



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

July 31, 2015

TO: Holders of Utah Materials Licenses (Identified in Enclosure 1) That Received U.S. Nuclear Regulatory Commission Security Orders

SUBJECT: RESCISSION OF U.S. NUCLEAR REGULATORY COMMISSION'S ISSUED SECURITY ORDERS FOR COMPENSATORY MEASURES AND ADDITIONAL SECURITY MEASURES (IDENTIFIED IN ENCLOSURE 2)

The U.S. Nuclear Regulatory Commission (NRC) previously issued security orders under NRC's common defense and security authority to certain types of materials licensees. These orders were instituted to address the security of Category 1 and Category 2 quantities of radioactive materials until compatible security regulations could be established. On March 19, 2013, the NRC published Title 10 of the *Code of Federal Regulations* (10 CFR) Part 37, "Physical Protection of Category 1 and Category 2 Quantities of Radioactive Material." This final rule and compatible Agreement State regulations or other legally binding requirements establish security requirements for licensees possessing Category 1 and Category 2 quantities of radioactive material.

Utah Agreement State licensees that received a NRC security order are required to comply with the order until the State issues regulations or legally binding requirements that are adequate and compatible with 10 CFR Part 37, and those requirements become effective. The NRC has determined that Utah has established final regulations that are adequate and compatible with 10 CFR Part 37. These final regulations became effective for Utah licensees as of June 30, 2015. Accordingly, as of June 30, 2015, the NRC is concurrently rescinding the NRC-issued orders through this formal written correspondence for the following types of orders issued:

- Panoramic and Underwater Irradiators: These orders, for certain panoramic and underwater irradiator licensees that are authorized to possess more than 370 TBq (10,000 Ci) of radioactive material, require the implementation of compensatory measures and the protection of the licensee's physical protection information as Safeguards Information - Modified Handling (SGI-M).
- Manufacturers and Distributors (M&Ds): These orders, for certain manufacturing and distribution (M&D) licensees, require the implementation of additional security measures and the protection of the licensee's physical protection information as SGI-M.
- Licensees Transporting Radioactive Materials in Quantities of Concern (RAMQC): These orders require the implementation of additional security measures and the protection of the licensee's transportation security planning as SGI-M.
- Fingerprinting: Separate fingerprinting orders were issued for: (1) access to and protection of safeguards information (SGI) and SGI-M for those licensees that received security orders or possessed information that required protection; and (2) for unescorted access to radioactive material in quantities of concern.

The security orders described above are available on the NRC's public Web site at <http://www.nrc.gov/security/byproduct/orders.html>. Specific sections of the security orders for Panoramic and Underwater Irradiators, M&Ds, and RAMQC, that contain sensitive information or SGI-M, are not publicly available. The specific orders being rescinded are identified in Enclosure 2 to this letter.

With Utah's Part 37 compatible regulations in place, and the security orders referenced above hereby rescinded, the SGI-M security orders issued to the licensees identified in Enclosure 1, as well as the security plans prepared pursuant to the orders, must be destroyed in accordance with 10 CFR 73.23(i). The security plans required by these NRC orders include detailed SGI information (such as response times, etc.) that is not required to be included in security plans prepared for compliance with Part 37. Security plans prepared in preparation for compliance with Utah's compatible Part 37 regulations should not contain the detailed SGI information required by NRC orders, but instead, should include the information required by the regulations.

Because the NRC previously designated security plans for certain licensees, such as Panoramic Underwater Irradiators and Manufacturers and Distributors, as SGI-M, licensees may have security plans that were prepared in anticipation of Utah's compatible Part 37 regulations that may be labelled SGI-M even though the plans do not contain the detailed SGI information required by the orders. The NRC recently modified its SGI-M regulations such that security plans for Panoramic Underwater Irradiators and Manufacturers and Distributors are no longer considered SGI-M (80 FR 3865). Therefore, licensees who have security plans prepared in preparation for Utah's compatible Part 37 regulations that do not contain the same specific information that was included in the security plans required by the orders (such as, response times, etc.) but that are labelled SGI-M, should decontrol those security plans according to 10 CFR 73.23(h) and protect the information pursuant to the regulatory requirements in Utah's compatible Part 37 regulation.

