

Exelon PowerLabs®, LLC
175 North Caln Road
Coatesville, PA 19320-2309

www.exelonpowerlabs.com
800-971-LABS
610-380-2533 fax

NMS83

December 19, 2005

Kathy Modes
Licensing Assistance Section
US NRC Region I
475 Allendale Rd.
King of Prussia, PA 19406-1415

RECEIVED
REGISTRATION
2005 DEC 22 AM 9:48

03036111

Subject: Revision for Radioactive Materials License, Number 37-30768-01

Dear Ms. Modes:

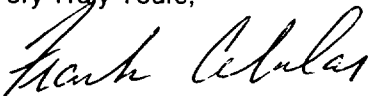
This letter is a request to amend the Exelon PowerLabs License.

ExelonPowerlabs is asking for a change in the possession limits of byproduct material with atomic numbers 1 through 104 as residual contamination from 3,500 microcuries to 35,000 microcuries. This new calculation is based on the sum of the fractions averaged over ten sites. Attached is the following information Exelon isotopic mix, sum of the fractions and letter of credit for \$225,000. Exelon PowerLabs will continue to perform business in accordance with NU REG 1556 Vol 18 and the policies and procedures we currently have in place. PowerLabs is seeking the License change as we look to the future with the possibility of having an increase in the number of instruments we have on site with low-level radioactive material.

} 138155

If you have any questions or need any additional information regarding this application please contact myself, or the Radiation Safety Officer John Moore directly, at your convenience (610) 380-2464. We would be happy to support a meeting to quickly resolve any further questions that may arise.

Very Truly Yours,



Frank Cebular
President Exelon PowerLabs

138155

NMSS/RONI MATERIALS-002

SEPARATED OUT OF 138154
12/22/2005.

CERTIFICATION OF FINANCIAL ASSURANCE

Principal: EXELON PowerLabs175 Caln Rd Coatesville Pa 19320

NRC license number, 37-30768-01 EXELON PowerLabs175 Caln Rd Coatesville Pa 19320.

Issued to: U.S. Nuclear Regulatory Commission

I certify that EXELON PowerLabs is licensed to possess the following types of *“sealed sources or plated foils with a half-life greater than 120 days licensed under 10 CFR Part 30,” “unsealed byproduct material with a half-life greater than 120 days licensed under 10 CFR Part 30,* following amounts:

<u>Type of Material</u>	<u>Amount of Material</u>
See Attached	See Attached

I also certify that financial assurance in the amount of 225,000 dollars has been obtained for the purpose of decommissioning as prescribed by 10 CFR Part 30.

President Frank Cebular
EXELON PowerLabs

John C. Moore, RSO
EXELON PowerLabs

[Corporate seal]
[Date]

	Cr-51	Mn-54	Fe-55	Co-58	Fe-59	Co-60	Ni-63	Zn-65	Nb-95	Zr-95	Sb-125	Cs-137	
uCi	0.0485	0.1052	0.3371	0.1270	0.0112	0.2508	0.0282	0.0187	0.0121	0.0066	0.0016	0.0523	
uCi * 35000	1697.5	3682	11798.5	4445	392	8778	987	654.5	423.5	231	56	1830.5	
Divide by lim	(N/A)	0.3682	0.11799	(N/A)	(N/A)	8.778	0.0987	0.0655	(N/A)	(N/A)	0.0056	0.1831	9.616985

Sum Of the Fractions

Checklist 1 Master Checklist for Decommissioning Financial Assurance	
Name of Licensee/Applicant	<u>Exelon PowerLabs</u>
Mailing Address	<u>175 Cohn Road, Coatesville PA 19320</u>
Facility Address	<u>175 Cohn Road, Coatesville PA 19320</u>
License Number(s)	<u>37-30768-01</u>
Date of Submission	_____
Applicable Parts of 10 CFR (check all that apply):	<input checked="" type="checkbox"/> Part 30 <input type="checkbox"/> Part 40 <input type="checkbox"/> Part 70 <input type="checkbox"/> Part 72
Type of Submission:	<input checked="" type="checkbox"/> Certification of Financial Assurance → attach Checklist 2 <input type="checkbox"/> Decommissioning Funding Plan → attach Checklist 3 <input type="checkbox"/> Decommissioning Plan → attach Checklist 18
Type of Mechanism:	<input type="checkbox"/> Prepayment <ul style="list-style-type: none"> <input type="checkbox"/> Trust → attach Checklist 4-A <input type="checkbox"/> Escrow Account → attach Checklist 5-A <input type="checkbox"/> Government Fund → attach Checklist 6 <input type="checkbox"/> Certificate of Deposit → attach Checklist 7-A <input type="checkbox"/> Deposit of Government Securities → attach Checklist 8 <input type="checkbox"/> Surety, Insurance, or Other Guarantee Method <ul style="list-style-type: none"> <input type="checkbox"/> Surety Bond → attach Checklist 9-A <input type="checkbox"/> Letter of Credit → attach Checklist 10-A <input type="checkbox"/> Line of Credit → attach Checklist 11-A <input type="checkbox"/> Insurance → attach Checklist 12-A <input type="checkbox"/> Parent Company Guarantee → attach Checklist 13-A <input type="checkbox"/> Self-Guarantee → attach Checklist 14-A <input type="checkbox"/> External Sinking Fund → attach Checklist 15 <input type="checkbox"/> Statement of Intent → attach Checklist 16-A <input type="checkbox"/> Special Arrangement with a Government Entity → attach Checklist 18-B

