

**Official Transcript of Proceedings**  
**NUCLEAR REGULATORY COMMISSION**

Title: Category 3 Source Security and Accountability  
Meeting and Webinar: Meeting 1

Docket Number: (n/a)

Location: Boston, Massachusetts

Date: Thursday, February 23, 2017

Work Order No.: NRC-2891

Pages 1-70

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## 1 U.S. NUCLEAR REGULATORY COMMISSION

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## 3 CATEGORY 3 SOURCE SECURITY AND ACCOUNTABILITY

4 + + + + +

## 5 PUBLIC MEETING AND WEBINAR

6 + + + + +

7 THURSDAY

8 FEBRUARY 23, 2017

9 + + + + +

10 The Public Meeting met in the Kennedy  
11 Ballroom, Omni Parker House, 60 School Street, Boston,  
12 Massachusetts, at 3:00 p.m., George Smith,  
13 Facilitator, presiding.

14 STAFF PRESENT

15 GEORGE SMITH, Facilitator, SMPB, MSTR, NMSS

16 DANIEL COLLINS, MSTR, NMSS

17 DUNCAN WHITE, ASPB, MSTR, NMSS

18 IRENE WU, SMPB, MSTR, NMSS

19 CARRIE CRAWFORD, SMPB, MSTR, NMSS

## 20 ALSO PRESENT

21 MIKE WELLING, Chair, Organization of Agreement States

22 JACK PRIEST, Director, Radiation Control Program,

23 Massachusetts Department of Public Health

24 MARVIN LEWIS, Professional Engineer (Retired)

25

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1 P-R-O-C-E-E-D-I-N-G-S

2 3:00 p.m.

3 THE OPERATOR: Welcome and thank you for  
4 standing by. At this time, all participants will be  
5 on listen-only mode until the question-and-answer  
6 session of today's call.

7 At that time, you will need to press \*1,  
8 mute your line and record your name clearly, as  
9 prompted, so that we'll be able to introduce you.

10 I'd now like to introduce Daniel Collins.  
11 Sir, you may begin.

12 MR. COLLINS: All right. Thank you,  
13 Robin.

14 And so, good afternoon, everybody, and  
15 thank you for taking time out of your days to meet  
16 with us and to participate either by webinar or by  
17 phone, or for those of you who are here in person.

18 I'm Dan Collins. I'm the director of the  
19 Division of Material, State, Tribal and Rulemaking  
20 Programs at NRC headquarters.

21 With me here today I have George Smith,  
22 who is going to be the facilitator for this session;  
23 Miss Irene Wu, who is our staff lead for the Category  
24 3 accountability and security reassessment; Duncan  
25 White, who is one of our experts on all things related

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1 to health physics and Agreement State programs.

2 And then last, but not least, Carrie  
3 Crawford, who's at the back here, who's going to be  
4 helping us with the logistics for the webinar.

5 So, again, thank you for participating in  
6 today's public meeting. Today, our discussion is  
7 going to focus on the reevaluation of Category 3  
8 source security and accountability.

9 Irene is going to go through more of the  
10 background for you. But for the purposes of my  
11 introduction, an audit of the NRC and the Agreement  
12 States' licensing processes that was conducted by the  
13 U.S. Government Accountability Office last year,  
14 identified some concerns related to security and  
15 accountability for Category 3 sources.

16 The NRC Commission then directed the NRC  
17 staff to perform a re-evaluation, including the pros  
18 and cons of different methods for validating licenses  
19 and pros and cons for including Category 3 in the  
20 national source tracking system.

21 Part of the Commission's specific  
22 direction to the staff is that we engage stakeholders  
23 to fully assess the regulatory impact of any potential  
24 changes to existing processes and regulations.

25 So, I'd like to make it clear that right

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1 now we're actually not in the process of changing  
2 regulations or requirements.

3 What we are doing is an evaluation that  
4 will support the development of recommendations to the  
5 Commission on; one, whether or not requirements  
6 related to security and accountability for Category 3  
7 sources should be changed, and; two, if changes are  
8 recommended, what those changes or new requirements  
9 should be.

10 So, the results of this evaluation are not  
11 predetermined and the NRC has not made any decisions  
12 regarding changing the existing regulations at this  
13 point. On the contrary, we're just at the early  
14 stages of performing the evaluation.

15 So, the staff's recommendations to the  
16 Commission are due up in August of this year and  
17 ultimately it will be the Commission that will decide  
18 whether or not to pursue regulation changes for  
19 establishing new requirements in this area.

20 So, we recognize that obtaining  
21 stakeholder input is an important part of this effort  
22 and must be considered in our evaluation to enable us  
23 to develop a well thought out and comprehensive set of  
24 recommendations.

25 So, today's public meeting is part of a

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1 series of meetings and webinars that we are conducting  
2 during the public comment period for this evaluation.  
3 And that public comment period closes on March 10th.

4 To the extent that you can, it would be  
5 very helpful if you could provide some specificity or  
6 numerical estimates regarding potential impacts that  
7 changes to the existing requirements might have on  
8 you, your companies, your organizations or the  
9 community at large.

10 We want to hear all of your input, but I  
11 can't emphasize enough how valuable specificity or  
12 numerical estimates would be in terms of us developing  
13 well-founded recommendations to the Commission.

14 So, again, thank you for taking the time  
15 to participate in today's meeting. We are looking  
16 forward to a great dialog.

17 And with that, I'll turn it over to  
18 George, who will be our facilitator for today.

19 FACILITATOR SMITH: Okay. Thank you, Dan.

20 Again, my name is George Smith. I am the  
21 facilitator for today's meeting. So, before we get  
22 started, I'll just get some administrative directions  
23 here for us here in the room.

24 In the case of emergency, we'll go out of  
25 the main door here, make a left. You can cross the

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1 street over. You'll see Citizen's Bank. Across from  
2 Citizen's Bank, there's a One Beacon. That's the  
3 really point for the hotel in a -- for any other  
4 emergency and we'll get instructions from there.

5 Also, if you have to use the facilities,  
6 you can make a right out the door, go up the stairs,  
7 or you can use the elevator to go up to the mezzanine  
8 and you will see the restrooms for your use.

9 Okay. Now, we also have members of the  
10 NRC and Agreement State Category 3 Source Security and  
11 Accountability Working Group here in attendance and  
12 they may ask some clarifying questions. We have some  
13 of those folks on the phone also to ensure we  
14 accurately capture your comments.

15 To minimize any interruptions, we ask that  
16 everyone here, if you could place your phone on  
17 courtesy mode, you know, vibrate or silent at this  
18 time.

19 And we understand that you may have to  
20 take an important phone call or make an important  
21 phone call. However, we ask that you step outside to  
22 do that.

23 Additionally, please keep sidebar  
24 conversations to a minimum. We have -- the mics up  
25 front are hot. So, you know, folks on the line will

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1 hear your sidebar conversations. Also, the mic up  
2 front and the one I'm speaking in now will be on  
3 throughout the meeting.

4 Basically, you know, we're going to,  
5 again, we want to accurately capture your comments  
6 during the meeting. And it's being transcribed today,  
7 all the comments.

8 So, for those on the phone, please make  
9 sure you are logged into the webinar in order to  
10 follow along with this slide presentation.

11 If you have not registered for the  
12 webinar, the webinar registration information is  
13 available in the public meeting notice on the NRC  
14 public meeting website.

15 A copy of the slides used in today's  
16 meeting will be made available on the Category 3  
17 webpage located on the NRC website.

18 So, this is the agenda. For those who  
19 have logged into the webinar, you should be able to  
20 see the agenda.

21 First, we will go over the public comment  
22 process. Next, we will give a brief background on how  
23 we got here and why we are asking for your input.

24 Then, we will go over the different  
25 comment areas and open the floor for comments on each

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1 of the questions in the Federal Register Notice.

2 At the end of the meeting, we will provide  
3 information on the remaining Category 3 Source  
4 Security and Accountability public meeting and webinar  
5 dates, and then close the meeting.

6 Okay. This is a Category 3 meeting, which  
7 means we will be soliciting feedback to ensure your  
8 issues and concerns are presented, understood and  
9 considered by the NRC.

10 This meeting is being transcribed to  
11 accurately capture your comments. Your comments  
12 during this public meeting and those submitted to the  
13 NRC will be considered by NRC in preparing the report  
14 to the Commission as directed by the Staff Requirement  
15 Memorandum for COMJMB-16-0001.

16 So, the NRC does not plan to provide  
17 specific responses to this particular feedback during  
18 this meeting. We are basically soliciting comments at  
19 this time.

20 Please do not provide nonpublic, official-  
21 use-only, Safeguards and/or classified information  
22 related to specific facilities.

23 For those on the phone, the operator  
24 will place you in the queue if you have comments to  
25 provide at today's meeting. The operator will inform

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1 you when you will be allowed to present your comments.

