



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

August 23, 2004

Administrative Judge Paul B. Abramson
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Mail Stop: T-3F23
11545 Rockville Pike
Rockville, MD 20852

SUBJECT: Proposed Settlement, CFC Litigation

Dear Judge Abramson:

In your email dated August 18, 2004 to myself and Stephen Lewis of our Office of the General Counsel, you requested a determination by the NRC Staff on whether the terms of the proposed settlement described in that email require Staff approval or any change in the NRC license issued to CFC Logistics, Inc. The changes proposed, in summary, are:

The addition of a backup power supply for the pump which drives air through the chamber containing the sealed sources; and,

The addition of a light beam trip switch which will be utilized during loading and unloading of the sealed sources so that if a cask comes near the point where it would traverse the sealed sources, the switch will trip an audible and visual alarm.

After review of the changes proposed, the NRC Staff concludes that, as described, these additions to the irradiator facility do not appear to violate any NRC requirement nor do they interfere with any required safety feature of the irradiator. Therefore, the licensee may make these changes without NRC review and approval or change to their license.

This determination was made in consultation with the NRC Office of the General Counsel and appropriate NRC management.

If we can provide additional information or help in any way, we will be happy to consult with you.

Sincerely,

Original signed by John D. Kinneman

John D. Kinneman, Chief
Nuclear Materials Safety Branch 2
Division of Nuclear Materials Safety

License No. 37-30804-02
Docket No. 03036239

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