Checklist 17-A Standby Trust Funds

- Documentation is complete when the following are included:
1. standby trust agreement (originally signed duplicate),
 2. Schedule A,
 3. Schedule B,
 4. Schedule C,
 5. specimen certificate of events,
 6. specimen certificate of resolution,
 7. letter of acknowledgment, and
 8. ~~NA~~ Checklist 17-B (if model standby trust wording is modified or not used). ~~NA~~
- The trustee is qualified when the following conditions are true:
- The financial institution is regulated by a Federal or State agency.
- The financial institution has authority to act as a trustee and has trust operations that are regulated and examined by a Federal or State agency.

A.17.1 Qualifications of the Trustee

The decommissioning financial assurance regulations (10 CFR 30.35(f)(2)(ii), 40.36(e)(2)(i), and 70.25(f)(2)(ii)) require that the trustee be acceptable to NRC. Acceptable trustees include appropriate Federal or State government agencies and financial institutions that have the authority to act as trustees and whose trust operations are regulated and examined by a Federal or State agency. Trust operations are regulated separately from other banking operations, and it is very common for a regulated bank not to have the authority to act as a trustee. In addition, NRC's requirement for trustees is not usually met by individuals who are not acting as a representative of a financial institution.

- The word "National" in the title of a financial institution signals that the institution is *Federally regulated*, as do the words "National Association" or the initials "N.A." following its title. To determine whether such a financial institution qualifies as an acceptable trustee, licensees should access the Federal Financial Institutions Examination Council's (FFIEC) Trusts Institutions Search database on the World Wide Web at <http://www2.fdic.gov/structur/trust/index.html>, and look to see that the bank branch has full trust powers.

Alternatively, licensees may contact the appropriate district office of the Office of the Comptroller of the Currency (OCC) and confirm that the institution (1) is Federally regulated *and* (2) has Federally regulated trust operations. (The OCC's home page on the World Wide Web is located at <http://www.occ.treas.gov>.) The six district offices of the OCC, along with the States and territories under their jurisdiction, are as follows:

A.17.4 Model Standby Trust Agreement

STANDBY TRUST AGREEMENT

TRUST AGREEMENT, the Agreement entered into as of June 30, 2005 by and between Exelon PowerLabs, LLC, a Pennsylvania LLC, herein referred to as the "Grantor," and J. P. Morgan Trust Company, National Association, 227 West Monroe Street, 26th Floor, Chicago, IL 60606, Attn: Worldwide Securities Services, Leonard Gnat, the "Trustee."

WHEREAS, the U.S. Nuclear Regulatory Commission (NRC), an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in title 10, Chapter I, of the *Code of Federal Regulations*, Part 30. These regulations, applicable to the Grantor, require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR Part 30 provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Grantor has elected to use a letter of credit to provide all of such financial assurance for the facilities identified herein; and

WHEREAS, when payment is made under a letter of credit, this standby trust shall be used for the receipt of such payment; and

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee;

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement:

- (a) The term "Grantor" means the NRC licensee who enters into this Agreement and any successors or assigns of the Grantor.
- (b) The term "Trustee" means the trustee who enters into this Agreement and any successor trustee.

Section 2. Costs of Decommissioning. This Agreement pertains to the costs of decommissioning the materials and activities identified in License Number 37-30768-01 issued pursuant to 10 CFR Part 30, as shown in Schedule A.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a standby trust fund (the Fund) for the benefit of NRC. The Grantor and the Trustee intend that no third party shall have access to the Fund except as provided herein.