2 And so, you'll notice I'll go back and  
3 forth between the operator and the webinar to provide  
4 the comments.

5 So, for the -- if you have the opportunity  
6 to provide comments today -- I'm sorry, if you do not  
7 have the opportunity to provide comments today or if  
8 you have additional comments, please submit your  
9 comments to the NRC by March 10th, 2017, via  
10 [www.regulations.gov](http://www.regulations.gov) for Docket ID NRC-2016-0276, or  
11 you can mail your comments to Cindy Bladey, Office of  
12 Administration, Mail Stop OWFN-12-H08, U.S. Nuclear  
13 Regulatory Commission, Washington, D.C. 20555-0001.

14 Again, you should see that information on  
15 the slides if you are logged into the webinar. Please  
16 include the Docket ID NRC-2016-0276 in the subject  
17 line of your submission.

18 At this time, I will turn it over to Irene  
19 Wu, who will provide some background information.

20 MS. WU: All right. Thank you, George.

21 My name is Irene Wu and I am a project  
22 manager at the Nuclear Regulatory Commission and the  
23 co-chair of the NRC Agreement State Working Group that  
24 is conducting this re-evaluation.

25 As you may know, the Commission issued a

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1 Staff Requirements Memorandum for COMJMB-16-0001 dated  
2 October 18th, 2016, which directed the NRC staff to  
3 take specific actions to evaluate whether it is  
4 necessary to revise NRC regulations or processes  
5 governing Category 3 source protection and  
6 accountability. However, this is not the first time  
7 that we have reviewed strategies for the protection  
8 and accountability of Category 3 sources.

9 In 2007, the Government Accountability  
10 Office, or GAO, conducted an investigation on NRC's  
11 materials licensing program and was able to obtain a  
12 radioactive materials license using a fictitious  
13 company and place orders that would have resulted if  
14 actually obtained in receipt of an aggregated Category  
15 3 quantity of radioactive material.

16 After the 2007 investigation, the NRC and  
17 Agreement States made a number of significant changes  
18 to strengthen the licensing and regulatory processes  
19 to prevent individuals who may have malevolent intent  
20 from obtaining a radioactive materials license.

21 In 2009, licensees began reporting  
22 Category 1 and 2 source information to the National  
23 Source Tracking System.

24 Staff had proposed to expand reporting to  
25 the NSTS to include Category 3 sources. However, the

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1 Commission did not reach a decision on the proposed  
2 rulemaking and the final rule was not approved.

3 In 2014, GAO initiated another audit of  
4 the materials licensing program to determine whether  
5 the licensing vulnerabilities identified in its 2007  
6 investigation had been addressed by the NRC and  
7 Agreement States.

8 As part of its audit, GAO rented  
9 storefront warehouse space to demonstrate a fictitious  
10 company's legitimacy during prelicensing visits.

11 The GAO was successful in one of three  
12 attempts and acquired a license for a Category 3 well  
13 logging source, which they used to place one order for  
14 a Category 3 source.

15 GAO then altered the license and used it  
16 to place a second order for an additional Category 3  
17 source.

18 In doing so, GAO effectively demonstrated  
19 the ability to obtain an aggregated Category 2  
20 quantity of material, although at no point in the  
21 investigation were radioactive materials actually  
22 shipped to the fictitious company.

23 GAO published its final report for the  
24 materials licensing audit and investigation in July of  
25 2016.

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1           And then in August of 2017, we plan to  
2 submit a Notation Vote Paper to the Commission with  
3 our recommendations.

4           It is also relevant to note that recently  
5 we completed our comprehensive review of 10 CFR Part  
6 37, which are the physical protection requirements for  
7 Category 1 and 2 quantities of radioactive material.

8           That report, which is publicly available,  
9 was sent to Congress in December 2016 and the results  
10 of that assessment will inform our evaluation of  
11 Category 3 source security and accountability, which  
12 is currently underway.

13           That was a quick, high-level overview of  
14 how we got here and I've included some resources on  
15 the slide if you want to delve further into the  
16 background.

17           Next slide, please. So, the specific  
18 tasks outlined in SRM-COMJMB-16-0001 that will be  
19 addressed in the Notation Vote Paper are as follows:

20           An evaluation of the pros and cons of  
21 different methods of verifying the validity of a  
22 license prior to transfer; an evaluation of the pros  
23 and cons of including Category 3 sources in the  
24 National Source Tracking System; an assessment of any  
25 additional options for addressing the source

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1 accountability recommendations made by the GAO; a  
2 vulnerability assessment which identifies changes in  
3 the threat environment between 2009 and today that  
4 argue in favor or against expansion of the NSTS to  
5 include Category 3 sources; a regulatory impact  
6 analysis of the accrued benefits and costs of the  
7 change to include impacts to the NRC, Agreement  
8 States, non-Agreement States and regulated entities;  
9 a discussion of potential regulatory actions that  
10 would not require changes to our regulations to  
11 include changes to guidance, training and any other  
12 program improvements; an assessment of the risks posed  
13 by the aggregation of Category 3 sources into Category  
14 2 quantities; collaboration with Agreement State  
15 partners, non-Agreement States, regulated entities,  
16 public interest groups, industry groups and the  
17 reactor community to fully assess the regulatory  
18 impact of any recommendations to be made in the  
19 Notation Vote Paper; and any other factors to help  
20 inform the Commission's decision.

21 Next slide, please. For those unfamiliar  
22 with some of these systems, let me provide a brief  
23 explanation of the National Source Tracking System,  
24 Web-based Licensing System and the License  
25 Verification System.

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1           The National Source Tracking System, or  
2 NSTS, was deployed in 2008 and is a web-based system  
3 that accounts for high-risk radioactive sources from  
4 the time that they are manufactured, or imported, to  
5 the time of their disposal or export, or until they  
6 decay enough to be no longer of concern.

7           While NSTS provides a relatively up-to-  
8 date accounting system regarding risk-significant  
9 source inventories, it is important to note that this  
10 is not a realtime tracking mechanism for sources.

11           Reporting to the NSTS is all after the  
12 fact and the requirements for what is required to be  
13 reported can be found in 10 CFR 20.2207.

14           These requirements include reporting  
15 licensee information, transaction date, source  
16 manufacturer, source model, source serial number,  
17 radioactive material in the source and source  
18 activity.

19           And typical methods of reporting to the  
20 NSTS include getting direct access and reporting  
21 online, emailing or faxing the National Source  
22 Tracking Transaction Report, or NRC Form 748, and  
23 providing an electronic batch file to be uploaded  
24 directly into NSTS.

25           Next slide, please.       The Web-Based

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1 Licensing System, or WBL, was deployed in 2012 and is  
2 a licensing system that is accessible through the  
3 internet.

4 At this time, access to WBL is limited  
5 only to regulators. The objectives of WBL are to  
6 provide an up-to-date repository of all risk-  
7 significant or Category 1 and 2 licenses nationwide,  
8 and to provide an up-to-date repository of all  
9 licenses of NRC and three Agreement States who have  
10 adopted the use of WBL.

11 Many states have expressed interest in  
12 using WBL and we are currently working with those  
13 states towards full use of WBL.

14 WBL is available to state agencies free of  
15 charge and their adoption of the system and built-in  
16 process flows create more consistency and licensing  
17 for the states that use it.

18 States not using WBL directly provide NRC  
19 with their Category 1 and 2 licensees as they are  
20 issued or amended to be uploaded to WBL by our  
21 contractor.

22 Having the most current Category 1 and 2  
23 licenses and WBL is essential for the functionality of  
24 the License Verification System.

25 Next slide, please. The License

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1 Verification System, or LVS, was deployed in 2013 and  
2 is a web-based system that enables authorized  
3 licensees to confirm that a license is valid and  
4 accurate, and that a licensee is authorized to acquire  
5 quantities and types of radioactive materials being  
6 requested.

7 To process -- the process to verify a  
8 license is as follows:

9 Step 1, an authorized customer requests a  
10 Category 1 or a Category 2 quantity of radioactive  
11 material from an authorized supplier and provides a  
12 copy of its license or specific license information  
13 needed to query the license record through LVS.

14 Step 2, the authorized supplier submits  
15 the issuing agency, license number and either the  
16 amendment number or the license issue date to LVS in  
17 order to verify the additional copy of the customer's  
18 license.

19 Step 3, LVS queries the web-based  
20 licensing system, or WBL, to obtain the possession  
21 limit for Category 1 and 2 authorized materials and a  
22 copy of the license image.

23 Step 4, WBL provides the license  
24 information to LVS to compare the possession limits  
25 and current NSTS inventory.

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1 Step 5, LVS queries the NSTS and compares  
2 the possession limit for Category 1 and 2 authorized  
3 materials to the current NSTS inventory.

4 Step 6, if the customer is above its  
5 possession limit in NSTS, LVS will display a message  
6 for the supplier to contact the regulator.

7 Step 7, if no issues exist, LVS displays  
8 the official license image obtained from WBL and the  
9 authorized supplier notes the license verification is  
10 complete in LVS.

11 Step 8, the supplier completes the  
12 purchase order and the material is transferred to the  
13 customer.

14 Licensees opting not to have access to LVS  
15 or those receiving a message by LVS to contact a  
16 regulator, must use the manual process to complete the  
17 verification of a license.

18 To facilitate this process, the  
19 transferring licensee may contact our help desk by  
20 phone or email to provide the necessary information to  
21 populate the manual license verification report, or  
22 NRC Form 749.