Licensees should also be aware that documents marked as SGI-M must continue to be protected as SGI-M until they are destroyed or decontrolled. Additional information on the destruction or decontrolling of SGI is available in Section 9 of Regulatory Guide 5.79, "Protection of Safeguards Information."

If you have specific questions or concerns regarding the rescission of NRC's security orders, you may contact Michelle Smethers (301-415-6711, [Michelle.Smethers@nrc.gov](mailto:Michelle.Smethers@nrc.gov)) or Ernesto Quinones (301-415-0271, [Ernesto.Quinones@nrc.gov](mailto:Ernesto.Quinones@nrc.gov)).

Sincerely,

***/RA/***

Catherine Haney, Director  
Office of Nuclear Material Safety  
and Safeguards

Enclosures:

1. List of Applicable Utah Materials Licensees
2. Table of Specific Orders for Rescission

If you have specific questions or concerns regarding the rescission of NRC's security orders, you may contact Michelle Smethers (301-415-6711, [Michelle.Smethers@nrc.gov](mailto:Michelle.Smethers@nrc.gov)) or Ernesto Quinones (301-415-0271, [Ernesto.Quinones@nrc.gov](mailto:Ernesto.Quinones@nrc.gov)).

Sincerely,

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**DISTRIBUTION:**

Rusty Lundberg, Utah Department of Health  
Michael Vasquez, Region IV  
MSTR r/f

**ML15188A354**

<b>OFFICE</b>	NMSS/MSTR	NMSS/MSTR	NMSS/MSTR	NMSS/MSTR
<b>NAME</b>	MSmethers	EQuinones for AGiantelli	MBeardsley via email	JPiccone
<b>DATE</b>	7/7/2015	7/9/2015	7/10/2015	7/23/2015
<b>OFFICE</b>	OGC - NLO	NMSS(TechEd)	OE	NMSS
<b>NAME</b>	ACoggins via email	PTressler for CPoland	David Furst via email for PHolahan	CHaney
<b>DATE</b>	7/20/2015	7/24/2015	7/23/2015	7/31/2015

**OFFICIAL RECORD COPY**

### **Applicable Utah Materials Licenses**

License No.: NR-12345-67  
Docket No.: 030-12345  
John Doe Company, Inc.  
123 Brick Road  
Any City, ST 01234

Will appear as above when mailed out. There will be a master list for internal purposes.

<b>Specific Orders Identified for Rescission for Utah Licensees, Effective Immediately</b>			
<b>Irradiator Order</b>			
Issuance Date	Order No.	Title/Description	Recipients
06/06/2003	EA 02-249	Order Imposing Compensatory Measures for Panoramic and Underwater Irradiators Authorized to Possess Greater than 370 TeraBecquerels (10,000 Curies) of Byproduct Material in the Form of Sealed Sources	Licensees with Panoramic and Underwater Irradiators that are authorized to possess greater than 370 TBq (10,000 Ci) of radioactive material
<b>Protection of Certain Safeguards Information (SGI)</b>			
Issuance Date	Order No.	Title/Description	Recipients
11/11/2004	EA 04-191	Order Imposing Requirements for the Protection of Certain Safeguards Information	Irradiator, M&D, or RAMQC Recipients
<b>Fingerprinting – Access to and Protection of Safeguards Information (SGI)</b>			
Issuance Date	Order No.	Title/Description	Recipients
08/21/2006	EA 06-155	Order Imposing Fingerprinting Requirements for Access to SGI	Irradiator, M&D, or RAMQC Recipients
<b>Fingerprinting – Access to Materials</b>			
Issuance Date	Order No.	Title/Description	Recipients
10/17/2006	EA 06-248	Fingerprinting for access to materials	Irradiator Order Recipients