

# SAFETY LIGHT CORPORATION

4150-A OLD BERWICK ROAD, BLOOMSBURG, PA 17815  
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37-00030-02  
03005980

February 11, 1999

Mr. Jim Kottan  
Division of Nuclear Material Safety  
United States Nuclear Regulatory Commission - Region 1  
475 Allendale Road  
King of Prussia, PA 19406-1415

Dear Jim,

As required by Paragraph 4 of The Settlement Agreement dated December 1994 between Safety Light Corporation; the USR Companies; Metreal, Inc.; and the Staff of the United States Nuclear Regulatory Commission we respectfully request an exemption from the decommissioning funding requirements of 10 C.F.R. 30.35. This exemption is requested in order to comply with the obligations of our Settlement Agreement and allow you to grant our license renewal request.

In evaluating this exemption request we ask that you consider the following:

1. We have diligently performed the obligations of our Settlement Agreement including:
  - a) the completion of a site characterization study by Monserco
  - b) full and timely payments to the escrow account
  - c) ongoing pursuit of claim against our first party insurance carrier, Allendale Insurance Company
  - d) maintained the perimeter fence and complied with all applicable NRC Regulations pertaining to our -02 and -08 licenses.
2. We have fought vigorously to protect available funds from the New Jersey Environmental Protection Agency in their claims related to the three U.S. Radium Superfund Sites in New Jersey. Our efforts were successful in preserving more than \$1,300,000 for the remediation of the Bloomsburg site.
3. We have completed a Decontamination and Decommissioning Plan. This work was done by OHM Remediation. A copy of this plan has been submitted and received preliminary verbal approval from Region 1 of the Nuclear Regulatory Commission.
4. In anticipation of your written approval of the D&D Plan, we have begun negotiating a contract with OHM Remediation Services for the decommissioning of the silos. Upon finalization of a contract, OHM will begin preparing a Health Physics Program as

described in Paragraph 3.3, Page 3-1 of the D&D Plan. We will submit this plan to you as soon as it is completed to allow you to begin work on the Environmental Assessment. It is our goal to begin decommissioning work on the silos as soon as possible.

5. Additional remediation will be undertaken based upon funds available after the completion of the work on the silos. We suggest that such work will be done according to a mutually agreed priority list for the site.
6. We believe that it is in the public interest for Safety Light Corporation to continue the monitoring of the radiation levels at the site.
7. There are presently more than 60 people employed at the site with a payroll in excess of \$1,400,000. Without a renewal of our licenses, we will obviously be forced to cease our operations causing us to lay off all of our employees. This will potentially cause an economic hardship on all the affected employees, their families, and the local economy.

Our exemption request is based upon the D&D Plan's cost estimate of more than \$15,000,000. We do not yet have the funds available to complete this task. Nevertheless, we are willing to continue to put aside monies from ongoing operations to be used solely for the purpose of site decontamination and related activities. Obviously, our ongoing activities are dependent on a renewal of our licenses.

We propose putting aside the following amounts:

January 1, 2000, and on the first day of each month thereafter, for 24 months - \$5,000  
January 1, 2002, and on the first day of each month thereafter, for 24 months - \$6,000  
January 1, 2004, and on the first day of each month thereafter, for 12 months - \$7,000

The above represents a total of \$348,000. Contributions greater than those outlined above would place a severe burden on the company's operations. If necessary we can provide copies of our financial statements to substantiate this statement.

As mentioned above, we are pursuing a claim against the Allendale Insurance Company. Our efforts to date have resulted in a meeting of Allendale representatives with our council in 1998 followed by a visit to the Bloomsburg site. As requested, we have provided Allendale Insurance with additional information concerning the history and condition of the site. We are now awaiting a determination from them.

We appreciate your consideration of this exemption request.

Sincerely,

  
William E. Lynch Jr.  
Vice President