23 Next slide, please. To get access to  
24 these systems, applicants have to go through a  
25 credentialing process. That process typically takes

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1 about a month to complete and includes a verification  
2 of employment, a determination that the person has a  
3 need to know, and an identity proofing step to verify  
4 that the person applying for a credential is who he or  
5 she claims to be.

6 Once the credentialing process is  
7 complete, the NRC issues an electronic credential,  
8 which allows the systems to uniquely identify each  
9 user.

10 The credentialing process is the same.  
11 So, if the user has access to one system, they do not  
12 have to go through the full credentialing process  
13 again for the second system. They simply have to  
14 contact the help desk to get access.

15 The credential used for NSTS and LVS is a  
16 onetime password, which, in combination with a  
17 personal identification number, or PIN, will give them  
18 access to the system.

19 A onetime password, or OTP, is a password  
20 that is valid only for one login session. And we  
21 currently offer three options for OTPs; a card, a  
22 token, or a smartphone app. An OTP is provided to a  
23 user free of charge and no software installation is  
24 necessary.

25 Next slide, please. Some of the

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1 enhancements that are under consideration for this re-  
2 evaluation are: Verification of Category 3 licenses  
3 through the LVS or the regulatory authority as is done  
4 with Category 1 and 2 licenses; inclusion of Category  
5 3 sources in the NSTS as is done with Category 1 and  
6 2 sources; and expanding physical security  
7 requirements to include Category 3 quantities of  
8 radioactive material along with Category 1 and 2  
9 quantities of radioactive material.

10 And these potential enhancements form the  
11 basis of the questions in the Federal Register Notice  
12 that we issued on the subject, which was published on  
13 January 9th, 2017.

14 Next slide, please. The FRN lists 22  
15 questions that are separated into sections based on  
16 the topics and applicability to relevant stakeholders.

17 These include general questions related to  
18 license verification; general questions related to the  
19 NSTS; specific questions for licensees related to  
20 license verification; specific questions for licensees  
21 related to the NSTS; specific questions for Agreement  
22 States related to license verification; specific  
23 questions for Agreement States related to the NSTS;  
24 and other questions.

25 The NRC wants to clarify while the Federal

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1 Register Notice included questions directed towards  
2 particular stakeholders, the NRC is actually looking  
3 for comment and responses from all members of the  
4 public on all questions.

5 The FRN grouped questions in a particular  
6 fashion to facilitate input from some stakeholders  
7 that may wish to provide some input to this activity,  
8 but may have limited resources to do so, but all  
9 members of the public are welcome to provide their  
10 thoughts on any of the listed questions.

11 Next slide, please. So, before we move to  
12 the comment portion of this meeting, I did want to  
13 include a slide to show the different thresholds for  
14 Category 1, 2 and 3 quantities of radioactive  
15 material.

16 As you can see from the table, the  
17 Category 3 threshold is greater than 1/10th of the  
18 Category 2 threshold, but less than the Category 2  
19 threshold.

20 Also of note is that the list of  
21 radionuclides that are currently subject to the  
22 physical security requirements in 10 CFR Part 37 is  
23 different than the list of radionuclides included in  
24 NSTS.

25 The four radionuclides highlighted in the

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1 table are the radionuclides that are included in the  
2 NSTS, but are not subject to 10 CFR Part 37.

3 And the main reason for these four  
4 radionuclides that were included in NSTS was because  
5 the Department of Energy, DOE, likely possesses these  
6 isotopes and they do report to the NSTS.

7 So, I will now turn the meeting back over  
8 to George to solicit comments from meeting  
9 participants.

10 FACILITATOR SMITH: Okay. Thank you,  
11 Irene.

12 Before we move on to the comment portion  
13 of the meeting, are there any questions for Irene?  
14 Anyone in the room?

15 And as a reminder, and I didn't say this  
16 at the beginning, but if you have any questions, the  
17 microphone up front is hot. So, you can use that  
18 microphone for any comments so we can accurately  
19 capture your comments.

20 Are there any questions on the phone line?

21 THE OPERATOR: At this time if there are  
22 any comments or questions, that is \* followed by the  
23 number 1 from your phone, please.

24 FACILITATOR SMITH: Any questions from the  
25 webinar; do you know?

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1 THE OPERATOR: And, I'm sorry, no  
2 questions from the phone line.

3 FACILITATOR SMITH: Thank you, Robin.

4 As a reminder, we do not plan to provide  
5 specific responses to the stakeholders' feedback  
6 during this meeting. We are specifically seeking  
7 comment for today's meeting.

8 We will use these comments to inform our  
9 evaluation in the recommendations. We will prepare a  
10 document summarizing all of the comments we received  
11 today at the other meetings, and written comments that  
12 will be part of the Notation Vote Paper to be  
13 submitted to the Commission in August 2017.

14 Please do not provide nonpublic, official-  
15 use-only, Safeguards and/or classified information  
16 related to a specific facility. And as a reminder,  
17 this meeting is being transcribed.

18 Before providing comments today, please  
19 state your name and the name of the organization, if  
20 any, that you are representing. The first set of  
21 questions are general questions related to license  
22 verifications.

23 So, the first question. "Should the  
24 current methods for verification of licenses prior to  
25 transferring Category 3 quantities of radioactive

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1 material listed in 10 CFR 30.41(d)(1)-(5), 10 CFR  
2 40.51(d)(1)-(5) and 10 CFR 70.42(d)(1)-(5) be changed  
3 such that only the methods prescribed in 10 CFR 37.71  
4 are allowed?"

5 As you can see on the slides, we've  
6 included a summary of the five methods of license  
7 verification that are described in 10 CFR Part 30, 40  
8 and 70.

9 Do we have any comments here in the room?  
10 (No comments.)

11 FACILITATOR SMITH: Robin, anyone on the  
12 line indicating that they have a comment?

13 THE OPERATOR: I'm sorry, no comments at  
14 this time.

15 FACILITATOR SMITH: Okay. So, we'll give  
16 it a couple seconds to see if anyone has comments.

17 THE OPERATOR: And then as a reminder on  
18 the phone line at any time, it is \* followed by the  
19 number 1 if you have a comment.

20 FACILITATOR SMITH: As we go through the  
21 questions if you determine that you have a comment on  
22 previous questions that we've already covered, feel  
23 free to bring those questions up. We welcome your  
24 comments either on the phone line or the web.

25 MS. WU: Go ahead, Robin.

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1 THE OPERATOR: I was just going to say I'm  
2 showing no comments on the phone line.

3 FACILITATOR SMITH: Great. Thank you.

4 MS. WU: This is Irene Wu at the NRC.

5 To help folks answer this question and  
6 provide comments on it, what this question is driving  
7 at is whether the current methods of license  
8 verification, which are the ones on the slide, if  
9 those are -- if those are adequate, or if those should  
10 be changed to the methods in 10 CFR 3771. And that  
11 would be to do the license verification through the  
12 license verification system or through the regulatory  
13 authority.

14 (Pause.)

15 FACILITATOR SMITH: Okay. We don't have  
16 any comments. We'll go to the next question. And,  
17 again, I'd like to remind you that if you have any  
18 comments on previous questions, you're welcome to  
19 bring those comments up either on the phone line or  
20 the webinar.

21 Question 2. "Would there be an increase  
22 in safety and/or security if the regulations were  
23 changed to only allow license verification through the  
24 NRC license verification system, LVS, or the  
25 transferee's license issuing authority for transfers

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1 of Category 3 quantities of radioactive material? If  
2 so, how much of an increase would there be?"

3 Any comments here in the room?

4 (No comments.)

5 FACILITATOR SMITH: Robin, do we have any  
6 comments on the line?

7 THE OPERATOR: I'm showing no comments on  
8 the line.

9 FACILITATOR SMITH: Okay.

10 MS. CRAWFORD: No comments on the webinar.

11 FACILITATOR SMITH: Okay. No comments  
12 from the webinar.

13 Any clarifications, Irene or Duncan?

14 MR. WHITE: No. This is Duncan White.

15 Again, to reemphasize what we've already  
16 talked about is, again, if you think there's going to  
17 be a benefit for it, you know, indicate -- you know,  
18 provide some rationale for it.

19 But also if you do not believe it will add  
20 anything and you think there is a -- it's costly to do  
21 so, again, you know, as we talked about earlier,  
22 provide some quantitative information with regard to  
23 that, that would be very helpful for our evaluation.

24 MR. COLLINS: So, again, this is Dan  
25 Collins.

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1           If you don't have quantitative  
2 information, but even qualitative information, if you  
3 can just help us understand whatever those impacts  
4 are, that would be welcomed as well.

5           FACILITATOR SMITH: Okay. As a reminder  
6 also, please, in your comments, do not provide any  
7 for-official-use-only, safeguarded information or  
8 classified information, or any specific information on  
9 a facility.

10           We'll move on to Question 3. But, again,  
11 if you have any comments on Question 1 or 2, please  
12 feel free to provide via the phone line or the  
13 webinar.

