



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

August 27, 2003

Jeffrey A. Vey  
Township Manager  
Milford Township  
2100 Krammes Road  
Box 86  
Spinnerstown, PA 18968

SUBJECT: CFC LOGISTICS, INC. NRC LICENSE

Dear Mr. Vey:

This is in response to your letters dated July 18, 2003 and August 7, 2003 concerning the pool irradiator proposed by CFC Logistics, Inc. and a letter from the Milford Township Board of Supervisors dated July 21, 2003. Your July 18, 2003, letter requested that we defer making a decision on issuing an NRC license until a local land use decision is made on this site and forwarded a copy of a letter to CFC Logistics concerning a requirement for a land use permit for the proposed pool irradiator. Your August 7, 2003 letter requested that we require third party verification of pool structural testing, particularly any required drop testing. The July 21, 2003 letter from the Board of Supervisors concerned the review of development and zoning issues associated with the CFC Logistics facility by the Board of Supervisors and raised several questions which the letter indicated needed further research.

With respect to the requests to defer issuing the license and to require third party verification of pool structural testing, we believe that we have dealt with these issues during our review of the CFC Logistics license application. The NRC's mission is to protect public health and safety and the common defense and security in regulating the civilian use of radioactive material. In carrying out that mission, we have conducted an extensive review of the CFC application which included: an acceptance review to assure the application had sufficient information; technical reviews and numerous on site inspections by health physics, electrical engineering and geotechnical experts; several visits by senior Region I management; and, a peer review by an internal panel that focused on the unique engineering aspects of the irradiator's design. The review included consideration of the risk and consequences of a potential heavy load drop near the irradiator. Our engineering review concluded that this event was unlikely and would not result in a loss of shielding or damage to the sources. Consequently, we concluded that a drop test was unnecessary.

We applied substantial staff and management resources to review this application to assure the health and safety standards contained in our regulations were met. Based on that review we have granted a license to CFC Logistics to receive cobalt-60 and operate a commercial irradiator at their facility in Milford Township, near Quakertown, PA. As explained in the July 16, 2003 and August 21, 2003 public meetings, our regulations call for us to issue a license to an applicant who has met NRC regulatory requirements. The NRC will continue to closely monitor the licensed activities of CFC Logistics through onsite inspections.

J. Vey  
Milford Township

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With regard to the July 21, 2003, letter from the Board of Supervisors, we carefully reviewed the issues described in that letter. The information provided did not lead us to any conclusions which warranted delay of issuance of the license. Therefore, we plan no additional action on the issues described in that letter.

Thank you for your interest in this matter. We appreciate the assistance you have provided in this matter, particularly in arranging the public meeting on July 16, 2003. If you have any questions, please call me at (610) 337-5281.

Sincerely,

***Original signed by Francis M. Costello***

George Pangburn, Director  
Division of Nuclear Materials Safety

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