



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

June 17, 2004

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 letter dated November 24, 2003, and subsequent correspondence from Mr. Larry Harmon of your staff received by this office on December 8, 2003, March 9, April 28, and April 29, 2004 with respect to the Bloomsburg, PA facility. You request release of funds currently maintained by NRC pursuant to the 1994 NRC Settlement Agreement. A portion of funds currently maintained in the NRC Settlement Agreement Trust Fund (Trust Fund) would be used to pay outstanding invoices from Auxier and Associates for the period September 2003 through March 2004. You also requested that monies contained in the Trust Fund be used to pay the outstanding invoice from Suburban Fence Company.

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. The Auxier and Associates invoices, as revised on April 29, 2004, directly relate to the oversight, laboratory analysis, and assessment of waste characterization data. Because these activities were performed to support the underground silo waste decommissioning project, these expenditures fall within the provisions of Item 17. The invoice for maintaining the site perimeter fencing relates to safely storing radioactive material and waste, as required by your NRC license for possession and decommissioning. Because maintenance of the perimeter fence is considered necessary to protect the public health and safety, as specifically addressed in the Settlement Agreement, this expenditure falls within the provisions of Item 17. Accordingly, you are authorized to use \$11,640.38 of the Trust Fund to make payment to Auxier and Associates, and to use \$630.00 of the Trust Fund to make payment to Suburban Fence Company. With these withdrawals the Trust Fund will be reduced from its current balance of \$169,267 to approximately \$156,996.

Future payments for NRC-approved activities will be reviewed as required by the NRC Settlement Agreement. These requests must include copies of the invoices and sufficient information to support the request for release of funds.

W. Lynch  
Safety Light Corporation

2

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

Sincerely,

***Original signed by James T. Wiggins***

Hubert J. Miller  
Regional Administrator

cc:

Larry Harmon, Plant Manager, SLC  
Randy Easton, Manager, Radiation Protection, PADEP  
David Allard, Director, Bureau of Radiation Protection, PADEP  
Dennis Matlock, On-Scene Enforcement Officer, EPA RIII

W. Lynch  
Safety Light Corporation

3

Distribution:  
D. Gillen, NMSS  
D. Orlando, NMSS  
J. Kinneman, RI  
R. Prince, RI  
M. Miller, RI  
M. Schwartz, OGC  
C. Mullins, OGC

DOCUMENT NAME: C:\ORPCheckout\FileNET\ML041700164.wpd

To receive a copy of this document, indicate in the box: "C" = Copy w/o attach/encl "E" = Copy w/ attach/encl "N" = No copy

| OFFICE | DNMS/RI      | N | DNMS/RI       | RC/ORA      | RI/ORA          |
|--------|--------------|---|---------------|-------------|-----------------|
| NAME   | MMiller MTM1 |   | GPangburn GCP | KFarrar KLF | HMiller JTW for |
| DATE   | 6/16/04      |   | 6/16/04       | 6/17/04     | 6/17/04         |

OFFICIAL RECORD COPY