

April 16, 2010

COMSECY-10-0004

MEMORANDUM TO: Chairman Jaczko  
Commissioner Svinicki  
Commissioner Apostolakis  
Commissioner Magwood  
Commissioner Ostendorff

FROM: R. W. Borchardt */RA/*  
Executive Director for Operations

SUBJECT: DELEGATION OF SIGNATURE AUTHORITY FOR SECTION 274i  
AGREEMENTS

The purpose of this memorandum is to request Commission approval that the delegation of signature authority for Section 274i Agreements be transferred from the Director of the Office of Nuclear Security and Incident Response (NSIR) to the Director of the Office of Federal and State Materials and Environmental Management Programs (FSME). The Section 274i Agreements with Agreement States pertain to State inspections of Agreement State materials licensees to verify compliance with U. S. Nuclear Regulatory Commission (NRC) additional security measures. The authority for NRC to enter into such an agreement is reflected in Sections 161f and 274i of the Atomic Energy Act of 1954, as amended. Additional guidance can also be found in NRC Management Directive 5.2, "Memoranda of Understanding with States."

NSIR was given responsibility for Section 274i Agreements per the SRM for SECY-04-0006, "Draft Section 274i Agreement Pertaining to Inspection of Materials Licensees to Verify Compliance with Additional Security Measures" (February 18, 2004). NRC and several Agreement States entered into the Section 274i Agreements to conduct the initial compliance inspections of the Orders issued under NRC's authority to promote common defense and security. The scope of work for these inspections was detailed in the Addenda to the agreements and covered panoramic irradiators and manufacturers and distributors that had been licensed by Agreement States and issued NRC Orders.

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Michelle Manahan, FSME/MSSA  
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FSME was created October 6, 2006. Since the first round of inspections, and the creation of FSME, NSIR and FSME management decided that the Section 274i Agreement program would be most appropriately handled from FSME, which maintains regular contact and coordination with the Agreement States on regulatory matters.

The framework for these agreements is unique and different from other agency agreements and contracts in that they are designated as agreements between one government entity and another and not simply a contractual arrangement. It was brought to the attention of FSME Staff at the scheduled time to sign and issue the Addenda (October 2009) that while the Office Director of NSIR had been delegated the authority to sign the Agreements in previous years (February 20, 2004, ML040490838), the authority has not been delegated to the FSME Office Director. Therefore, in order to move forward with Addenda to existing Agreements to begin re-inspections of NRC security requirements, I approved them for the agency on November 12, 2009. The staff recommends that the authority for the Office Director of FSME to sign the Agreements be granted by the Commission through the Executive Director for Operations (EDO) and that the enclosed Delegation of Authority be approved.

SECY, please track.

Enclosure:  
Delegation of Authority

cc: SECY  
OGC  
OCA  
OPA  
CFO

April 16, 2010

MEMORANDUM TO: Charles L. Miller, Director  
Office of Federal and State Materials  
and Environmental Management Programs

FROM: R. W. Borchardt */RA/*  
Executive Director for Operations

SUBJECT: DELEGATION OF AUTHORITY

I hereby delegate authority to the Director of the Office of Federal and State Materials and Environmental Management Programs (FSME) to sign Section 274i agreements with Agreement States pertaining to inspection of Agreement State materials licensees to verify compliance with U. S. Nuclear Regulatory Commission (NRC) additional security measures. The authority for NRC to enter into such agreements is found in Sections 161f and 274i of the Atomic Energy Act of 1954, as amended. Additional guidance can also be found in NRC Management Directive 5.2, "Memoranda of Understanding with States."

The above-stated authority may be re-delegated only to one acting for the Director of FSME. Any re-delegation must be in writing. The prior delegation of the above-stated authority to the Director of the Office of Nuclear Security and Incident Response, dated February 20, 2004 (ML040490838), is hereby revoked.

This delegation of authority should be reflected in appropriate NRC Management Directives.

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