14           Question 3. "If the NRC changed the  
15 regulations to limit license verification only through  
16 LVS or the transferee's license issuing authority for  
17 transfers of Category 3 quantities of radioactive  
18 material, should licensees transferring Category 3  
19 quantities to manufacturers and distributors be  
20 excepted from the limitations?"

21           So, again, just the last part to make sure  
22 I'm clear, "should licensees transferring Category 3  
23 quantities to manufacturers and distributors be  
24 excepted from the limitations?"

25           Any comments here?

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1           Okay. We're showing that we do have a  
2 comment on the webinar. We'll get to the phone lines  
3 in a minute.

4           MS. CRAWFORD: Comment from the webinar.  
5 "Please elaborate on what safety you are asking about.  
6 Would this be public safety, worker safety or other?"

7           MR. WHITE: This is Duncan White.

8           Again, we would appreciate input of any of  
9 those items. Again, you know, public safety, worker  
10 safety or any other safety that's deemed appropriate.

11           Security-related information, again,  
12 anything that you would like to expand upon, that  
13 would -- we would really appreciate that input.

14           FACILITATOR SMITH: Robin, any questions  
15 -- any comments on the line?

16           THE OPERATOR: I am showing no comments on  
17 the phone line.

18           FACILITATOR SMITH: Okay.

19           MS. WU: This is Irene Wu at the NRC.  
20 I'll add some clarification on Question 3.

21           So, the thought behind this question is  
22 that the majority of transactions -- transfers occurs  
23 typically between licensees and the manufacturers and  
24 distributors and that the manufacturers and  
25 distributors are known entities.

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1                   So, we're trying to find out if folks  
2 think that those -- should those transfer -- should  
3 those license verifications be excepted from the  
4 limitation.

5                   FACILITATOR SMITH:   Okay.   Robin, any  
6 indication of comments on the line?

7                   THE OPERATOR:  I'm showing no questions or  
8 comments on the phone lines.   And, again, as a  
9 reminder from the phone line, it is \* followed by the  
10 number 1.

11                   FACILITATOR SMITH:  Great.  Thank you.  
12                   Any comments here in the room?

13                   (No comments.)

14                   FACILITATOR SMITH:       Any additional  
15 comments on the web?

16                   MS. CRAWFORD:  No additional comments from  
17 the web.

18                   FACILITATOR SMITH:  Okay.  Great.  Thank  
19 you.  So, we're going to move on to Question No. 4.

20                   "Is there anything else we should consider  
21 when evaluating different methods of license  
22 verification prior to transferring Category 3  
23 quantities of radioactive material?"

24                   Any comments?  I mean, in the room if you  
25 have a comment, just indicate to me you have a

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1 comment.

2 Robin, any comments on the line?

3 THE OPERATOR: No comments on the phone  
4 line, sir. Thank you.

5 FACILITATOR SMITH: Okay. Great.

6 MS. CRAWFORD: No comments from the  
7 webinar.

8 FACILITATOR SMITH: Okay. Great. Thanks.  
9 We'll give it a couple seconds to see if we have any  
10 additional comments.

11 Again, if you have comments on any of the  
12 previous questions or Question No. 4, please feel free  
13 to provide your comments on the line or on the web.

14 (Pause.)

15 FACILITATOR SMITH: Any clarifying notes  
16 that you guys can provide?

17 (No comments.)

18 FACILITATOR SMITH: Okay. Hearing no  
19 comments, we'll then move on to Question No. 1 under  
20 the general questions related to the NSTS.

21 Question 1. "Should Category 3 sources be  
22 included in the NSTS? Please provide a rationale for  
23 your answer."

24 Robin, are there any comments on the line?

25 THE OPERATOR: No comments on the line.

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1 MS. CRAWFORD: No comments on the webinar.

2 FACILITATOR SMITH: Great. Thank you.

3 Duncan, can you provide any insights on  
4 previous type of comments that you've received?

5 MR. WHITE: I think most people we've  
6 heard from previously at previous public meetings and  
7 webinars, were not in favor of including Category 3 in  
8 NSTS. They felt that the current way we conduct  
9 business now in the NRC and Agreement States is  
10 sufficient.

11 Again, but one thing we would like to hear  
12 is a little more rationale on why not. Again, if it  
13 -- a lot of the comments we see, the system works  
14 well, there hasn't been a problem, why do we need to  
15 change the system.

16 So, one thing we're looking for is to  
17 expand upon that line of thought on that.

18 FACILITATOR SMITH: Great. Thank you.

19 Robin, any comments on the line?

20 THE OPERATOR: I'm showing no comments on  
21 the line at this time.

22 MS. CRAWFORD: No comments on the webinar.

23 FACILITATOR SMITH: Great. Thank you --  
24 we do have a comment?

25 MS. CRAWFORD: Yes.

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1           Question: Does the NRC have a time study  
2 for Category 1 and 2 source entry into NSTS which can  
3 be used for this question?

4           MS. WU: This is Irene Wu with the NRC.

5           So, current Category 1 and 2 licensees  
6 have to report their transactions to the National  
7 Source Tracking System by close of business the  
8 following day.

9           And I'll add to that, so we --  
10 transactions fluctuate throughout the year, but we  
11 probably have probably anywhere from five to 10,000  
12 transactions monthly to the National Source Tracking  
13 System.

14           So, again, with that reporting  
15 requirement, you know, folks who have online access,  
16 that transaction is reflected immediately in the  
17 system. And then folks who report using the  
18 alternative methods either via fax or email, you know,  
19 there is a little bit of time taken to get that  
20 information and upload it into the system.

21           FACILITATOR SMITH: Thank you, Irene.

22           Again, as a reminder, my name is George  
23 Smith. I'm the facilitator for the meeting. You may  
24 hear the POCs for the meeting, Duncan White and Irene  
25 Wu, speaking also for the meeting.

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1           And we have the director for MSTR, Daniel  
2 Collins, who is also speaking. Ms. Carrie Crawford is  
3 monitoring the webinar and she's also speaking,  
4 providing the comments that are being transcribed.  
5 Thank you.

6           So, Robin, one more time. Any comments on  
7 the phone line?

8           THE OPERATOR: Yes, we do. We have one  
9 from a Mike Welling.

10          Sir, your line is open.

11          PUBLIC SPEAKER WELLING: Thank you.

12          Hey, Irene, Mike from University of  
13 Virginia. So, I ask the question about time study,  
14 because I'm looking at using that information.

15          If anybody has given you anything from a  
16 Category 1 or 2 user standpoint, if that can be used  
17 for Category 3 people to say how much time and energy  
18 they're going to have to put in for all their Category  
19 3 sources.

20          MR. WHITE: Mike, this is Duncan White.

21          Are you referring to people's ability who  
22 are new to the system, it takes a while for them to  
23 get used to the system and maybe take longer for  
24 earlier transactions, and then as they get used to the  
25 system, they get better and more efficient at it?

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1                   Is that what you're getting at?

2                   PUBLIC SPEAKER WELLING: Well, that and --  
3 well, that and the Category 3 people have no  
4 understanding of how much entry or what's required to  
5 do NSTS.

6                   So, if the Category 1 and 2 users along  
7 with the NRC staff has any information to count as to  
8 how long the entries take, then could pass it along to  
9 the Category 3 users to try and understand and  
10 document how much time and energy they're going to  
11 have to put towards entries in NSTS for all their past  
12 resources.

13                  MS. WU: Hi, Mike. This is Irene Wu, NRC.

14                  So, on the NRC Form 748, the National  
15 Source Tracking Transaction Report, we do have -- we  
16 did -- we do OMB clearance for that and we get -- we  
17 have to renew that every three years.

18                  And on that form, it does have the burden  
19 estimate on it and it's -- don't quote me on it, but  
20 I think it's between an eight to 10-minute burden  
21 requirement -- or burden estimate for filling out that  
22 form to do the transaction.

23                  PUBLIC SPEAKER WELLING: It would be  
24 beneficial if somehow you could put that out there  
25 especially to those Category 3

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1 manufacturer/distributors such as HDRs. They're going  
2 to have to do that for every source exchange  
3 quarterly.

4 So, it might be beneficial for them to  
5 know that and they can get that time estimate back to  
6 you.

7 MS. WU: Right. That's a good comment.

8 FACILITATOR SMITH: Thank you, Mike.

9 Robin, anything -- any other comments on  
10 the line?

11 THE OPERATOR: I'm showing no further  
12 comments at this time. Again, as a reminder, it is \*  
13 followed by the number 1.

14 FACILITATOR SMITH: Great. Thank you.

15 MS. CRAWFORD: No further comments on the  
16 webinar.

17 FACILITATOR SMITH: Okay. We're going to  
18 move on to Question 2. And as a reminder, any of the  
19 questions -- any of the previous question you may  
20 provide comments either on the phone line or the web.

21 And we'd also like to remind you not to  
22 provide any for-official-use-only, safeguarded  
23 information or classified information, or information  
24 related to any specific facility when you're providing  
25 your comment.

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1           So, Question No. 2 is, "If Category 3  
2 sources are included in the NSTS, should the NRC  
3 consider imposing the same reporting requirements  
4 currently required for Category 1 and 2 sources,"  
5 which is required under 10 CFR 20.2207(f).

