February 5, 2009

MEMORANDUM TO: R. W. Borchardt

Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary /RA/

SUBJECT: STAFF REQUIREMENTS – SECY-08-0059 – RULEMAKING

PLAN: PART 74 - MATERIAL CONTROL AND ACCOUNTING OF

SPECIAL NUCLEAR MATERIAL

The Commission has approved Option 4 – rulemaking limited to revising and consolidating the current material control and accounting (MC&A) regulations in Part 74. The Commission continues to support not expanding MC&A requirements to americium and neptunium.

The staff should consider integrating the MC&A proposals presented in SECY-08-0059 into the effort to develop the regulatory framework for reprocessing facilities. The staff should work with the Executive Branch to address the consequences of imposing any new requirements on existing treaties and the international community.

DOE's existing categorization table is undergoing revision. After DOE has gained some operational experience, the staff should provide a Commission paper that describes DOE's program and implementation successes and hurdles. At that time, the paper should provide a staff recommendation on application of such a table to both current and potential new facilities. If staff proposes at that time to recommend that the NRC adopt a new categorization table, the justification will need to be clearly focused on improving the regulation of MC&A activities at licensed commercial facilities. The justification cannot be solely to be consistent with the DOE approach.

The staff should continue its efforts to share information with DOE on security and MC&A programs.

This rule should not be issued under the authorities of the Executive Director for Operations, but rather that the proposed rule and draft final rule be submitted to the Commission for review and approval.

cc: Chairman Klein

Commissioner Jaczko Commissioner Lyons Commissioner Svinicki

OGC

CFO

OCA

OPA

Office Directors, Regions, ACRS, ASLBP (via E-Mail)

PDR