

February 20, 2004

Mr. Mike Anderson, General Counsel  
Autoliv  
1320 Pacific Drive  
Auburn Hills, MI 48326

Mr. Ray R. Tsukimura, President  
Aerotest Operations, Inc.  
3455 Fostoria Way  
San Ramon, CA 94583

SUBJECT: DIVESTITURE PLAN REGARDING THE AEROTEST RADIOGRAPHY AND  
RESEARCH REACTOR (TAC NO. MB1977)

Dear Gentlemen:

This letter acknowledges receipt of Mr. Anderson's letter dated January 29, 2004. That letter outlined the subject divestiture plan under which a minority ownership interest in the Aerotest Radiography and Research Reactor would be transferred and a proposed negation action plan would be implemented. This letter is also to confirm that the process for divestiture must follow the provisions of 10 CFR 50.80. Those provisions require the submission of an application for transfer of control of the license with the appropriate information. The process also requires NRC approval before transfer of any ownership interest in the facility.

Based on a telephone conversation between Mr. Tsukimura and Mr. Marvin Mendonca of my staff, I understand that you are currently meeting and will continue to meet the provisions of the negation plan proposed in the January 29, 2004, letter. Further, based on this conversation, I understand that you agreed to send us a written update of progress on your outlined divestiture plan every 60 days.

Should you have any question concerning this request, please contact Mr. Marvin Mendonca at 301-415-1128 or Ms. Catherine Marco at 301-415-3052.

Sincerely,

***/RA by Frank Gillespie Acting for/***

David B. Matthews, Director  
Division of Regulatory Improvement Programs  
Office of Nuclear Reactor Regulation

Docket No. 50-228

License No. R-98

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