6           So, as you can see on the slides, we've  
7 included a summary of the NSTS reporting requirements  
8 under Part 20, which was mentioned on the earlier NSTS  
9 slides.

10           Any comments on the line?

11           THE OPERATOR: I'm showing no comments on  
12 the phone line.

13           MS. CRAWFORD: No comments on the webinar.

14           FACILITATOR SMITH: Okay. Thank you.

15           Irene, do you mind commenting on the  
16 reporting requirements?

17           MS. WU: Sure. So, current reporting for  
18 Category 1 and 2 sources is by close of business the  
19 following day. So, this question is really driving at  
20 whether it should be the same, close of business the  
21 following day.

22           Some of the feedback that we've received  
23 in previous public meetings and webinars is that  
24 perhaps it doesn't have to be done on such a frequent  
25 basis, maybe on an inventory -- like an annual

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1 inventory reconciliation for Category 3 as opposed to  
2 transactions.

3 FACILITATOR SMITH: Thank you, Irene.

4 Robin, any comments on the line?

5 THE OPERATOR: I'm showing no comments on  
6 the phone line.

7 FACILITATOR SMITH: Thank you very much.

8 MS. CRAWFORD: No comments on the webinar.

9 FACILITATOR SMITH: Great. Thank you.

10 We do have a comment here in the room.

11 PUBLIC SPEAKER PRIEST: Thank you. This  
12 is Jack Priest, Massachusetts Department of Public  
13 Health, radiation control program director.

14 So, my question is on this reporting. If  
15 the Category 3 activity limits are only one percent of  
16 the Category 1, does it make sense to have the same  
17 reporting timeline for sources that are, I'll say,  
18 less risk significant?

19 I do not agree with an annual, but I think  
20 maybe a 30-day reporting time frame or something like  
21 that might be workable and useful to tracking rather  
22 than wait until the end of the year before you -- or  
23 annually until you realize that you had a missing  
24 source or unaccountable source.

25 MR. WHITE: This is Duncan White.

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1           Also, that has been footed out in addition  
2           to the annual and we've heard from a comment here  
3           about doing it monthly.

4           One of the other suggestions is most  
5           licensees either do quarterly or semiannual physical  
6           inventories as required by NRC's license condition, I  
7           know that most Agreement States have something very  
8           similar.

9           That was also -- was discussed at previous  
10          meetings to do it at that frequency.

11          FACILITATOR SMITH: Great. Thank you,  
12          Duncan.

13          Robin, any additional comments on the  
14          line?

15          THE OPERATOR: I'm showing no additional  
16          questions on the phone line.

17          FACILITATOR SMITH: Thank you, ma'am.

18          MS. CRAWFORD: No comments on the webinar  
19          --

20          FACILITATOR SMITH: Great.

21          MS. CRAWFORD: -- at this time.

22          FACILITATOR SMITH: Great. Thank you.

23          So, we're going to move on to the next set  
24          of questions. And, again, if you have any comments on  
25          any previous question, please feel free to provide

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1 those comments on the line or via the web.

2 So, these are general questions related to  
3 the NSTS. They are continued. So, for Question 3,  
4 "Should the NRC consider alternatives to the current  
5 NSTS reporting requirements for Category 1 and 2  
6 sources to increase the immediacy of information  
7 availability, such as requiring the source transfers  
8 to be reported prior to, or on the same day as, the  
9 source shipment date?"

10 Okay, Robin. Do you see any indication of  
11 questions on the phone line?

12 THE OPERATOR: I'm showing no questions on  
13 the phone line or any comments.

14 MS. CRAWFORD: No comments on the webinar.

15 FACILITATOR SMITH: Great. Thank you very  
16 much. So, we'll give it a couple seconds to see if  
17 there's any comments.

18 (Pause.)

19 FACILITATOR SMITH: Okay. We'll then move  
20 on to Question No. 4. "Would there be an increase  
21 in safety and/or security if the regulations were  
22 changed to include Category 3 sources in the NSTS? If  
23 so, how much of an increase would there be?"

24 Irene or Duncan, any clarifying  
25 information on this? Any previous comments on this

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1 that you'd like to share?

2 MR. WHITE: Not at this time.

3 FACILITATOR SMITH: Okay. Great. Thank  
4 you.

5 Robin, any additional comments on the  
6 telephone line?

7 THE OPERATOR: I'm showing no additional  
8 comments.

9 MS. CRAWFORD: No comments on the webinar  
10 at this time.

11 FACILITATOR SMITH: Okay. Thank you.

12 So, general information, this session is  
13 slated to end at five o'clock and we're going to have  
14 an additional session from six to eight o'clock. So,  
15 we have plenty of time.

16 If you have any questions, please provide  
17 your comments on the telephone or the webinar. And we  
18 appreciate those comments we've gotten thus far.

19 Hearing no indication of comments, we're  
20 going to move on to the next question, Number 5. "Is  
21 there anything else we should consider as part of our  
22 evaluation of including Category 3 sources in the  
23 NSTS?"

24 Robin, are there any comments on the line?

25 THE OPERATOR: Showing no comments on the

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1 phone line at this time?

2 FACILITATOR SMITH: Thank you.

3 Carrie, any comments on the web?

4 MS. CRAWFORD: There are no comments on  
5 the webinar.

6 FACILITATOR SMITH: Thank you.

7 Okay. Hearing no comments, we're going to  
8 move on to the next question. And as a reminder,  
9 again, if you have any comments during the previous  
10 questions, please feel free to allow your comments on  
11 the web or on the phone line.

12 The title of this section is "Specific  
13 Questions for Licensees Related to License  
14 Verification." But what we'd like to do, we'd like to  
15 emphasize the fact that all members of the public are  
16 welcome to provide your input and we are actually  
17 seeking those comments from any stakeholder either on  
18 the line or on the web.

19 You do not have to be a licensee, but  
20 please provide your comments. We look forward to  
21 them. So, we'll go to Question No. 1.

22 "It currently takes approximately one  
23 month to get credentialed to access LVS. If you  
24 currently do not have online access to LVS, and NRC  
25 establishes new requirements for license verification

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1 involving Category 3 quantities of radioactive  
2 material, would you be inclined to sign up for online  
3 access, or would you use alternative methods for  
4 license verification such as emailing the NRC Form 749  
5 'Manual License Verification Report' to the LVS help  
6 desk or calling the license-issuing regulatory  
7 authority directly?"

8 Any clarifying remarks for this section?  
9 We've noted there are numerous ways for -- to access  
10 the --

11 MR. WHITE: This is Duncan White.

12 One of the things to possibly consider  
13 when answering this question as providing feedback for  
14 this question is how often you would transfer.

15 Recognize that people who have a -- would  
16 have a Category 3 source would have to -- would put  
17 the transfer -- check the transfer may only be doing  
18 it once a year, once every, you know, more often or he  
19 may be doing it quarterly or very frequently and that  
20 may dictate how -- what method he would use. And,  
21 again, appreciate any feedback along those lines.

22 Again, what we have heard from previous  
23 people is people who do not use license verification  
24 that often, would more likely use the paper method or  
25 call the help desk. People who do it more frequently

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1 or doing larger numbers would probably do it  
2 electronically.

3 So, again, appreciate any feedback along  
4 those lines.

5 FACILITATOR SMITH: Great. Thank you.  
6 That was Duncan White from the NRC. Again, my name is  
7 George Smith. I am the facilitator for today's  
8 meeting.

9 Robin, are there any indication of  
10 comments on the phone line?

11 THE OPERATOR: I'm showing no questions on  
12 the phone line.

13 FACILITATOR SMITH: Great. Thank you.

14 MS. CRAWFORD: There are no questions on  
15 the webinar.

16 FACILITATOR SMITH: Great. Thank you.

17 MS. CRAWFORD: Or comments.

18 FACILITATOR SMITH: Thank you.

19 Not hearing any questions or comments,  
20 we're going to move forward to the next question.  
21 Again, we have time allotted to five o'clock today for  
22 this session of the webinar. So, if you have any  
23 comments, we have plenty of time.

24 If you have any comments on the previous  
25 questions or any clarifying remarks, please provide

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1       them either on the phone line or via the web. Thank  
2       you very much.

3               So, Question 2. "Approximately how many  
4       transfers involving Category 3 quantities of  
5       radioactive material do you do monthly? What  
6       percentage involves transfers directly to or from a  
7       manufacturer?"

8               Robin, any comments on the telephone line?

9               THE OPERATOR: I'm showing no comments on  
10       the phone line at this time.

11              FACILITATOR SMITH: Thank you.

12              MS. CRAWFORD: No comments on the webinar.

13              FACILITATOR SMITH: Great. Thanks.

14              Okay. We'll just give it a couple seconds  
15       to allow those who may have some comments, to provide  
16       those comments.

17              And as a reminder, if you have any  
18       comments on the previous questions, you may provide  
19       those comments at this time also.

20              (Pause.)

21              MR. WHITE: This is Duncan White to  
22       clarify and maybe hopefully to prompt some feedback.  
23       For Category 3 material there are a large number of  
24       licensees that have this material. Either medical  
25       licensees who have high-dose afterloaders or well

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1 logging -- well logging licensees.

