

February 26, 2003

Dear Licensee:

**SUBJECT: DECOMMISSIONING FINANCIAL ASSURANCE INSTRUMENTS AND THE
UPCOMING AGREEMENT WITH THE STATE OF WISCONSIN**

The State of Wisconsin intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission. Under the Agreement, the NRC will relinquish to the State regulatory authority for certain licenses for byproduct, source, and special nuclear materials. It is anticipated that the Agreement will become effective in July 2003.

In accordance with NRC requirements described in either 10 CFR 30.35, 40.36, or 70.25, you have provided the NRC a decommissioning financial instrument. This instrument names the NRC as a beneficiary, grants the NRC specific powers, and contains specific NRC notification provisions. As part of the transfer of regulatory authority from the NRC to the State of Wisconsin, we have determined that your financial instrument will need to be re-issued so that provisions currently specifying the "U.S. Nuclear Regulatory Commission" are changed to specify the "State of Wisconsin."

To implement the transfer of decommissioning financial assurance instruments in the most timely and effective manner, we request that you begin to prepare, with the issuer of your current instrument, a modified financial instrument with the changes described above. This modified instrument should be executed on the effective date of the signing of the Agreement. NRC staff will notify you of the effective date of the Agreement. After you have executed the changes to your financial instrument and provided a copy to the State of Wisconsin, we will cancel and return to you the financial instrument that we currently hold in our office. Please note that if you fail to execute a modified instrument on the effective date of the Agreement, it is likely that you may not be in compliance with State of Wisconsin regulatory requirements.

Questions applicable to the State of Wisconsin requirements should be directed to:

Cheryl Rogers
Supervisor, Radioactive Materials
Division of Public Health
Department of Health and Family Services
P.O. Box 2659
Madison, WI 53701-2659
(608) 266-8135

Licensee

-2-

If you have any questions regarding this letter, please contact Kevin Null, Senior Health Physicist, at (630) 829-9854, or James Lynch, State Agreements Officer at (630) 829-9661.

Sincerely,

/RA by G. Shear Acting for/

Marc Dapas, Acting Director
Division of Nuclear Materials Safety

cc: Cheryl Rogers, State of Wisconsin

Distribution:

- D. Cool, NMSS
- P. Lohaus, OSTP
- G. Pangburn, DNMS, RI
- D. Collins, DNMS, RII
- E. Collins, DNMS, RIV

DOCUMENT NAME: G:\SEC\WifinassLTR.wpd

To receive a copy of this document, indicate in the box: **C** = Copy without enclosure **E** = Copy with enclosure **N** = No copy

OFFICE	RIII	RIII	RIII	RIII
NAME	Null:mb	Lynch	Madera	Dapas by GLS
DATE	02/19/03	02/19/03	02/20/03	02/20/03

OFFICIAL RECORD COPY