



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

(FSME-10-022, March, Program, NUREG-1556)

March 22, 2010

ALL AGREEMENT STATES, MICHIGAN

OPPORTUNITY TO PROVIDE INPUT ON THE JOINT NRC/AGREEMENT STATE WORKING GROUP NUREG-1556 SERIES UPDATE PROJECT PROPOSED CHARTER (FSME-10-022)

Purpose: To provide an opportunity for Agreement States to review and comment on the proposed joint NRC/Agreement State working group charter for the NUREG-1556 Series update project. This is an opportunity to provide input* on the proposed charter.

Background: The 21 volume set of the NUREG-1556 provides detailed guidance for reviewing and obtaining materials licenses. Most of the NUREG-1556 volumes were initially published between 1997 and 2000. Only a few of the volumes have ever been revised. The documents are widely used by NRC staff, Agreement States, applicants, and licensees. In 2007, the Government Accountability Office exposed vulnerabilities in the licensing program. Staff developed an action plan to address needed changes. Working groups were established to implement the action plan, offer recommendations, and identify long term and short term strategies. The Materials Program Working Group (MPWG) and Independent External Review Panel (IERP) made several recommendations concerning the use of the good faith presumption concept in the licensing process; lack of security in licensing guidance; adoption of a security mindset by licensing and inspection staff, and process improvements for licensing and inspection training.

Discussion: As part of the NRC's routine review of its licensing guidance, in addition to recommended changes from the Materials Program Working Group and Independent External Review Panel, NUREG-1556 Series is being updated to remove exploitable information, incorporate security, and include regulatory and policy changes.

This letter encloses a copy of the proposed charter. If you wish to make detailed written comments, please send them to the point of contact listed below. We are **requesting a written response within 30 days of this letter**. We look forward to receiving your input.

*This information request has been approved by OMB 3150-0029, expiration 08/31/2010. The estimated burden per response to comply with this voluntary collection is approximately 8 hours. Send comments regarding the burden estimate to the Records and FOIA/Privacy Services Branch (T-5F52), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by Internet e-mail to infocollects@nrc.gov, and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202 (3150-0029), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

NRC Point of Contact: If you have any questions on this correspondence, please contact me at 301-415-3340 or the individual named below.

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Enclosures:
Proposed Charter

Joint NRC/Agreement State Working Group

NUREG–1556 Series Update Project

PROPOSED CHARTER

PURPOSE

To update licensing guidance provided in the NUREG–1556 Series by (1) incorporating requirements for the security of licensed material, (2) removing information that warrants protection from the guidance, and (3) updating the guidance to reflect regulatory and procedural changes that have occurred since the documents were last published.

BACKGROUND

In response to the vulnerabilities to the U.S. Nuclear Regulatory (NRC) licensing program, described in SECY-07-0147 “Response to U.S. Government Accountability Office Recommendations and Other Recommendations to Address Security Issues in the U.S. Nuclear Regulatory Commission Materials Program,” NRC staff took immediate actions and implemented a pre-licensing evaluation process including onsite visits. In addition, staff developed an action plan to address needed changes in the NRC’s radioactive materials licensing process. In the SRM dated September 18, 2007, the Commission approved the action plan. Working groups were established to implement the action plan, offer recommendations, and identify long term and short term strategies. The Materials Program Working Group (MPWG) and Independent External Review Panel (IERP) made several recommendations concerning the use of the good faith presumption concept in the licensing process; lack of security in licensing guidance; adoption of a security mindset by licensing and inspection staff, and process improvements for licensing and inspection training.

The NUREG–1556 Series provides detailed guidance to the applicants for obtaining materials licenses and to staff for reviewing the license applications. Most of NUREG–1556 volumes were initially published between 1997 and 2000. Only a few of the volumes have since been revised. The 21 volume set provides guidance for different types of radioactive materials licenses. The documents are used extensively by NRC staff, Agreement States, applicants, and licensees.

MEMBERSHIP

The Working Group (WG) will operate under NRC Management Directive 5.3 “Agreement State Participation in Working Groups.” For the project, three teams—administrative, technical, and steering committee—will support the effort as the WG. The administrative team and steering committee will serve for the duration of the project for all 21 volumes. A technical team will be selected for each volume of NUREG–1556. The technical team component of the WG will change from volume to volume. The technical team possesses subject matter expertise for the

type of license described in the particular volume of NUREG–1556. The administrative and steering committee ideally will not change over the course of the project for purposes of continuity and quality of documents. The periodic refresh of the charter provides the opportunity to update the administrative team and steering committee membership.

The steering committee will be co-chaired by NRC staff and an Agreement State representative. The WG will report to a Management Advisor. WG team membership and responsibilities are depicted in the following table.