2 We know that the people with HDRs do  
3 quarterly exchanges on those -- for each source that  
4 they have, and well loggers obviously do it much less  
5 often.

6 That's the type of feedback we've received  
7 so far. So, again, that's the type of, you know,  
8 information we would like to hear back.

9 We also recognize in addition, is that it  
10 was asked in a previous question as who you -- the  
11 license -- the exchanges are done between a  
12 manufacturer and a, you know, end user or licensee, or  
13 is it between licensee and licensee. Again, that may  
14 vary, too.

15 Again, for people with, like, HDRs, they  
16 do those directly with the manufacturers. For well  
17 loggers, we've heard that it is generally with the  
18 manufacturers, but there's a lot more licensee-to-  
19 licensee exchanges.

20 And, again, any sort of feedback on that  
21 and information on that we would appreciate it.

22 FACILITATOR SMITH: Thank you, Duncan.

23 Robin, any indication of questions on the  
24 phone line?

25 THE OPERATOR: At this time, I'm showing

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1 no questions on the phone line.

2 FACILITATOR SMITH: Great. Thank you.

3 MS. CRAWFORD: No comments on the webinar

4 --

5 FACILITATOR SMITH: Great. Thank you.

6 MS. CRAWFORD: -- at this time.

7 FACILITATOR SMITH: Thank you very much.

8 We're going to move on to Question No. 3.

9 "Should license verification be required when  
10 transferring to an established manufacturer?"

11 Robin, any indication of comments on the  
12 telephone line?

13 THE OPERATOR: I'm showing no questions  
14 from the phone line.

15 MS. CRAWFORD: No questions on the  
16 webinar.

17 FACILITATOR SMITH: Okay. Thanks.

18 Any clarifying comments?

19 MS. WU: Irene Wu, NRC.

20 On previous public meetings and webinars,  
21 one of the feedback we got on this was that this  
22 should be expanded to include other established  
23 entities like reactors.

24 FACILITATOR SMITH: Thank you, Irene.

25 As a reminder, if you have any comments

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1 for any of the questions we've gone over today or this  
2 question, Question No. 3, you're welcome to make your  
3 comments at this time via the web or on the phone  
4 line. And as a reminder, this meeting is being  
5 transcribed.

6 (Pause.)

7 FACILITATOR SMITH: Hearing no questions,  
8 then we're going to move on to Question No. 4.

9 "Do you have online access to LVS? If so,  
10 have you experienced any issues with LVS? Do you have  
11 any recommendations on how to improve LVS?"

12 Any clarifying comments?

13 MR. WHITE: This is Duncan White.

14 Again, feedback we have received at  
15 previous webinars and public meetings is, again,  
16 there's a learning curve involved with using LVS, as  
17 well as any other systems we've talked about today.

18 So, again, we see previous questions about  
19 credentialing. That seems to be a very interesting  
20 topic of people, the challenges behind getting  
21 credentialed and using the system and how frequently  
22 they use the system, something you mentioned earlier.

23 So, again, when considering responding to  
24 this question, you know, take -- some of those things  
25 you can please take into mind. But, again, if you

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1 have used LVS in the past, we really appreciate any  
2 input that you would have on this.

3 FACILITATOR SMITH: Great. Thank you very  
4 much, Duncan.

5 Robin, any comments on the line?

6 THE OPERATOR: I'm showing no comments  
7 from the phone line.

8 FACILITATOR SMITH: Okay. Thank you.

9 MS. CRAWFORD: No comments on the webinar.

10 FACILITATOR SMITH: Thank you. Okay.  
11 Hearing no comments, we're going to move on to  
12 Question No. 1 on the next set of questions.

13 And as a reminder, you know, we have --  
14 this webinar is slated to go to five o'clock -- 5:00  
15 p.m. Eastern Standard Time. So, if you have any  
16 comments, we are -- we'll be here for you to provide  
17 those comments.

18 Any previous questions that you want to  
19 make comments on, you're more than welcome to make  
20 those comments at this time via phone or via web.

21 Okay. Slide 21. You should see that on  
22 the webinar and it has "Specific Questions for  
23 Licensees Related to the NSTS."

24 And, again, we want to emphasize that  
25 these set of questions are related to NSTS, but all

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1 members -- let me back up. These questions -- the  
2 question was directed to our licensee, but we want to  
3 emphasize the point that all members of the public are  
4 welcome to provide their comments, their thoughts on  
5 these questions.

6 So, it's not specific just for licensees.  
7 All members of the public can provide those -- their  
8 thoughts on these questions.

9 So, Question No. 1. "It currently takes  
10 approximately one month to get credentialed to access  
11 the NSTS. If you currently do not have online access  
12 to the NSTS and NRC establishes new requirements for  
13 the tracking of Category 3 sources in the NSTS, would  
14 you be inclined to sign up for the online access or  
15 would you use alternative methods for NSTS reporting  
16 such as emailing or faxing the NRC Form 748 'National  
17 Source Tracking Transaction Report' to the NSTS help  
18 desk?"

19 There's a lot there. Any clarifying  
20 comments?

21 MS. WU: This is Irene Wu, NRC.

22 So, I just want to clarify. So, for NSTS  
23 reporting, current reporting is -- again, Category 1  
24 and 2 licensees are reporting not just transfers, but  
25 they're reporting receipts, imports, exports, when the

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1 source is manufactured, when the source is disposed of  
2 and disassembled. So, all of those transactions are  
3 reported to NSTS, which differs from the license  
4 verification requirement, which is just done prior to  
5 a transfer.

6 FACILITATOR SMITH: Thank you, Irene.

7 Any indication of questions or comments on  
8 the line, Robin?

9 THE OPERATOR: I'm showing no questions or  
10 comments from the phone line.

11 FACILITATOR SMITH: Thank you.

12 Carrie, any questions?

13 MS. CRAWFORD: No questions on the  
14 webinar.

15 FACILITATOR SMITH: Okay. Thank you.  
16 We'll give it a couple of seconds. If you have any  
17 comments, please provide your comments on Question No.  
18 1. And if you have any comments on previous  
19 questions, you're also welcome to provide those  
20 comments from the previous questions via the telephone  
21 line or the web. We're monitoring the web today.

22 And I'd like to remind everyone that this  
23 webinar is -- our public meeting and webinar is being  
24 transcribed today so we can accurately capture your  
25 comments.

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1           Okay. Not hearing any comments, we're  
2 going to move to Question No. 2. "Do you have online  
3 access to the NSTS? If so, have you experienced any  
4 issues with the NSTS? Do you have any recommendations  
5 on how to improve the NSTS?"

6           Robin, any indication of comments on the  
7 telephone line?

8           THE OPERATOR: There are no comments on  
9 the phone line at this time.

10          MS. CRAWFORD: No comments on the webinar  
11 at this time.

12          FACILITATOR SMITH: Okay. Thank you.

13          MS. WU: This is Irene Wu, NRC.

14                 Some of the feedback that we got at  
15 previous public meetings and webinars were that prior  
16 to the change to using onetime passwords, that users  
17 did -- applicants did have a lot harder time getting  
18 access to the National Source Tracking System because  
19 we were using smart cards and you had to download  
20 drivers to then be able to get access.

21                 We've had a lot of positive feedback since  
22 we moved to the onetime passwords and haven't heard as  
23 many issues with accessing NSTS.

24          FACILITATOR SMITH: Thank you very much,  
25 Irene.

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1 Robin, any indication of questions on the  
2 phone line?

3 THE OPERATOR: I'm showing no questions or  
4 comments from the phone line.

5 FACILITATOR SMITH: Okay. Thank you.

6 MS. CRAWFORD: No comments on the webinar  
7 at this time.

8 FACILITATOR SMITH: Thank you, Carrie.

9 Okay. Not hearing any comments for  
10 Question No. 2, we're going to move on to Slide No. 22  
11 for questions for Agreement States related to license  
12 verification.

13 So, again, we'd like to emphasize the fact  
14 that these specific questions for Agreement States, we  
15 welcome all members of the public to provide their  
16 input on these questions.

17 So, please, if you have any questions  
18 regardless of being an Agreement State representative  
19 or not, we welcome all members of the public to  
20 provide their comments on these specific questions.

21 Question No. 1. "Approximately how many  
22 licenses do you authorize for Category 1, 2 and 3  
23 quantities of radioactive material?"

24 So, if you are involved in that process,  
25 you could provide some insights on that regardless if

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1 you are an Agreement State regulator or not.

2 We do have a comment here in the room.

3 PUBLIC SPEAKER PRIEST: Jack Priest,  
4 Commonwealth of Massachusetts, Department of Public  
5 Health, Radiation Control Program. I'm the director  
6 of the Radiation Control Program.

7 "Approximately how many licenses do we  
8 authorize for Category 1, 2 and 3 quantities of  
9 radioactive material?"

10 We have approximately 60 licenses for 1,  
11 2 and 3 categories. And we have 43 current licensees  
12 for Categories 1 and 2.

13 MR. WHITE: This is Duncan White.

14 By some general information that we have  
15 from the national perspective on the number of  
16 licenses, right now we have approximately 1400  
17 Category 1 and 2 licenses in NSTS.

