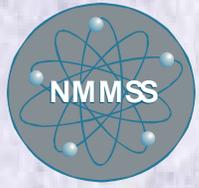


NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

NRC Reconciliation Process and Improvements

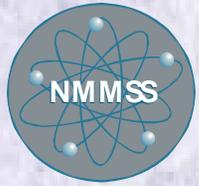
Ron Bonifay
NAC International



General Topics

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

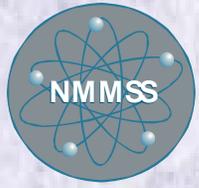
- Regulatory guidelines for reporting
- NRC instruction manuals
- Reporting requirements and periods
- Reconciliation process
- Improvements



Regulatory Guidelines

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission

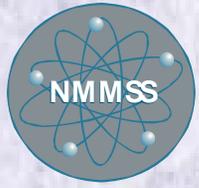
- Code of Federal Regulations 10 CFR Parts 74 & 75
- Part 74: Material Control and Accounting of Special Nuclear Material addresses licensees other than IAEA facilities
- Part 75: Safeguards of Nuclear Material-Implementation of US/IAEA Agreement (IAEA facilities)



Instruction Manuals

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission

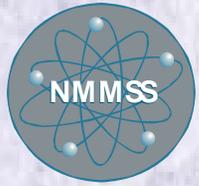
- NUREG/BR-0006 – Instructions for Completing Nuclear Material Transaction Reports; DOE/NRC 741 form
- NUREG/BR-0007 – Instructions for the Preparation and Distribution of Material Status Reports, DOE/NRC 742 & Physical Inventory Listing DOE/NRC 742C form
- NMMSS D-24 – Personal Computer Data Input for Nuclear Regulatory Commission Licensees



NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

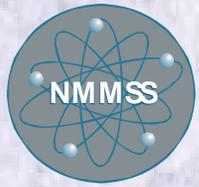
Reporting Requirements

- NRC regulations require each licensee who is authorized to possess at any one time and location special nuclear material (SNM) totaling more than 350 grams, or any combination thereof to prepare and submit a Material Balance Report (MBR) and a Physical Inventory Listing (PIL)



Reporting Periods

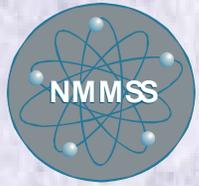
- NRC Category I facilities report semiannually, March 31 and September 30
- Reports for all other NRC facilities are to be made and filed within 60 days of the start of the physical inventory taking (most cases annually), unless an alternate date is authorized by the NRC
- For Licensees reporting pursuant to 10 CFR Part 75, reports are dispatched as soon as possible and in any event within 30 days of the start of the physical inventory taken as part of the licensees MC&A procedures



NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

Facilities Currently Submitting MBR and PIL

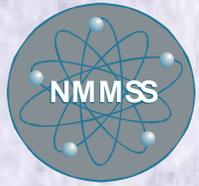
- Power Reactors (107)
- Research Reactors (44)
- Fabricator Facilities (5)
- Other Facilities (15)
- Uranium Enrichment Facilities (2)



NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

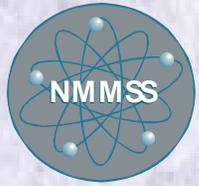
Reconciliation Procedure Guidelines

- Balances are reconciled by government and private owned material
- All SNM and foreign obligated source material is reconciled
- All government owned material in addition to SNM in the possession of the licensee is reconciled
- All open transactions in the reconciliation period must be closed before the reconciliation process is considered completed



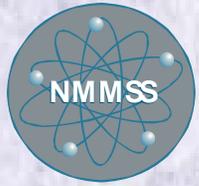
Reconciliation Process

- **Section A**: Line by line comparison between the facility's MBR and the NMMSS M-742 report which includes:
 - Beginning Inventory
 - Transaction Activity
 - Ending Inventory
- NMMSS M-742R report is compared to the facility's electronic submission of the MBR and the facility's hard copy (if submitted) to verify data has been entered correctly



Reconciliation Process (Continued)

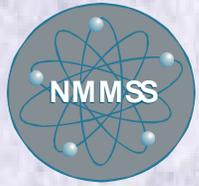
- When differences are detected the facility's authorized person is contacted describing the discrepancy and a request for resolution
- The facility representative will take two actions:
 1. Correct its books then send a correcting transaction to NMMSS, or
 2. Resubmit the Section A Data
- If the discrepancy is a NMMSS related problem the appropriate correction action is taken by NMMSS



NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission

Reconciliation Process (Continued)

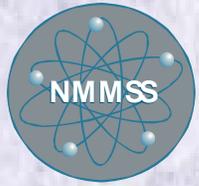
- Once the MBR Section A is reconciled the facility's PIL total line (899) for each material type is compared to the NMMSS M-742 ending inventory for each material type.
- Any discrepancies are resolved with the facility



Reconciliation Process Foreign Obligated Material

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission

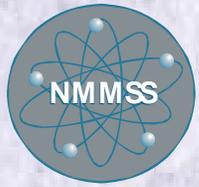
- Section B of the MBR contains the balances of obligated material
- NMMSS report IA-OBL-05 report contains generated data comparable to Section B of the submitted MBR
- The balances reported in Section B of the MBR are reconciled to the NMMSS generated IA-OBL-05 report
- NMMSS staff contacts the facility if differences are detected and assist them in resolving the differences



NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

Reconciliation Finalized

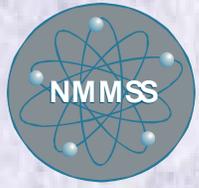
- Once a facility's MBR and PIL are in agreement with corresponding NMMSS reports for all material types and there are no open transactions for the period the facility is considered reconciled
- The facility is notified that they are reconciled with NMMSS.
- Documentation is filed and readily accessible to facilitate NRC and licensee future needs



NRC Reconciliation Improvements

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

- NRC & DOE Sponsor approved procedure
- Electronic capture of submitted MBR
- New Reports (M-742R & I-023A)
reporting data for MBR and PIL
- Reconcile Foreign Obligated Material
(CCN's were not reconciled)
- Reconcile PIL to the M-742 report
- Reconciliation conducted on an annual
basis vs. semiannual



NRC Reconciliation Process and Improvements

NMMSS Users Annual Training Meeting
New Orleans, Louisiana—May 24-26, 2005
*Sponsored by the U.S. Department of Energy &
the U.S. Nuclear Regulatory Commission*

QUESTIONS ?