



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

April 23, 2020

Mr. Alexis Gomez
Cardinal Health
P.O. BOX 366211
San Juan, PR 00936-6211

SUBJECT: SUBMITTAL OF MATERIAL STATUS REPORTS UNDER THE MODIFIED
SMALL QUANTITIES PROTOCOL TO THE UNITED STATES INTERNATIONAL
ATOMIC ENERGY AGENCY CARIBBEAN TERRITORIES SAFEGUARDS
AGREEMENT (10 CFR PART 75)

Dear Mr. Gomez:

With this letter the U.S. Nuclear Regulatory Commission (NRC) is providing information on submittal of the "Material Status Report" under Title 10 of the *Code of Federal Regulations* (10 CFR) Part 75, "Safeguards on Nuclear Material-Implementation of Safeguards Agreements Between the United States and the International Atomic Energy Agency." The NRC understands that Puerto Rico is currently under mandatory travel restrictions by order of its government, which may impact the ability of licensees to access their facilities and records. These restrictions may potentially restrict the ability of licensees to submit the required reports in a timely manner as directed in the regulations. The NRC is providing this information on submittal methods so that licensees have sufficient opportunity to meet their requirements or to request regulatory relief. This letter is not requesting any additional reporting by licensees beyond what is already required by regulation.

In order to meet U.S. international treaty obligations pursuant to the modified Small Quantities Protocol, the NRC is required to collect information on source and special nuclear material in the U.S. Caribbean Territories. Timely submission of the "Material Status Report" assists the U.S. in meeting treaty obligations with the International Atomic Energy Agency (IAEA). The NRC would like to underscore the importance of submitting the "Material Status Report" in accordance with 10 CFR 75.35 by the deadline of May 31, 2020. Should an NRC licensee not submit the "Material Status Report" by the deadline of May 31, 2020, the NRC will disposition non-compliance in accordance with the NRC Enforcement Policy (Agencywide Documents Access and Management System Accession Number ML19352E921), which includes the possibility of a Notice of Violation issued to the licensee.

In accordance with 10 CFR 75.35, each licensee that possesses nuclear material subject to IAEA safeguards shall submit to the NRC a "Material Status Report" for the required annual physical inventory on DOE/NRC Form 742, "Materials Balance Report," and DOE/NRC Form 742C, "Physical Inventory Listing", no later than May 31 of each year. This reporting period commenced on May 1, 2019 and concludes on April 30, 2020. The "Material Status Report," must be prepared in accordance with the instructions in NUREG/BR-0006 and NUREG/BR-0007. The report must be submitted to the NRC no later than May 31, 2020.

Copies of the DOE/NRC Forms are enclosed with this letter and can also be obtained from the following Web sites: <https://www.nrc.gov/reading-rm/doc-collections/forms/#NRC> and <https://nnsa.energy.gov/aboutus/ourprograms/nuclearsecurity/nmmsshome/nmmssinfo/doenrcforms>. If a licensee does not currently have access to its Material Status Report submittal from the previous year, the NRC can provide that information to the licensee upon request to one of the individuals named below.

Copies of the instructions for completing DOE/NRC Forms may be obtained from the following Web sites: <https://www.nrc.gov/reading-rm/doc-collections/nuregs/brochures> and <https://nnsa.energy.gov/aboutus/ourprograms/nuclearsecurity/nmmsshome/nmmssinfo/nmmssreports>

As specified in the instructions, electronic submittal of the forms is preferred. If electronic submittal is not feasible, the reports may be filed by submitting hard copies of the forms by mail or other delivery service. Hard copies should be sent to:

Attention to Alexandra Zeigler or Elaine Beacom
NMMSS Program, NA-532
Germantown Bldg.
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1290

If a licensee is unable to submit their "Material Status Report" as required by the date given in 10 CFR 75.35, they may request an exemption from the requirement by contacting one of the individuals named below. Requests for exemptions should be sent sufficiently far in advance of the reporting date to allow NRC evaluation and action (typically at least 2 weeks). If an exemption is not granted prior to the reporting date the licensee may be subject to enforcement action. The NRC will evaluate the request and may issue an extension of up to 30 days following the ending of the relevant restrictions in Puerto Rico. The exemption request should provide the following information:

1. a request for exemption from the physical inventory and/or reporting requirement for the material in its possession; and
2. a statement of when the last physical inventory of all material was conducted.

DOE/NRC Forms 742C and 740M are approved by the Office of Management and Budget (OMB) under control numbers 3150-0058 and 3150-0057, respectively. The NRC may not conduct or sponsor, and a person is not required to respond to a collection of information unless the document requesting or requiring the collection displays a currently valid OMB control number.

Should you have any questions on 10 CFR Part 75 reporting requirements, we encourage you to contact one of the individuals listed below:

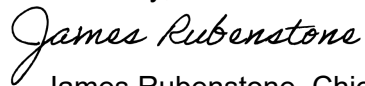
Hector Rodriguez-Luccioni, International Safeguards Analyst
Hector.Rodriguez-Luccioni@nrc.gov
301-415-6004

Mirabelle Shoemaker, International Safeguards Analyst
Mirabelle.Shoemaker@nrc.gov
301-415-7363

David Hanks, Sr. International Safeguards Analyst
David.Hanks@nrc.gov
301-415-7405

If you have any questions regarding this communication, please contact Dr. Hector Rodriguez-Luccioni of my staff by phone at 301-415-6004 or via e-mail at Hector.Rodriguez-Luccioni@nrc.gov.

Sincerely,

A handwritten signature in black ink that reads "James Rubenstone". The signature is written in a cursive, flowing style.

James Rubenstone, Chief
Material Control and Accounting Branch
Division of Fuel Management
Office of Nuclear Material Safety
and Safeguards

Enclosures:

1. DOE/NRC Form 742, "Material Balance Report"
2. DOE/NRC Form 742C, "Physical Inventory Listing"
3. DOE/NRC Form 740M, "Concise Note"
4. DOE/NRC Form 741, "Nuclear Material Transaction Report"

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*** via email**

OFC	DFM/MCAB	DFM/MCAB	DFM/MCAB	OGC	DFM/MCAB
NAME	HRodriguez-Luccioni	DHanks	MShoemaker	GKim	JRubenstone
DATE	04/17/20*	04/20/20*	04/17/20*	04/23/20*	04/23/20*

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