From: Elizabeth Ullrich
To: Ron Fraass
Date: Wed, Mar 30, 2005 11:28 AM
Subject: try, try again - corrections to phone conversation re: FA

Ron,

Some corrections to our conversation a few minutes ago: In writing this email to give you details, I found my error in thinking the dividing lines were at greater than/equal to quantity values, rather than less than or equal to. This makes the issues for SNM and source material not much of a problem. However, I also found an error in my reading of Condirtion 18 for the Part 30 byproduct material, which creates a problem there. Here is my revised evaluation:

Part 30 byproduct material, unsealed [30.35]
- less then/equal to 1E3 times Part 30 App B values requires no FA
- 1E3 to less than/equal to 1 E4: $225,000
- 1E4 to less than/equal 1 E5: $1,125,000
- greater than 1E5 requires DFP/CE

I mis-spoke on the phone. Your license, in Condition 18, limits you to quantities under the unity rule of less than 1E5 times App C; this would require the now-$1,125K FA amount.

PArt 40 source material, dispersible form (not solid or sealed) [40.36]
- less than 10 millicuries requires no FA
- 10 millicuries to less than/equal to 100 millicuries: $225,000
- greater than 100 millicuries : DFP/CE with funding to the CE

Your license currently authorizes source material in item B as any 40.4 byproduct material (which is a different definition than the Part 30 byrpoduct material above) at 100 millicuries total. I mis-spoke here, also, in that I stated this would currently require a DFP and FA in the amount of the cost estimate for the DFP. HOWEVER, I forgot is was 100 mCi or less, therefore the $225K is acceptable here.

Part 70 special nuclear material, unsealed [70.25]
- less then/equal to 1E3 times Part 30 App C values requires no FA
- 1E3 to less than/equal to 1 E4: $225,000
- 1E4 to less than/equal 1 E5: $1,125,000
- greater than 1 E5 requires DFP/CE

For U235 and Pu239, the Part 30 value is 0.01 microcuries, so the $225K is required at greater than 0.01 millicuries which is 10 microcuries. Your license currently authorizes SNM in Item A(2) at 10 microcuries per radionuclide and 100 microcuries total; again, I forgot that it is GREATER THAN 10 microcuries and less than/equal to 100 microcuries ..this then currently requires the $225K. [Your Condition 18 compounds the confusion by limiting your possession of SNM to less than 1E5 values; Item A(2) is more limiting than that.]

Based on my review of the current limits of your license, you would need to provide $1,125K for the Part 30 material, $225K for the source material, and $225K for the special nuclear material; this is a total of $1,575,000. I am not sure how your current FA amount of $750K was arrived at in 1992, but it really does not matter; your license limits have changed many times since then.

The most current guidance on sriting a DFP for the cost estimate is in NUREG-1757, Volume 3. Financial Assurance is contained in Part II. Discussion of the cost estimate is on page 4-9. The DFP tables used to come up with the cost estimate are found in Appendix A.3, pages A-25 through A.42

Any questions, feel free to call me at 610-337-5040 or email to exu@nrc.gov.

Betsy

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