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March 15, 2006

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Mr. George Pangburn
Director, Division of Nuclear Safety
US Nuclear Regulatory Commission - Region 1
475 Allendale Road
King of Prussia, Pa. 19406-1415

03005982

Reference: License #37-00030-08

Dear Mr. Pangburn:

Safety Light Corporation is currently pursuing options to address the removal of pre-2000 tritium wastes currently stored on site. These actions are in accordance with License Condition 19a of License 37-00030-08. We plan to characterize and ship the high-level tritium waste requiring disposal at Barnwell by September 2006. Characterization work will begin in May of this year, pending approval of the release of escrow funds to support this effort.

Preliminary cost estimates, obtained from an experienced contractor to cover the costs of characterization and disposal of the high-level pre-2000 tritium waste, is approximately \$300,000. These costs include disposal of all the tritium waste in the solid waste building and those wastes mentioned in the "fill" room required to be disposed of at Barnwell. In order to award a contract to a qualified vendor and move forward with characterization and disposal of these wastes, it is necessary that SLC have a commitment from the NRC that trust fund monies will be made available to cover these costs. Funds currently in the escrow account, as of March 1, 2006, were approximately \$245,000. It is projected that total funds in the escrow account will be approximately \$317,000 as of September 1, 2006, less any funds spent in the interim, associated with the characterization and disposal of these wastes.

It is our intention to have all the high-level waste removed offsite in 2006 and the balance of the waste characterized. This will in effect reduce the escrow monies significantly. Depending on timing, SLC would expect to have this waste shipped by September 2006. Please note that the characterization and disposal of this waste is a key element of the shutdown plan.

Consequently, SLC would like to request that funds from the decommissioning trust fund (i.e., the escrow fund) be made available, as work progresses, to support this effort. Since the pricing information is confidential, SLC and the contractor involved,

request that the detailed cost information not be made publicly available and therefore withheld from ADAMS. SLC would be available to provide the detailed cost structure in order for the NRC to concur with the cost estimates and to obtain NRC approval for release of the necessary funds.

If you have any questions, please contact the undersigned.

Regards,


William E. Lynch Jr.
Vice President

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

3/15/2006, and to inform you that the initial processing which includes an administrative review has been performed.

FINANCIAL ASSURANCE 37-0030-08
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** 138583.
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.