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May 10, 2001

United States Nuclear Regulatory Commission - Region 1
475 Allendale Road
King of Prussia, Pa. 19406-1415
Attention: Marie Miller

Reference: Docket #03005980 License #37-00030-02 – Your letter of April 27, 2001

Dear Ms. Miller,

We disagree with the content of Mr. Pangburn's letter of April 27, 2001 and, as requested, we are writing you to explain our position.

First of all, we confirm the receipt of \$487,500 from Allendale Insurance Company representing settlement of our claim. These funds were immediately deposited into our Insurance Settlement Account. Since receiving your letter, we have reviewed the 1994 NRC Settlement Agreement with Safety Light Corporation. Based on our reading of paragraph 8 of this document, we believe that we are required to transfer 25% of this amount into the NRC-Administered Trust / Escrow Fund. Subject to your agreement, we are prepared to transfer \$121,875 immediately to this account.

Secondly, we strongly disagree with your position that we should be prohibited from using either our Settlement Funds or Escrow Funds for use in our legal proceedings against IT Corporation. Our lawsuit against IT Corporation is solely for the purpose of recovering funds to enable us to compete the silo remediation project. Any monies that we spend in this suit should be considered directly related to the clean-up of our site and therefore should be authorized by the NRC. We are agreeable to using Insurance Settlement Funds in this effort and are not intending to request the use of any of the NRC-Administered Trust / Escrow Fund for this purpose. However, if you decide that this is not acceptable, we will be forced to discontinue our pursuit of IT Corporation as operating funds are not available for this purpose.

We would appreciate a quick response so that we can take the appropriate actions as soon as possible.

Regards,


William E. Lynch Jr.
Vice President

Cc: David Allard, PADEP
Brad Fewell, NRC Regional Counsel

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This is to acknowledge the receipt of your letter/application dated

5/10/01, and to inform you that the initial processing which includes an administrative review has been performed.

☒ *NOTIF* There were no administrative omissions. Your application was assigned to a technical reviewer. Please note that the technical review may identify additional omissions or require additional information.

☐ Please provide to this office within 30 days of your receipt of this card

A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned **Mail Control Number** 1 2 9 7 5 2.
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.

Sincerely,
Licensing Assistance Team Leader

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      :           (FOR LFMS USE)
      :           INFORMATION FROM LTS
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      :
      : Program Code: 03900
      : Status Code: 0
      : Fee Category: 14
      : Exp. Date: 20041231
      : Fee Comments: 14 EFF 1/25/79
      : Decom Fin Assur Req'd: N
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Signed _____
Date _____