18 Information that we have collected so far  
19 -- again, and the reason we're asking for more  
20 specific information, we think there's approximately  
21 3600 Category 3 material licensees nationally that  
22 have for that quantity of material. But, again, we  
23 like to refine that number.

24 And to put that in perspective if you --  
25 those 5,000 licensees that constitute Category 1, 2

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1 and 3, that represents about 25 percent of all  
2 specific licenses nationally. There's approximately  
3 20,000 licenses nationally.

4 FACILITATOR SMITH: Great. Thank you,  
5 Duncan.

6 Robin, any indication of comments on the  
7 phone line?

8 THE OPERATOR: I'm showing no comments on  
9 the phone line at this time.

10 MS. CRAWFORD: No questions or comments on  
11 the webinar.

12 FACILITATOR SMITH: Okay. Okay. Hearing  
13 no comments, we're going to move on to Question No. 2.  
14 And as a reminder, we're scheduled to be here until  
15 five o'clock, but if you have any additional -- so, we  
16 have plenty of time.

17 If you have any additional comments on any  
18 of the previous questions, we invite you to provide  
19 those comments on the phone or the web at this time.

20 Question No. 2. "If license verification  
21 through the LVS or the transferee's license issuing  
22 authority is required for transfers involving Category  
23 3 quantities of radioactive material, would you  
24 encourage the use of LVS among your licensees, or plan  
25 for additional burden imposed by the manual license

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1 verification process?"

2 Any clarifying remarks?

3 We do have a comment here in the room.

4 PUBLIC SPEAKER PRIEST: Jack Priest,  
5 director of the Radiation Control Program,  
6 Commonwealth of Massachusetts, Department of Public  
7 Health.

8 The Massachusetts Radiation Control  
9 Program would encourage licensees for the use of LVS  
10 among our licensees. We would not recommend the plan  
11 for additional burden imposed by the manual license  
12 verification process.

13 FACILITATOR SMITH: Thank you very much,  
14 Jack.

15 Robin, any additional comments on the  
16 phone line?

17 THE OPERATOR: I'm showing no additional  
18 comments on the phone line at this time.

19 MS. CRAWFORD: No questions or comments on  
20 the webinar.

21 FACILITATOR SMITH: Thank you, Carrie.  
22 Thank you, Robin. And, again, we'd like to emphasize  
23 even though this portion was specific for Agreement  
24 States, we welcome all comments from all members of  
25 the public to provide your input. We would like

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1 insight from all perspectives on these questions.

2 I'd also like to say with your comments,  
3 we'd like to remind you that if you do provide any  
4 comments, please make sure those comments are not --  
5 or does not include for-official-use-only information,  
6 safeguarded information, classified information, or  
7 specific information related to a facility.

8 Not hearing any comments, we're going to  
9 move on to Question No. 3. "If license verification  
10 through the LVS or the transferee's license issuing  
11 authority is required for transfers involving Category  
12 3 quantities of radioactive material, would you  
13 consider adopting the Web-Based Licensing System (WBL)  
14 to ensure that the most up-to-date licenses are  
15 available for license verification using the LVS or  
16 voluntarily provide your Category 3 licenses (Similar  
17 to what some Agreement States do now for Category 1  
18 and 2 licenses) to be included in WBL, or would you do  
19 neither and prefer licensees to use the manual license  
20 verification process?"

21 And, again, we encourage all comments from  
22 all perspectives. So, any member of the public can  
23 provide comments at this time on the phone line or via  
24 the web.

25 We do have a comment here in the room.

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1 PUBLIC SPEAKER PRIEST: Jack Priest,  
2 director of the Massachusetts Radiation Control  
3 Program.

4 The Massachusetts Radiation Control  
5 Program would ask our licensees to voluntarily provide  
6 your Category 3 similar to what Massachusetts, which  
7 is an Agreement State, does now for Category 1 and 2  
8 licenses.

9 Massachusetts has not yet adopted web-  
10 based licensing system.

11 FACILITATOR SMITH: Thank you. We really  
12 appreciate your comments.

13 MR. WHITE: This is Duncan White. I have  
14 some -- the feedback we've received on this question  
15 is, some members of the public and some licensees  
16 commented that they felt that this would be  
17 challenging for an Agreement State to do this. It  
18 would be an extra burden.

19 And they pointed out, at least in their  
20 Agreement States that they were familiar with, that  
21 the -- staff was already stretched to the limits  
22 already and this would be an additional challenge and  
23 burden to them.

24 FACILITATOR SMITH: Thank you, Duncan.

25 Robin, any indication of comments on the

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1 telephone line?

2 THE OPERATOR: At this time, if you have  
3 a question, it is \* followed by the number 1.

4 MS. CRAWFORD: No questions or comments on  
5 the webinar at this time.

6 FACILITATOR SMITH: Thank you.

7 THE OPERATOR: And one moment. I believe  
8 we do have a question coming through. So, one moment,  
9 please.

10 FACILITATOR SMITH: Great. Thank you.

11 THE OPERATOR: One moment.

12 Marvin Lewis, your line is open. You may  
13 ask your question.

14 PUBLIC SPEAKER LEWIS: Thank you very  
15 much. I appreciate this chance to have my say and  
16 I'll be going.

17 Look, I appreciate the fact that this is  
18 commerce and it's important that we have commerce.  
19 However, here's what I'm thinking:

20 I'm thinking a lot of this Class 3 stuff  
21 is going through our cities and going into areas that  
22 are not very well protected, not safe, and where the  
23 first responders are first responders, volunteers, and  
24 we don't need radioactives going out into the general  
25 public or near the general public.

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1                   And I don't hear people saying, well, how  
2                   can we minimize the impact of radiation on the general  
3                   public or people, the individual person.

4                   I want to hear a little more of what the  
5                   NRC's charter says about protect the health and safety  
6                   of the public. I sure don't hear it. Thank you for  
7                   allowing me this comment.

8                   FACILITATOR SMITH: Thank you so much for  
9                   your comment.

10                  THE OPERATOR: And I'm showing no further  
11                  comments or questions.

12                  FACILITATOR SMITH: Great. Thank you.

13                  Do we have any further clarification or  
14                  comment at the table? No?

15                  MS. CRAWFORD: No comments on the webinar  
16                  or questions.

17                  FACILITATOR SMITH: Okay. Great. Thank  
18                  you.

19                  Seeing no additional comments, we're going  
20                  to move on to Question No. 4. And, again, we'd like  
21                  to emphasize the fact that we will entertain any  
22                  comments from previous questions also on the phone  
23                  line or the webinar at this time.

24                  So, Question No. 4. "What would the  
25                  impact in time and resources be on your program to

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1 handle the additional regulatory oversight needed for  
2 Category 3 licensees if license verification through  
3 the LVS or the transferee's license issuing authority  
4 was required for transfers involving Category 3  
5 quantities of radioactive material?"

6 So, again, anyone can -- we invite all  
7 perspectives, any comments from -- on this question.  
8 Although it says "Specific Questions for Agreement  
9 States," we're looking for all perspectives. So, if  
10 you have any questions, please indicate on the phone  
11 line or you can provide that comment via the web. We  
12 are monitoring the web. And as a reminder, this  
13 meeting is being transcribed today.

14 Robin, are there any indications of  
15 comments on the line?

16 THE OPERATOR: I'm showing no comments on  
17 the phone line at this time.

18 FACILITATOR SMITH: Great. Thank you.

19 MS. CRAWFORD: No comments or questions on  
20 the webinar.

21 FACILITATOR SMITH: Okay. We do have a  
22 comment here in the room. Thank you.

23 PUBLIC SPEAKER PRIEST: Jack Priest,  
24 director of the Massachusetts Radiation Control  
25 Program.

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1                   We've done some time study estimates based  
2                   on our current number of licensees that we have for  
3                   Category 1 and 2. And we feel the additional Category  
4                   3 for training, tracking, regulatory oversight for  
5                   that part of the program, we estimated 1.5 FTE, full-  
6                   time equivalent, for that additional burden.

7                   FACILITATOR SMITH: Great. Thank you so  
8                   much for your comment. We'll give it a couple seconds  
9                   and then we'll see if we have any other comments.

10                   (Pause.)

11                   MR. WHITE: I do have a follow-up question  
12                   for Jack.

13                   You estimate 1.5 FTE for doing Cat 3. If  
14                   we did implement this and it did require this, would  
15                   this take away from other activities in your program?

16                   PUBLIC SPEAKER PRIEST: That 1-1/2 FTE  
17                   would be in addition to our current staffing levels.

18                   FACILITATOR SMITH: Okay. Robin, any  
19                   additional comments on the telephone line?

20                   THE OPERATOR: I'm showing no additional  
21                   comments from the phone line at this time.

22                   FACILITATOR SMITH: Great. Thank you.

23                   MS. CRAWFORD: No comments on the webinar  
24                   or questions.

25                   FACILITATOR SMITH: Thank you.

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1           We'd like to remind you if you have any  
2           comments on any of the questions we've gone over thus  
3           far, we welcome those comments. And although some of  
4           the questions from the Federal Register Notice  
5           indicated they were for specifics, for example, for  
6           Agreement States, we welcome all comments from all  
7           members of the public. We appreciate all perspectives  
8           on these questions. Thank you so much.