Section 4. Payments Constituting the Fund. Payments made to the Trustee for the Fund shall consist of cash, securities, or other liquid assets acceptable to the Trustee. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached hereto. Such property and any other property subsequently transferred to the

NONNEGOTIABLE

Trustee are referred to as the "Fund," together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount of, or adequacy of the Fund, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by NRC.

Section 5. Payment for Required Activities Specified in the Plan. The Trustee shall make payments from the Fund to the Grantor upon presentation to the Trustee of the following:

(a) A certificate duly executed by the Secretary of the Grantor attesting to the occurrence of the events, and in the form set forth in the attached Certificate of Events, and

(b) A certificate attesting to the following conditions:

(1) that decommissioning is proceeding pursuant to an NRC-approved plan;

(2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan; and

(3) that NRC has been given 30 days prior notice of Exelon PowerLabs, LLC's intent to withdraw funds from the trust fund.

No withdrawal from the Fund for a particular license can exceed 10 percent of the remaining funds available for that license unless NRC written approval is attached.

In addition, the Trustee shall make payments from the Fund as NRC shall direct, in writing, to provide for the payment of the costs of required activities covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by NRC from the Fund for expenditures for required activities in such amounts as NRC shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as NRC specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 6. Trust Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge its duties with respect to the Fund solely in the interest of the beneficiary and with the care, skill, prudence and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims, except that:

(a) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80a-2(a)), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;

(b) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal government, and in obligations of the Federal government such as GNMA, FNMA, and FHLM bonds and certificates or State and Municipal bonds rated BBB or higher by Standard & Poor's or Baa or higher by Moody's Investment Services; and

(c) For a reasonable time, not to exceed 60 days, the Trustee is authorized to hold uninvested cash, awaiting investment or distribution, without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

(a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and

(b) To purchase shares in any investment company registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), including one that may be created, managed, underwritten, or to which investment advice is rendered, or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

(a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale, as necessary to allow duly authorized withdrawals at the joint request of the Grantor and NRC or to reinvest in securities at the direction of the Grantor;

(b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(c) To register any securities held in the Fund in its own name, or in the name of a nominee, and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, to reinvest interest payments and funds from matured and redeemed instruments, to file proper forms concerning securities held in the Fund in a timely fashion with appropriate government agencies, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee or such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve Bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;

(d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal government; and

(e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. After payment has been made into this standby trust fund, the Trustee shall annually, at least 30 days before the anniversary date of receipt of payment into the standby trust fund, furnish to the Grantor and to NRC a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and

NRC shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to the matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing with the Grantor. (See Schedule C.)

Section 13. Successor Trustee. Upon 90 days notice to NRC and the Grantor, the Trustee may resign; upon 90 days notice to NRC and the Trustee, the Grantor may replace the Trustee; but such resignation or replacement shall not be effective until the Grantor has appointed a successor Trustee, the successor accepts the appointment, the successor is ready to assume its duties as trustee, and NRC has agreed, in writing, that the successor is an appropriate Federal or State government agency or an entity that has the authority to act as a trustee and whose trust operations are regulated and examined by a Federal or State agency. The successor Trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. When the resignation or replacement is effective, the Trustee shall assign, transfer, and pay over to the successor Trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee or for instructions. The successor Trustee shall specify the date on which it assumes administration of the trust, in a writing sent to the Grantor, NRC, and the present Trustee, by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are signatories to this Agreement or such other designees as the Grantor may designate in writing. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. If NRC issues orders, requests, or instructions to the Trustee these shall be in writing, signed by NRC or its designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor or NRC hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or NRC, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases to exist. All amendments shall meet the relevant regulatory requirements of NRC.

Section 16. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 15, this trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and NRC, or by the Trustee and NRC if the Grantor ceases to exist. Upon termination of the trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor or its successor.

Section 17. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this

trust, or in carrying out any directions by the Grantor or NRC issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the trust fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

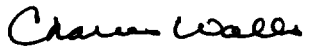
APPENDIX A

NUREG-1757, Vol. 3 A-164

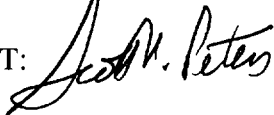
Section 18. This Agreement shall be administered, construed, and enforced according to the laws of the State of Pennsylvania.

Section 19. Interpretation and Severability. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement. If any part of this Agreement is invalid, it shall not affect the remaining provisions which will remain valid and enforceable.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by the respective officers duly authorized and the incorporate seals to be hereunto affixed and attested as of the date first written above.