Working Group

Team	Members	Responsibilities	Application
Administrative Team	HQ, Regional Offices, Staff with expertise on various general sections (1 team for the project)	Update the document boilerplate. Review and update NUREG sections covering general information that repeats in each NUREG volume. The review and update of general sections should only need to be conducted once during the life cycle of this project. Review for exploitable information.	All volumes General info might include: NARM rule, SUNSI, Forms, DOT, References, Waste, application filing, fees, management responsibility etc
Technical Team(s)	Subject matter experts. 4 members from Regional Office, AS, and/or HQ. (1 team for each volume)	Review and update technical content of NUREG–1556. A dedicated technical content team will be established for each NUREG volume. Review for exploitable information. Review the boilerplate for license type specific content.	Volume specific Technical information, model procedures, regulatory/rulemaking changes
Steering Committee	7 branch chief management level members from Regional Offices, OGC, HQ, AS NRC and AS staff to co-chair (1 team for the project)	As defined in Management Directive 5.3 Additionally, review content submitted by Technical and Administrative content teams. Review conducted prior to release of the draft and final documents. The steering committee does not concur on final document. Review for exploitable information.	All volumes Overall document cohesion, guidance fosters safety and security culture, exploitable information removed.

MEMBERSHIP cont.

Additional resource representatives from the Office of Administration (ADM), International Programs (IP), Office of Information Services (OIS), Office of Nuclear Materials Safety and Safeguards (NMSS), Office of Federal and State Materials Environmental Management Programs (FSME), and Office of General Counsel (OGC) may be invited to participate in certain team activities requiring special expertise. ADM will support with technical editing. FSME will provide intermittent administrative support.

MSSA will name a responsible project manager to act as a liaison to all teams.

MSSA will name a Management Advisor to whom the WG will report.

WG participant representation is as follows. The final charter shall identify the participants of the administrative team and steering committee and the management advisor.

Management Advisor:
FSME

Administrative Team:
FSME x 4
RI

Steering committee:
NRC Co-Chair
AS Co-Chair
OGC
RI
RIII
RIV
FSME

Technical Team, Volume "X"
3 NRC members from FSME and/or Regions
1 AS member

OBJECTIVES

The WG collectively will be responsible for developing the draft and final volume publications. The teams within the WG may establish respective work plans and meeting schedules to meet the overall project objectives and timelines.

The WG has three core objectives based on recommendations from the MPWG and IERP. The volumes will be revised to (1) suspend the good faith presumption in licensing by identifying and removing information that may be used by an adversary to exploit the licensing process, (2) foster a security culture, and (3) update the documents for typographical errors, inconsistencies from one volume to the next, and outdated regulatory policy and language.

OBJECTIVES cont.

1. Remove exploitable information.

The licensing process has been very open. As such license applications are processed in good faith that a license is obtained for legitimate purposes. The concept of the good faith presumption is an identified concern. The NUREG-1556 project is an opportunity for the technical, administrative and steering committees to evaluate and remove (without impeding the licensing process) information in guidance such as step by procedures and boilerplate commitments that could be used for malevolent purposes.

2. Incorporate security.

To foster security in the licensing process, guidance needs at a minimum to address security program and procedures, credible performance by a licensee, license possession limits, protection of sensitive information, assurance that licensed material will only be used as authorized, and signature authority.

3. Update documents.

Regulatory changes have been enacted that impact all volumes. As a result, users of the NUREG-1556 documents find other resources to assure licensing actions are handled with current information. Use of outdated information and using multiple resources for licensing actions makes the licensing process inefficient. In the effort to update content, the WG should use topical reference material including but not limited to rulemaking, regulatory guides, MPWG action matrix, pre-licensing guidance, Technical Assistance Request (TAR) responses, generic communications (IN's and RIS's), and document errors and inconsistencies previously noted.

SCHEDULES

All 21 volumes of NUREG-1556 are planned to be reviewed and updated as appropriate according to the objectives over 3 years. (Start date: April, 2010. Finish date: June, 2013). A 12 month document update cycle is allotted for each volume. Document review cycles will overlap. The target start and completion dates for each volume are noted in Appendix A.

This charter will be refreshed periodically at which time WG assignments and volume ranking may be re-issued. NUREG-1556 volumes updated in concert with rulemaking initiatives may follow an augmented process.

