



July 21, 2005

Craig Gordon (czg@nrc.gov; 610-337-5216)
U.S. Nuclear Regulatory Commission Region I
475 Allendale Road
King of Prussia, PA

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06-31045-d

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Dear Mr. Gordon,

This is in response to your request for additional information regarding our license application.
(Mail Control Number 136933)

Financial Assurance

Please modify our application (Section 5. c. 1.) to read "Not to exceed 10 millicuries per radioisotope and **100 millicuries total.**" This revised total quantity will meet our needs. We also commit to further restricting our possession limit of licensed material so that at no time will a quantity of radioactive material be possessed in excess of a quantity which requires decommissioning funding in accordance with 10 CFR 30.35(d).

Quantity of Special Nuclear Material

You requested that the possession limit of SNM be stated in units of grams rather than in microcuries. We used the sample license provided in NUREG 1556 Volume 18, Appendix E, page E-3. This example uses activity units. However, please substitute the following words in our application (Section 5. c. 2.): "Not to exceed 450 milligrams per radionuclide and 4.5 grams total." This unit conversion is based on the specific activity of U-235. We also commit to further restricting our possession limit of licensed material so that at no time will a quantity of radioactive material be possessed in excess of a quantity which requires decommissioning funding in accordance with 10 CFR 70.25(d).

Source Material

Any uranium contamination present on the motors would likely fall under the SNM category since commercial reactor fuel is slightly enriched and therefore no longer source material.

No source material will be possessed in excess of the "Unimportant Quantities" specified in 10 CFR 40.13, or in excess of the "Small Quantities of Source material" general license issued in 10

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NMCC/RM MATERIALS-002

CFR 40.22.

In any event, no thorium will be possessed since it is not a constituent of commercial nuclear reactor fuel.

Waste Handling

Radioactive waste, whether byproduct, source or special nuclear material, will be handled as described in the original license application. We will rely on the commercial nuclear power plant from where the motors originate to provide us with an isotopic analysis of their contaminant mix. This information will be used for the waste disposal manifest. There will be no opportunity to separate SNM from byproduct material in the waste stream.

Mixed Waste

No RCRA-listed solvents will be used in our decontamination processes. Steam is anticipated as our primary decontamination medium. Sand-blasting may also be used. We understand the problems associated with the disposal of mixed waste. Therefore we do not anticipate production of mixed waste.

Waste Processing and Disposal

Dry active waste will simply be placed in containers for storage awaiting disposal.

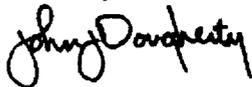
Contaminated water waste will be processed, sampled and disposed as described in Section 11 of our application.

Calibration Sources

We will maintain only instrument check sources that are exempt from licensing. Annual instrument calibrations will be performed by a licensed service provider such as the one listed in Section 10 of our application.

I believe that this addresses all of the questions you had.

Sincerely,



John J. Dougherty
RSO Designate

Mail Envelope Properties (42DFFE29.A5C : 19 : 47708)

Subject: New License Application - Mail Control Number 136933
Creation Date: 7/21/05 3:59PM
From: "Jack Dougherty" <JackDougherty@schulzelectric.com>

Created By: JackDougherty@schulzelectric.com

Recipients

nrc.gov
kp1_po.KP_DO
CZG (Craig Gordon)

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Files	Size	Date & Time
MESSAGE	254	07/21/05 03:59PM
TEXT.htm	2717	
NRC License Response Craig Gordon.doc		68608
Mime.822	98907	

Options

Expiration Date: None
Priority: Standard
Reply Requested: No
Return Notification: None

Concealed Subject: No
Security: Standard