

June 27, 2002

Mr. Edgar D. Bailey, C.H.P., Chief
Radiological Health Branch
Division of Food, Drug & Radiation Safety
California Department of Health Services
P.O. Box 942732
Sacramento, CA 94234-7320

Dear Mr. Bailey:

We have received an e-mail inquiry (enclosed) regarding the status of a license termination action in California. We are referring this matter to you for action. Please inform us of action taken to address this question.

We would also appreciate updated information on how the State plans to handle decommissioning and license termination actions during the time needed to resolve issues involving the court case.

Please call me if you have any questions.

Sincerely,

/RA/
Paul H. Lohaus, Director
Office of State and Tribal Programs

Enclosure:
As stated

cc: Justian Jusuf

Edgar D. Bailey

June 27, 2002

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From: "Justian Jusuf" <jjusuf@marronlaw.com>
To: "Victor Dricks" <VLD@nrc.gov>
Date: 6/21/02 3:22PM
Subject: Re: California Regulations on Decommissioning

Thanks for the reply. This is a laboratory (not a nuclear plant) that used radioactive material. The lab was moved to a different location, and sought to terminate its license as to the old location. The property has been decontaminated (down to well below 25 milirem), and the Final Status Survey Report has been submitted to California Department of Health Services.

Until recently, the Department was reviewing the Report and was going to meet with licensee regarding the Report and discuss any issues that have to be addressed. As a result of the state court's decision setting aside regulations the Department adopted, now the Department has stopped all activity on license termination.

With the decommissioning and license termination being held up, the property is idle, and the licensee is incurring substantial financial losses (in paying substantial rent for property it does not use), plus the landlord has sued the licensee for "lost opportunities" (regardless of the merits, the licensee is incurring legal fees to defend the case).

Most frustrating is the lack of communication from the Department as to what, if anything, the licensee needs to do to terminate the license and, if the Department does not know currently, when the Department will know what the licensee needs to do.

We are continuing to request the Department to act on the license termination application. However, we are curious as to what the NRC (as an overseer of "agreement states") is doing, if anything, with regards to this matter.

Thanks,
Justian Jusuf