LEVEL OF EFFORT

The WG should expect to provide a substantial commitment to this project until objectives are completed. The technical team and steering committee are expected to conduct their updates and reviews in the first three months of a volume's revision cycle. The technical team for each volume should expect to confer biweekly during the first 3 months and meet 2-3 times in person throughout the entire iterative review process for a particular NUREG. The administrative team should expect to confer biweekly for the first two volumes in process and infrequently thereafter. The steering committee should expect to receive two NUREG-1556 volumes every 3 months with an allotted review period of 6 weeks.

The overview of the document revision process is described in Appendix B.

All work associated with the NUREG-1556 project, i.e. meetings, topic research, reviews, and revisions should be charge to TAC JA0304 (Revision to NUREG-1556 in Support of the GAO).

The agency materials program budget contains 7.2 FTE in 2010 and 4.7 FTE in 2011 for all work under the GAO Action Plan. Budget allocations for 2012 are under development. It is estimated that each volume will commit 1.0 FTE. In consideration of the planned revision schedule and approach for conducting the document update, the materials program FTE estimated for multiple NUREG-1556 volumes in process at once are: 3.36 FTE in 2010, 3.84 FTE in 2011, and 3.28 FTE in 2012.

MEETINGS

Maximum use will be made of available media to facilitate interaction within and among the teams, for example conferences calls, e-mail, share point, the "go to meeting" service. Team meetings when indicated will generally be in the Washington DC area.

Appendix A: NUREG–1556 Ranking

The following table identifies the order in which the NUREG–1556 volumes enter the revision cycle.

<i>NUREG–1556 Revision</i>						
Vol	Document Scope	Issue Date	Revision	Ranking	Start Date	Finish Date
2	Industrial Radiography	98-Aug	0	1	10-Apr	11-Mar
1	Portable Gauges	01-Nov	1	1	10-Apr	11-Mar
4	Fixed Gauges	98-Oct	0	1	10-Apr	11-Mar
16	General License Dist*	00-Dec	0	2	10-Jul	11-Jun
20	Licensing Admin	00-Dec	0	2	10-Jul	11-Jun
19	Reciprocity	00-Nov	0	3	10-Oct	11-Sep
15	Bankruptcy	00-Nov	0	3	10-Oct	11-Sep
3	Sealed Source & Device*	04-Apr	1	4	11-Jan	11-Dec
8	Exempt Distribution*	98-Aug	0	4	11-Jan	11-Dec
6	Irradiator	99-Jan	0	5	11-Apr	12-Mar
5	Self-Shielded Irradiator	98-Oct	0	5	11-Apr	12-Mar
14	Well Logging	00-Jun	0	6	11-Jul	12-Jun
9	Medical Use	08-Jan	2	6	11-Jul	12-Jun
10	Master Materials (MML)	00-Dec	0	7	11-Oct	12-Sep
11	Broad Scope	99-Apr	0	7	11-Oct	12-Sep
7	R&D, limited scope,	99-Dec	0	8	12-Jan	12-Dec
12	Possession for M&D	00-Dec	0	8	12-Jan	12-Dec
18	Service Provider	00-Nov	0	9	12-Apr	13-Mar
17	Special Nuclear Material	00-Nov	0	9	12-Apr	13-Mar
13	Commercial Pharmacy	07-Nov	1	10	12-Jul	13-Jun
21	Accelerator Production	07-Nov	0	10	12-Jul	13-Jun

* Aligns with rulemaking

Appendix B: Document Update Process Overview

The NUREG–1556 update project objectives will be achieved via a WG that consists of administrative and technical teams and a steering committee all reporting to a management advisor.

There are three major phases in the document update process: content update, public comment, final document

Content update

The technical team will review and update respective document content for regulatory changes, best practices, exploitable information, and safety and security programs and procedures. The administrative content team will prepare the boilerplate. The steering committee will review the manuscript proposed by the administrative and technical teams. The administrative and technical teams will incorporate feedback from the steering committee and technical editing to finalize the draft document.

Public comment

The draft document will be distributed to the NRC regions, headquarters, and agreement states for review and comment and published for public comment. The public comment period is set for 30 days unless the document changes warrant a longer comment period. (Extended comment periods are at the discretion of the steering committee and management advisor.)

Final document

The technical and administrative teams will disposition comments in consult with the steering committee to finalize the volume update. The final document is distributed for concurrence. Division directors (MSSA, RI, RIII, RIV) and the OGC will concur on the final document with final approval made by the Director for the Division of Material Safety and State Agreements. If no issues are identified, the final document is published. If during concurrence comments require reconciliation, the comments will be addressed by the WG and the document is resubmitted for concurrence.

Timeline

The projected timeline to update a NUREG volume is 1 year. Roughly, preparation of the proposed document by the administrative and technical teams for review by the steering committee→3 months; Review by the steering committee and publication of a draft document→3 months; Published draft to final document→6 months.