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NOV 9 - 1990

MEMORANDUM FOR: Region III File
 FROM: Helen Pappas, Chief, Administrative Management Branch
 SUBJECT: DEMAND FOR INFORMATION LETTERS - 10 CFR 70.25

The attached Demand for Information letter dated November 2, 1990, was issued to Part 70 licensees shown on the Distribution List, also attached.

Helen Pappas, Chief
 Administrative Management Branch

- Attachments:
 1. Letter dtd 11/2/90
 2. Distribution List

- cc w/attachments:
 DCD/DCB(RIDS)
 C. J. Paperiello
 C. E. Norelius
 W. G. Wiedeman
 J. A. Grobe

RIII
 MW
 McCormick/caa
 11-9-90

~~RIII~~
~~Wiedeman~~

~~RIII~~
~~Little~~

RIII
 Pappas
 11-9-90

L-59



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

Docket No.
License No.

BBV 08 1990

Gentlemen:

As of July 27, 1990, you were required to comply with 10 CFR 70.25, of the NRC regulations, which requires licensees with quantities of licensed material that you are authorized to possess to submit a decommissioning funding plan or a certificate that financial assurance for decommissioning has been provided. Our records indicate that NRC has not yet received your response to this requirement. Therefore, you appear to be in violation of 10 CFR 70.25.

The NRC considers violation of this requirement to be a significant regulatory concern. Therefore, in order for the NRC to determine whether your license should be modified, suspended or revoked, or other enforcement action taken to ensure compliance with NRC regulatory requirements, you are required to respond as described in the enclosed Demand for Information within 30 days.

If you have any questions concerning this request, please contact our Materials Licensing Section at (708) 790-5625.

Sincerely,

A. Bert Davis
Regional Administrator

Enclosure: Demand for Information

cc w/enclosure:
DCD/DCB(RIDS)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

UNITED STATES
NUCLEAR REGULATORY COMMISSION

In the matter of

Docket No.
License No.

DEMAND FOR INFORMATION

I

(licensee) holds special nuclear materials License No. (license), issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 C.F.R. Part 70. The License authorizes the Licensee to use and possess special nuclear materials in accordance with the terms and conditions specified therein and the applicable regulations.

II

As of July 27, 1990, the Licensee was required to comply with 10 C.F.R. § 70.25 of the Commission's regulations, which requires licensees with quantities of licensed material that the Licensee is authorized to possess to submit either a decommissioning funding plan or a certification of financial assurance for decommissioning in the amount prescribed in 10 C.F.R. § 70.25, in accordance with the criteria set forth in that section. The NRC staff has not yet received the Licensee's response to this requirement. Therefore, the Licensee appears to be in violation of this requirement.

The violation of the requirements of 10 C.F.R. § 70.25 is a significant regulatory concern to the NRC staff. Therefore, further information is needed to determine whether the Commission can have reasonable assurance that the Licensee will satisfy the requirements of 10 C.F.R. § 70.25 and otherwise conduct its activities in accordance with the Commission's requirements.

III

Accordingly, pursuant to sections 161c, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and 10 C.F.R. § 70.22(d), in order for the Commission to determine whether your license should be modified, suspended, or revoked, or other enforcement action taken to ensure compliance with NRC regulatory requirements, the Licensee is required to submit to the Administrator, Region III, 799 Roosevelt Road, Glen Ellyn, IL 60137, within 30 days of the date of this Demand for Information, the following information, in writing and under oath or affirmation:

1. If the Licensee believes that 10 C.F.R. § 70.25 does not apply to it, the basis for that determination (if the Licensee determines that it is not subject to 10 C.F.R. § 70.25, the Licensee need not satisfy the remaining requirements in this Demand for Information unless notified by the Regional Administrator, Region III);
2. If the Licensee has already submitted a surety instrument to the NRC, the date the Licensee submitted the surety and the address the Licensee sent it to (if the Licensee has already submitted a surety instrument to the NRC, the Licensee need not satisfy the remaining requirements in this Demand for Information unless notified by the Regional Administrator, Region III);

3. Whether the Licensee has obtained a commitment from a financial institution to provide the required financial instrument;
4. If the Licensee has obtained a commitment from a financial institution to provide the required financial instrument, when the Licensee expects to provide the instrument to the NRC and, if the Licensee does not provide the instrument within 30 days of the date of this Demand for Information, a complete explanation of why not must be provided in its place;
5. If the Licensee has not obtained a commitment from a financial institution to provide the required financial instrument, a complete description of why the Licensee has not obtained the required instrument, including:
 - a) the names, addresses, and telephone numbers of the financial institutions and individual persons at those institutions the Licensee has contacted in order to obtain the required instrument and the dates of principal contacts; and
 - b) if the Licensee has applied to one or more financial institutions for a financial assurance instrument and the application or applications have been denied, copies of i) the applications and denials, ii) the Licensee's most recent audited balance sheet showing all assets and liabilities, iii) the Licensee's most recent audited profit and loss statement, iv) the Licensee's federal tax returns for the last three years, and v) an explanation of why the applications were denied;
6. If the Licensee does not provide the required financial instrument within 30 days of the date of this Demand for Information:
 - a) describe all disposals of radioactive material that have been made on site under 10 C.F.R. § 20.302 or § 20.304, including records of the disposals indicating their location, number, isotope description, quantities, and dates of disposal;
 - b) describe the nature of any contamination of buildings, equipment, soil, or groundwater, including area or volume contaminated, isotope, and concentrations per unit area or volume;
 - c) describe the nature of any radioactive material in storage either as inventory, in production, or waste;
 - d) describe any increase in the amount of accumulated radioactive waste or contamination of buildings, equipment, soil, or groundwater resulting from continuing operations, including the type of waste or contamination, its location, and the rate of increase per month;
 - e) describe current plans to remove stored waste or decontaminate buildings, equipment, soil, or groundwater, including a schedule, identification of the repository proposed to receive the waste or contaminated materials, and the source of funds for implementing the plans; and

7. If the Licensee does not submit the required instrument within 30 days of the date of this Demand for Information, the Licensee shall provide a statement demonstrating why the NRC staff should have confidence that the Licensee will be able to fully decontaminate its site or sites by the expiration date of its current license.

A copy shall also be sent to the Director, Division of Low-Level Waste Management and Decommissioning, Office of Nuclear Material Safety and Safeguards, Washington, D.C. 20555.

After reviewing your response, the NRC will determine whether further action is necessary to ensure compliance with regulatory requirements.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by

A. Bert Davis

A. Bert Davis
Regional Administrator

Dated at Glen Ellyn, Illinois
this 2nd day of November 1990

name~address~docket~license~~

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SNM-1558

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