



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

November 3, 2003

Docket No. 03005980

License No. 37-00030-02

William E. Lynch
Vice President
Safety Light Corporation
4150-A Old Berwick Road
Bloomsburg, PA 17815

**SUBJECT: USE OF SAFETY LIGHT CORPORATION/USR INDUSTRIES, INC.
SETTLEMENT AGREEMENT TRUST FUNDS**

Dear Mr. Lynch:

This letter refers to your October 9, 2003 letter with respect to the Bloomsburg, PA facility, as amended by two October 28, 2003 e-mails submitted by Kevin Bruno, Esq. on behalf of the Safety Light Corporation (SLC) and USR Industries (USR). You make specific requests for release of funds currently maintained by NRC pursuant to the 1994 NRC Settlement Agreement. These funds would be used to pay the outstanding invoices from Solutient Technologies, the primary contractor performing the re-characterization of the underground silo waste, and from Dr. John Frazer, the oversight technical expert and project coordinator. In this letter, we respond to these requests for release of funds. In your letter, you also seek our guidance and raise other matters which we will address in separate correspondence.

Item 17 of the NRC Settlement Agreement permits the use of funds set aside as part of the Agreement for site decontamination, cleanup, and decommissioning. Because the activities performed by Solutient and Dr. John Frazer directly relate to the decontamination and clean up of the site, these expenditures fall within the provisions of Item 17. However, as we have advised you previously, it is our view that the Insurance Fund should be depleted before we will authorize use of the NRC Settlement Agreement Trust Fund. We have evaluated the information you provided to determine how much money we can authorize to be released from this Trust Fund. Accordingly, you are authorized to use \$195,170.26 of the NRC Settlement Agreement Trust Fund to make the payment to Solutient Technologies, and to use \$19,359.32 of the NRC Settlement Agreement Trust Fund to make the payment to Dr. John Frazer. This authorization is contingent on your depleting the Insurance Fund, excepting the \$190,000 which is legally obligated for the remediation of the Maxey Flats Disposal Superfund Site (\$100,000) and the for the USR Metals chemical remediation project (\$90,000). In addition, no monies from the NRC Settlement Agreement Trust Fund may be used to pay for the disposal of tritium waste generated by current operations. Future payments for NRC-approved activities will be reviewed as required by the NRC Settlement Agreement.

W. Lynch
Safety Light Corporation

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If you have any questions regarding this matter, please contact Ronald Bellamy or Marie Miller of my staff at 610-337-5200 or 5205.

Sincerely,

/RA/

Hubert J. Miller
Regional Administrator

cc:

Larry Harmon, Plant Manager
David Allard, Director, Bureau of Radiation Protection
Dennis Matlock, On-Scene Enforcement Officer, EPA RIII
Sheri Minnick, Health Physicist, EPA RIII
Rick Shipman, Chief, Division of Hazardous Waste Management
James Kopenhaver, Manager, Radiation Protection Program
Kevin J. Bruno, SLC Legal Counsel

W. Lynch
Safety Light Corporation

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