

10200 Richmond Avenue, Suite 275 Houston, TX 77042 713-781-0758 800-692-0771 713-781-7542 Fax

Association of Energy Service Companies

10 February, 2006

To: Chief, Rules and Directives Branch

Division of Administrative Services

Office of Administration Mail Stop T6-D59

U.S. Nuclear Regulatory Commission

Washington, DC 20555-0001

Subject: Request for Public Comment – RSPS – TF from Association of Energy Service

Companies

Dear Sirs,

On behalf of the member companies in our association, we would like to offer the following comments. Our membership includes a number of wireline companies who are in possession of radioactive materials as used in the well servicing industry:.

Topic #1: The list of radiation sources requiring security based on potential attractiveness of the source to terrorists and the extent of the threat to public health and safety.

We concur with the U.S. commitment to adopt the IAEA Code of Conduct on Safety and Security of Radioactive Sources.

Topic #2: The national system for recovery of lost or stolen radiation sources.

The Off-Site Recovery Project (OSRP) has been an extremely effective program for the securing of unused sources within our industry. We would urge that the OSRP continue to "repatriate" unwanted sources on a no-fee basis. Any efforts to provide back to our industry needed sources from the OSRP for industry use are needed. Due to limited source availability and extremely long lead times for certain sources, an available access to safe, secure sources are needed within the industry.

Topic #3: Storage of radiation sources that are not used in a safe and secure manner

We believe that the requirements, laws, rules and regulations are adequate and understood by our industry as they currently stand.

Topic #4: The national source tracking system for radiation sources.

We concur with the recommendations made by the Oil Field Services Industry Forum for Radiation Safety and Security, namely: 1.) licensees maintain records of the present locations of all Category 1 and Category 2 sources they possess, 2.) Monthly reporting of all movements through web based tracking system, 3.) notification of recipient licensees when a source is sent to insure their expectation and timeliness of receipt, and 4.) reporting with 24 hours of Category 1 or Category 2 sources in transit that cannot be located by the freight carrier.

Additionally, it is our belief that including Category 3 sources in the tracking system will not enhance, but hinder the ability of companies in the reporting process by including sources that are of minimal consequence. Wireline Logging companies have probably a much greater number of Category 3 sources than Category 1 or 2 combined.

Topic #5: A national system to provide for the proper disposal of radiation sources.

The Off-Site Source Recovery Program (OSRP) has been mentioned in Topic #2 above. The emphasis should also be made again that the program should continue on a no-fee basis.

Topic #6: Import and export controls on radiation sources to ensure that recipients of radiation sources are able and willing to adequately control radiation sources.

This ruling would have little effect on our membership as most of the smaller companies within our membership do not export sources out of country. The importation is the responsibility of the third parties from which our member companies purchase the sources.

Topic #7: Procedures for improving the security and control for use and storage of radiation sources.

It is felt that adequate policies and regulations are in place at present to provide for control and security of sources.

Topic #8: *Procedures for improving the security of transportation of radiation sources.*

Current policies in place have been adequate to control the security of transportation of sources.

Topic #9: Background checks for individuals with access to radiation sources.

Many of the companies involved with source usage are also involved with explosives use within the wireline community. There are currently background checks required by BATF for explosives use and purchase. In many cases, they are the same person due to the small companies and limited number of personnel dealing with both the radiation and explosives side of the business. Also, CDL drivers with Hazmat endorsement are included. We would encourage the NRC to develop in conjunction with other National Agencies one background check that would cover numerous areas. This would lessen both the responsibility of the licensees and the U.S. governmental agencies in doing multiple checks by multiple agencies on single individuals.

Topic #10: Alternatives technologies.

Alternative technologies are possible options, but only if they are cost affective options to the industry. Many of our member companies are small independent companies with limited financial resources. These alternative technologies have to be affordable, available to ALL members of the industry (not just the larger wireline companies that have the financial resources), and understood that our members do not possess the expertise or financial ability to develop their own alternative technologies. The well logging business is a mature business that has used radioactive materials for many years in our work with oil and gas producing companies. The log interpretations, calculations, and decisions based on the data we provide is mature and based on years of proven technologies.

Thank you for the membership of the Association of Energy Service Companies on the opportunity to provide feed back to the commission.

Sincerely,

Kenny Jordan Executive Director Association of Energy Service Companies 10200 Richmond Ave., Ste 275 Houston, Texas 77095

e-mail: kjordan@aesc.net ph: 713-781-0758 fax: 713-781-7542

cc: Michael Stovall, President, AESC Pete Sandel, 1st Vice President, AESC Bob Stone, 2nd Vice President, AESC Wireline Committee