating with the House Science Committee to explore the possibility of a hearing on the beneficial uses of radioactive sources.

4. NRC / GAO Reports re: Security of Sources / Part 37 (Greg Fulford)

In August, 2017, NRC staff drafted a report to the NRC Commissioners regarding the Re-evaluation of Category 3 Source Security and Accountability. This paper provides the results of the NRC staff's re-evaluation of Category 3 source security and accountability. This paper describes options developed by the Category 3 Source Security and Accountability Working Group (C3WG) and the U.S. Nuclear Regulatory Commission (NRC) staff's assessment of those options.

Four concerns were raised and assessed:

- 1. The ability to obtain a valid license using a fictitious company or by providing false information;*
- 2. The ability to alter a valid license to obtain more or different radioactive material than authorized or to counterfeit a license to obtain radioactive materials illicitly;*
- 3. The ability to accumulate or aggregate Category 3 sources to a Category 2 quantity of radioactive material requiring enhanced security; and*
- 4. The limited accountability, lack of pre-licensing evaluations, and lack of routine oversight of Category 3 sources contained within generally licensed devices.*

Recommendations were made for each concern;

1. the rulemaking and non-rulemaking-related recommendations made by the Pre-licensing working group adequately address the concern and should be pursued.
2. the results of the threat assessment, vulnerability evaluation, and consequence analysis, as well as the review of actual reported incidents do not provide a basis to require license verification through LVS or the regulatory authority for

Category 3 quantities of radioactive material, or to require license authentication for all quantities of material.

3. the NRC staff concluded that there is no threat, vulnerability, or consequence information that would justify the costs associated with the inclusion of Category 3 sources in the NSTS
4. the NRC staff determined that changes to the provisions of the General License (GL) program were not warranted on the basis of security and accountability at this time; however, further evaluation of the existing GL program will be conducted by the NRC staff to ensure that it continues to provide protection of public health and safety in the current environment.

In conclusion NRC is recommending rulemaking to require safety and security equipment to be in place before granting a license for an unknown entity and also to clarify license verification methods for transfers involving quantities of radioactive material that are below Category 2 thresholds

NRC is recommending not to direct staff to amend regulations to: (a) require license verification through LVS or regulatory authorities for transfers of Category 3 quantities of radioactive material; (b) require inclusion of Category 3 sources in NSTS; (c) impose security requirements to prevent aggregation of Category 3 sources to a Category 2 quantity of radioactive material; or (d) limit the quantity of byproduct material in a generally licensed device to ensure the security of radioactive materials..

5. NSTS – Update on International Isotopes exemption request to the definition of a Nationally tracked sources (John Miller)

Exemption request submitted July 2017 to NRC Region IV. Region IV consulted with NRC HQ, expected to have a response by November 15th (per NRC HQ) but have not received a response as of yet. The requested exemption added additional exceptions to the definition of Nationally Tracked Source, as described.

Current definition:

Nationally tracked source is a sealed source containing a quantity equal to or greater than Category 1 or Category 2 levels of any radioactive material listed in Appendix E of this part. In this context, a sealed source is defined as radioactive material that is sealed in a capsule or closely bonded, in a solid form and which is not exempt from regulatory control. It does not mean material encapsulated solely for disposal, or nuclear material contained in any fuel assembly, subassembly, fuel rod, or fuel pellet. Category 1 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 1 threshold. Category 2 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 2 threshold but less than the Category 1 threshold.

Requested definition is:

Nationally tracked source is a sealed source containing a quantity equal to or greater than Category 1 or Category 2 levels of any radioactive material listed in Appendix E of this part. In this context, a sealed source is defined as radioactive material that is sealed in a capsule or closely bonded, in a solid form, which is not exempt from regulatory control. It does not mean material encapsulated solely for disposal, or nuclear material contained in any fuel assembly, subassembly, fuel rod, or fuel pellet, irradiation targets containing radioactive materials, bulk radioactive material shipping and/or storage capsules received

and utilized by source manufacturers, sealed capsules in the production process, and pellets, slugs or discs of radioactive material to be used in the manufacturer of sealed sources. Category 1 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 1 threshold. Category 2 nationally tracked sources are those containing radioactive material at a quantity equal to or greater than the Category 2 threshold but less than the Category 1 threshold.

VII. Additional Business

- 1. CORAR – AIPES :** (Greg Fulford)
Greg has reached out to Rob Dekkers who is the co-chair of the AIPES transport committee. We are trying to schedule a conference call for the respective company co-chairs.
- 2. Communications To Members** (Jim Massie)
 - a. Federal Register Notice on Category 3 source tracking
 - b. President Trump's budget outline
- 3. Other Outstanding / New Business**

VIII. VII. Adjournment

The committee adjourned at 9:45 am.

IX. VIII. Next Meeting – May XX, 2017