



Pennsylvania Department of Environmental Protection

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April 20, 2001

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Office of Air, Recycling and Radiation Protection

717-772-2724

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Mr. Hubert J. Miller
Regional Administrator
United States Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA 19406-1415

SUBJECT: Safety Light Corporation (SLC), Bloomsburg, PA

Dear Mr. Miller:

This letter is in response to your letter of February 12, 2001. We have also received an earlier NRC letter from Paul Lohaus dated November 17, 2000. We apologize for not responding sooner.

As you pointed out, the ultimate cleanup and decommissioning of the SLC (formerly U.S. Radium) site is a complex problem, and we share your concerns about the appropriate use of available funds. However, the responsibility for remediation of this site remains with the licensee.

Based on our recently completed review of the Decommissioning Cost Estimates (DCEs) and Decommissioning Plans (DPs) for SLC License Nos. 37-00030-02 and 37-00030-08, it is apparent that the licensee's required contributions to a decommissioning trust account (License 37-00030-02 Condition 16) are inadequate for the licensee to meet their responsibility in the foreseeable future. The contributions required by condition 16 will result in funding of \$492,000 by December 31, 2004, plus any insurance settlement funds. As you know, this is far short of the current estimate of nearly \$30M for the cleanup of this site.

SLC's licenses were renewed until December 31, 2004 and an exemption granted for adequate financial assurance as required in 10 CFR 30.35 based on the Commission's approval of SECY 99-269. One of the conditions specified by Chairman Meserve for approval of SECY 99-269 is that the licensee develop a plan to meet the requirements of 10 CFR 30.35 before the current license expires. It is now obvious a plan cannot be developed by the licensee that will satisfy the requirements of 10 CFR 30.35 by the time the current license expires.

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Consequently, the Commonwealth requests that NRC consider taking actions under your regulations to require SLC to meet their responsibilities for timely cleanup and decommissioning of this site. I believe there are provisions in the NRC regulations that are appropriate for this situation. I also believe that actions taken by NRC in 1998 with a licensee in Cleveland, Ohio in regards to an inadequate decommissioning funding plan are relevant to the SLC situation. In the Ohio case, it is my understanding that a license renewal request was denied based on an inadequate funding plan. With that denial, the company was under a provision of the NRC regulations, which requires prompt decommissioning of the facility.

In regards to near term site activities and expenditure of the currently limited funds, it is the Department of Environmental Protection's position that the waste generated from the silo remediation that is currently being stored in a flood plain be characterized and shipped for disposal as the highest priority activity. Thus, we request NRC authorize the use of appropriate decommissioning funds for this work.

I appreciate your request for a meeting with me and my staff. However, prior to that meeting, I believe it would be more productive if NRC and Commonwealth attorneys meet first, after NRC has considered what actions may be taken under your regulations. Given the current decommissioning cost estimate which now quantifies the significant short-fall in funding available to clean up this site, perhaps the recommendation of SECY 93-235 which involved the potential transfer of the SLC site to EPA for cleanup should now be reconsidered. To this end, I would appreciate your having the appropriate NRC attorney contact Tom Crowley, our attorney at 717-787-8790.

Sincerely,



Denise K. Chamberlain
Deputy Secretary for
Air, Recycling and Radiation Protection

cc: D. Allard
J. Snyder
T. Crowley