

WRITTEN FINDINGS
regarding October 2014 Proposed Revisions to
Rules and Regulations for Control of Sources of Ionizing Radiation
pursuant to A.C.A. §25-15-204(e)(4)

The Radiation Control Section offers the following written findings in conjunction with our Financial Impact Statement:

- 1) Revisions to RH-409.h., “Financial assurance and recordkeeping for decommissioning,” are being proposed in order to have comparable financial assurance requirements as found in other Agreement States and in States regulated by the U.S. Nuclear Regulatory Commission. A financial assurance arrangement for decommissioning of a facility or site is necessary should a licensee possessing large amounts of radioactive material suddenly go defunct. These regulation revisions would require those licensed for large amounts of sealed radioactive sources to provide a site-specific, detailed cost estimate via a decommissioning funding plan. Financial assurance for decommissioning is provided by way of an approved financial instrument. The decommissioning funding plan requirement for sealed source users would currently affect one licensee in the State.
- 2) Under our current regulations, provisions for financial assurance regarding this type of licensee are grossly inadequate. Should a licensee go defunct, as described above, our State might then have to bear the costs of decommissioning in order to decrease the likelihood of contamination and/or exposure of members of the public. Acceptable financial assurance requirements must be adopted by an Agreement State at the Health and Safety designation level in order to maintain “adequacy” in the Agreement State program. In 2003, the U.S. Nuclear Regulatory Commission amended its financial assurance regulations to incorporate the requirement of a decommissioning funding plan for this type of licensee.
- 3) Under our current regulations, these particular sealed source users (RH-409.h.1.B.) have the ability to either submit a certification that financial assurance for decommissioning has been provided in an amount prescribed in RH-409.h.4. (\$113,000) or submit a decommissioning funding plan that contains a cost estimate for decommissioning. The proposed rule eliminates the ability of this type of licensee to provide the \$113,000 amount that has now been deemed inadequate due to inflation and an increase in source disposal costs. A survey was taken of Agreement State and U.S. Nuclear Regulatory Commission licensees that supports this opinion. Based on the survey, cost estimates ranging from \$354,000 – \$1,790,000 were determined in regards to licensees similar to the one that would be affected in our State. Variability exists due to site-specific conditions such as accessibility, the quantity of radioactive material present on-site to be disposed, transportation costs, etc. The financial instrument chosen by the licensee to meet financial assurance requirements determines the actual cost incurred by the licensee.

Having funds available for decommissioning ensures the protection of public health and safety, decontamination and decommissioning of the facility or site, and allows for disposal

of radioactive materials in the event of abandonment, insolvency, or other inability of the licensee to meet the requirements.

- 4) Any less costly alternative would not address the full site-specific, detailed cost estimate derived in order to be able to release the facility.
- 5) No alternatives to the proposed rule have been suggested as a result of public comment.
- 6) This is an amendment to an existing rule.
- 7) RH-409.h.1.B. regarding the requirement of financial assurance in the form of a decommissioning funding plan for those licensees licensed for large amounts of sealed radioactive sources will be reviewed at least every ten years to determine, based upon the evidence, whether there remains a need for the rule.