Exelon PowerLabs, LLC
Charles S. Walls
Assistant Treasurer

ATTEST:



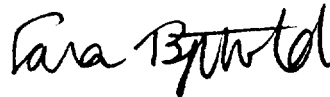
[Title] SCOTT N. PETERS, ASSISTANT SECRETARY

[Seal]



J.P. Morgan Trust Company, National Association
227 West Monroe Street, 26th Floor
Chicago, IL 60606
Attn: Worldwide Securities Services, Leonard Gnat

ATTEST:



[Title] Sara Byttsted, Trust Officer

[Seal]

APPENDIX A

Standby Trust Agreement Schedules

Schedule A

This Agreement Documents financial assurance for the following cost estimates or prescribed amounts for the following licensed activities:

U.S. NUCLEAR REGULATORY COMMISSION LICENSE NUMBER	NAME AND ADDRESS OF LICENCEE	ADDRESS OF LICENSED ACTIVITY	COST ESTIMATES FOR REGULATORY ASSURANCES DEMONSTRATED BY THIS AGREEMENT
37-30768-01	Exelon PowerLabs, LLC 175 North Caln Rd Coatesville, PA 19320	Exelon PowerLabs, LLC 175 North Caln Rd Coatesville, PA 19320	\$225,000.00

The cost estimates listed here were last adjusted and approved by NRC on May 27, 2005.

Schedule B

DOLLAR AMOUNT: \$225,000.00

AS EVIDENCED BY: Exelon PowerLabs, LLC

Schedule C

J.P. Morgan Trust Company, National Association
227 West Monroe Street, 26th Floor
Chicago, IL 60606
Tel. No. (312) 267-5114
Fax. No. (312) 267-5202
Attn: Worldwide Securities Services, Leonard Gnat
Trustee's fees shall be \$1500.00 per year

A.17.6 Model Specimen Certificate of Events

[Insert name and address of trustee]

Attention: Trust Division

Gentlemen:

In accordance with the terms of the Agreement with you dated _____, I, _____, Secretary of *[insert name of licensee]*, hereby certify that the following events have occurred:

1. *[Insert name of licensee]* is required to commence the decommissioning of its facility located at *[insert location of facility]* (hereinafter called the decommissioning).
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, on _____ (copy of approval attached).
3. The Board of Directors of *[insert name of licensee]* has adopted the attached resolution authorizing the commencement of the decommissioning.

Secretary of *[insert name of licensee]*

Date

A.17.7 Model Specimen Certificate of Resolution

I, _____, do hereby certify that I am Secretary of [*insert name of licensee*], a [*insert State of incorporation*] corporation, and that the resolution listed below was duly adopted at a meeting of this Corporation's Board of Directors on _____, 20__.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this ___ day of _____, 20__.

Secretary

RESOLVED, that this Board of Directors hereby authorizes the President, or such other employee of the Company as he may designate, to commence decommissioning activities at [*insert name of facility*] in accordance with the terms and conditions described to this Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.

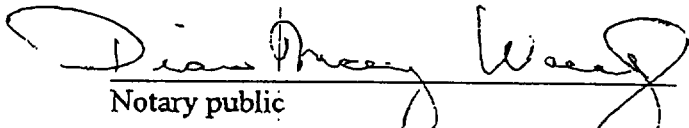
ACKNOWLEDGEMENT

STATE OF ILLINOIS

To Wit: _____

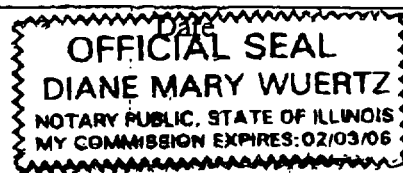
City of Chicago

On this 4th day of November, 2005, before me, a notary public in and for the city and State aforesaid, personally appeared Leonard Gnat and she/he did depose and say that she/he is the Assistant Vice President, of J.P. Morgan Trust Company, National Association, as Trustee, which executed the above instrument, that she/he knows the seal of said association; that the seal affixed to such instrument is such corporate seal; that it was so affixed by order of the association; and that she/he signed her/his name thereto by like order.



Notary public

My Commission Expires:



This is to acknowledge the receipt of your letter/application dated

12/19/2005, and to inform you that the initial processing which includes an administrative review has been performed.

AMBUL. & FINANCIAL ASSURANCE - 37-30768-01
There were no administrative omissions. Your application was assigned to a technical reviewer. Please note that the technical review may identify additional omissions or require additional information.

Please provide to this office within 30 days of your receipt of this card

A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned Mail Control Number 138154/138155
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.