



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

June 19, 2001

Denise K. Chamberlain
Deputy Secretary for
Air, Recycling and Radiation Protection
Commonwealth of Pennsylvania
Department of Environmental Protection
P.O. Box 2063
Harrisburg, PA 17105

SUBJECT: SAFETY LIGHT CORPORATION, BLOOMSBURG, PA FACILITY

Dear Ms. Chamberlain:

This letter acknowledges your concerns and responds to requests related to Safety Light Corporation (SLC) detailed in your letter to me dated April 20, 2001. I have discussed your letter with Paul Lohaus, Director, Office of State and Tribal Programs as it also responds to his letter dated November 17, 2000. We understand your concerns about decommissioning activities and related funding issues at the Bloomsburg site.

As stated in the NRC staff paper (SECY-99-269) to the Commission that recommended renewal of the Safety Light licenses, we recognize that if funds needed to remediate the site are not obtained from either SLC or the USR Companies, the site may ultimately become a federal liability as an EPA Superfund site. When NRC renewed the SLC licenses in 1999, NRC informed SLC, in writing, that when they apply for a renewal of their licenses, NRC expects that SLC will submit a decommissioning funding plan demonstrating compliance with 10 CFR 30.35 requirements from which they are exempted until the time their license expires. We note that SLC has satisfied its current license conditions concerning monthly deposits into an NRC controlled escrow fund. The site is being maintained in accordance with its NRC license, as evidenced by a recent NRC inspection on May 31, 2001, which was observed by your staff. Therefore, the NRC continues to conclude that there is no change in the status of the site from a safety perspective that would lead us to modify, suspend or revoke the license. NRC will continue to inspect the Safety Light facility, and ensure that the waste materials stored at the site are being handled safely.

Because of the current, and likely future, limits on funds available for decommissioning of the site, we are assuring that these funds are being managed conservatively. We will closely examine the licensee cost proposal and the scope of work to assure ourselves that any expenditures of funds are appropriate and are carefully monitored. We expect that we will be able to release funds for the characterization and disposal of the waste in the near future. We will closely coordinate with your Department on the review of any licensee work plan.

As to longer range plans to address the lack of decommissioning funds for the SLC site, we have arranged for an initial meeting between attorneys from your Department and NRC attorneys along with technical staff from your Department and NRC on June 25, 2001. A major objective for the meeting should be to gain an improved understanding of our respective concerns, statutory responsibilities and regulations. Specific issues to be discussed should include the results of past extensive NRC reviews of the legal and financial responsibilities of potentially liable parties. We will also be prepared to discuss your suggestion about EPA involvement in decommissioning the site. As I stated in my February 12, 2001, letter to you, our timely coordination on these issues is important to establishing an effective regulatory approach for long-term risk management of the site. Marie Miller, the NRC Project Manager for Safety Light and NRC Decommissioning Coordinator for Pennsylvania, is the NRC point of contact and can be reached at 610-337-5205 with any questions about this meeting.

Overall, I am encouraged by the ongoing coordination between our offices on matters related to SDMP sites. We look forward to continuing this coordination in the future

Sincerely,

Original Signed By:

Hubert J. Miller
Regional Administrator

cc:

David J. Allard, Director, Bureau of Radiation Protection
Thomas M. Crowley, Assistant Counsel, Office of Chief Counsel
James Kopenhaver, Manager, Radiation Protection Program

D. Chamberlain
Air, Recycling and Radiation Protection

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