9           Not hearing any comments, we're going to  
10          move on to Question No. 1 for the questions directed  
11          for Agreement States related to the NSTS.

12          So, again, I'd like to remind you that  
13          although this is from an FRN, this is specific  
14          questions for Agreement States, we welcome all  
15          comments from all members of the public. We're  
16          looking for all perspectives on these questions.

17          Question No. 1. "The NRC currently  
18          administers the annual inventory reconciliation  
19          process on behalf of the Agreement States. This  
20          process involves providing hard copy inventories to  
21          every licensee that possesses nationally tracked  
22          sources at the end of the year, processing corrections  
23          to inventories, and processing confirmations of  
24          completion of the reconciliation into the NSTS. The  
25          process involves a significant amount of staff time

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1 and resources from November to February. If the  
2 Agreement States were to adopt administration of the  
3 annual inventory reconciliation process and if  
4 Category 3 sources were included in the NSTS, would  
5 the additional regulatory burden be on the Agreement  
6 States to perform the annual inventory reconciliation  
7 for Category 1, 2 and 3 sources?"

8 Any clarifying remarks here in the room?

9 (No remarks.)

10 FACILITATOR SMITH: Robin, any comments on  
11 the line?

12 THE OPERATOR: I'm showing no comments  
13 from the phone line.

14 FACILITATOR SMITH: Thank you very much.

15 MS. CRAWFORD: No comments or questions on  
16 the webinar.

17 FACILITATOR SMITH: Thank you, Carrie.

18 Again, my name is George Smith and I'm the  
19 facilitator for today's meeting. As a reminder, we  
20 wanted to let you know not to -- please not to provide  
21 any for-official-use-only information, safeguarded  
22 information, classified information, or information  
23 related to a specific facility. And this meeting  
24 today is being transcribed.

25 Not hearing any comments, we're going to

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1 move on to the last set of questions. Again, although  
2 we are -- we're moving forward, if there are any  
3 questions or comments that you have from previous  
4 questions, please provide those comments over the web  
5 or on the phone line. You are more than welcome.

6 So, Question 1. "Should physical security  
7 requirements for Category 1 and 2 quantities of  
8 radioactive material be expanded to include Category  
9 3 quantities?"

10 Any clarifying remarks?

11 (Pause.)

12 FACILITATOR SMITH: Duncan or Irene, any  
13 clarifying remarks?

14 MS. WU: No.

15 MR. WHITE: No. Again, I think the  
16 question is pretty clear and self-evident. Again, we  
17 would treat Category 3 sources just like we treat  
18 Category 1 and 2 sources. They will follow all things  
19 in Part 37.

20 Again, feedback we've received in previous  
21 webinars and public meetings is no one liked the idea.  
22 They felt this -- people repeatedly told us they felt  
23 the safety requirements in other parts of the  
24 regulation and licensing, Part 20 and such, were  
25 sufficient to protect Category 3 sources.

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1 FACILITATOR SMITH: Great. Thank you.  
2 So, if you have any additional comments, we would like  
3 to hear those comments.

4 What are your thoughts on expanding the  
5 physical security requirements for Category 3  
6 quantities of radioactive material?

7 Robin, any indication of comments on the  
8 telephone line?

9 THE OPERATOR: And I'm showing no comments  
10 or questions from the phone line at this time.

11 FACILITATOR SMITH: Great. Thank you.  
12 Carrie?

13 MS. CRAWFORD: No comments or questions on  
14 the webinar at this time.

15 FACILITATOR SMITH: Okay. Thank you.

16 Okay. We're going to move on to Question  
17 No. 2. But, again, if you have any comments on  
18 Question 1 or any previous question, please provide  
19 those comments on the telephone line or the web.

20 Question 2. "Some Category 3 sources are  
21 covered under a general license (10 CFR 31.5). Should  
22 the NRC consider establishing maximum quantities in  
23 general licensed devices, thereby reserving  
24 authorization to possess Category 1, 2 and 3  
25 quantities of radioactive material to specific

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1 licensees?"

2 Any clarifying comments in the room?

3 MR. WHITE: This is Duncan White.

4 When we rolled out back, I guess, in 2010,  
5 the Commission did direct staff to no longer have  
6 Category 2 general license devices. There weren't  
7 many, but there were a few out there, NRC and  
8 Agreement State jurisdiction.

9 And this is following along the same line  
10 of thinking that if we impose additional requirements  
11 on Category 3, that, you know, general licenses would  
12 be, then we would fold general license under specific  
13 licenses.

14 FACILITATOR SMITH: Thank you very much.

15 MS. CRAWFORD: I have a question on the  
16 webinar.

17 FACILITATOR SMITH: Okay. Great. Thanks.

18 MS. CRAWFORD: Okay. Question from Mike  
19 Welling. "Would this be under a Part 37 revision or  
20 an order until Part 37 would be revised?"

21 MR. WHITE: What -- as part of this effort  
22 -- again, I think you're referring to the first  
23 question about including Category 3 as part of Part  
24 37.

25 We would have to make that -- if the staff

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1 decides that this was appropriate, then we would make  
2 a recommendation to the Commission. The Commission  
3 would give direction to staff to proceed with  
4 appropriate rulemaking.

5 Now, they've decided this is a -- requires  
6 an immediate -- more immediate action. We could issue  
7 orders, but I would think this would require  
8 Commission approval to do that.

9 And, again, this is -- part of the current  
10 effort is to look at these type of efforts and make  
11 recommendations to the Commission later this year.  
12 So, remember what Irene talked about earlier regarding  
13 the Commission paper in August on a number of topics,  
14 and this being one of them.

15 FACILITATOR SMITH: Thank you, Duncan.

16 Robin, any indication of questions on the  
17 telephone line?

18 THE OPERATOR: I'm showing no questions on  
19 the phone line at this time.

20 FACILITATOR SMITH: Great. Thank you.

21 MS. CRAWFORD: No further comments or  
22 questions on the webinar.

23 FACILITATOR SMITH: Great. Thank you.

24 Again, we'd like to remind you if you have  
25 any comments on any of the questions that we've

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1 presented today, please provide those comments at this  
2 time either on the web or telephone line. We welcome  
3 all comments from all stakeholders on any of the  
4 questions.

5 (Pause.)

6 FACILITATOR SMITH: So, that was the last  
7 question that we have. But before we close the  
8 comment portion of the meeting, I wanted to open the  
9 floor for any final thoughts or comments on any  
10 aspects of this evaluation.

11 Does anyone have any final thoughts on --  
12 or additional comments they'd like to make? So, if  
13 you have any comments that you'd like to make on any  
14 portion of the meeting or any aspects of this  
15 evaluation of Category 3, please provide those  
16 thoughts or any comments at this time either here in  
17 the room or on the telephone line or the web.

18 Are there any indication of questions on  
19 the line at this time?

20 THE OPERATOR: I'm showing no questions or  
21 comments from the phone line at this time.

22 FACILITATOR SMITH: Great. Thank you.

23 MS. CRAWFORD: No comments from the  
24 webinar or questions at this time.

25 FACILITATOR SMITH: Great. Thank you.

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1           Okay. Great. We'd like to thank you all  
2           for your comments and we'd like to remind you that  
3           there is an additional webinar that will take place  
4           from 6:00 to 8:00 p.m. Eastern Standard Time tonight.

5           So, the NRC will host several additional  
6           public meetings and webinars on Category 3 source  
7           security and accountability during the public comment  
8           period for this effort.

9           On February 28th, we will be holding two  
10          public meetings and webinars in Houston, Texas.  
11          Lastly, we are having another webinar on March 2nd.

12          All of these public meetings and webinars  
13          are noticed on the public meeting website with a link  
14          from our website. So, please check the meeting notice  
15          for the times and detail.

16          Finally, we would like to remind you that  
17          the public comment period for the FRN that provides  
18          these questions, closes on March 10th, 2017. We  
19          encourage your response to the FRN and appreciate your  
20          participation in today's meeting.

21          So, a copy of the slides used in today's  
22          meeting will be made available on the Category 3  
23          webpage located on the NRC's website under radioactive  
24          material security.

25          If you have any additional questions

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1 related to this meeting or the Category 3 source  
2 security and accountability re-evaluation, please  
3 contact either Duncan White -- and Duncan be reached  
4 at [duncan.white@nrc.gov](mailto:duncan.white@nrc.gov) or 301-415-2958 -- or Irene  
5 Wu. Irene can be reached at [irene.wu@nrc.gov](mailto:irene.wu@nrc.gov) or 301-  
6 415-1951.

7           Again, I'd like to remind everyone that we  
8 will have another webinar today and it will start at  
9 six o'clock Eastern Standard time. So, 6:00 p.m.  
10 Eastern Standard Time. Thank you very much.

11           Robin, thank you so much for your help.

12           THE OPERATOR: And thank you. This does  
13 conclude this session. You may go ahead and  
14 disconnect, if you wish, and thank you for your  
15 participation.

16           (Whereupon, at 4:25 p.m. the meeting was  
17 concluded.)

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