



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

February 19, 2004

Docket No. 03005980

License No. 37-00030-02

Larry Harmon
Plant Manager
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. Harmon:

This letter refers to your January 7, 2004 letter with respect to the Bloomsburg, PA facility. You make specific requests for release of funds currently maintained by NRC pursuant to the 1994 NRC Settlement Agreement. This letter addresses the release of funds that would be used to pay the outstanding invoices of \$220,033.33 approved by you for the period of November 11, 2003 through December 18, 2003, from Solutient Technologies LLC (Solutient), the primary contractor that performed the re-characterization of the underground silo waste. This letter also refers to our earlier letters to you dated November 3, 2003 and December 4, 2003. In these letters, we had advised you that except for legally obligated costs, all remaining funds in the SLC Insurance Fund must be used to satisfy the previous outstanding Solutient invoices approved by SLC, totaling \$42,000. On January 16, 2004, you confirmed during a telephone conversation with us that no funds were distributed to Solutient from the SLC Insurance Fund as we requested. You also confirmed that except for \$9,397, which is in dispute with Solutient, the outstanding balance for all work completed and approved by SLC that is payable to Solutient is \$262,033.33.

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 directly relate to the decontamination and cleanup of the site, these expenditures fall within the provisions of Item 17. We note that these invoices and the associated work resulted in the shipment of some of the silo waste, and modifications to improve the outside and inside storage areas for the remaining waste. 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 \$220,033.33 of the NRC Settlement Agreement Trust Fund to make the payment to Solutient. This authorization is contingent upon your first paying \$42,000 from the SLC Insurance Fund to satisfy the past due payments to Solutient. Future payments for NRC-approved activities will be reviewed as required by the NRC Settlement Agreement. These requests must allow sufficient time for review of these expenditures before any new work begins.

L. Harmon
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:

William E. Lynch, Vice President
David Allard, Director, Bureau of Radiation Protection
James F. Kopenhaver, Program Manager, Radiation Protection
Dennis Matlock, On-Scene Enforcement Officer
Sheri Minnick, Health Physicist

L. Harmon
Safety Light Corporation

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