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March 15, 2006

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Mr. Samuel J. Collins,
Regional Administrator
US Nuclear Regulatory Commission Region 1
475 Allendale Road
King of Prussia, PA 19406

Reference: License 37-00030-08

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03005980

Dear Mr. Collins,

License Condition 20 of License 37-00030-08 requires SLC to develop a plan for orderly shutdown and to submit such plan by March 31, 2006. Subpart "c" of License Condition 20 details the elements to be addressed by the shutdown plan. The shutdown plan is provided below. Please note that the various sections of the shutdown plan relate to the corresponding item detailed in License Condition 20.

SLC Orderly Shutdown Plan

1. License Condition 20c (i): Cooperation with EPA

This will be an ongoing activity. SLC recently supported an onsite visit of EPA representatives associated with efforts to remove USR Metals materials and equipment from the SLC site prior to license termination. This evaluation identified the need for USR Metals to perform more comprehensive radiological surveys of materials and equipment prior to removal from the restricted area of the SLC site. Coordination efforts will continue in this regard.

SLC has and will continue to cooperate fully with EPA emergency removal and remediation efforts, including the maintenance of continued security to ensure safe conditions at the site through license termination on December 31, 2007. SLC will continue to dispose of non-radiological waste on an ongoing basis.

2. License Condition 20c (ii): Management of Licensed Material

SLC will manage licensed material such that all inventory associated with tritium manufacturing operations, as well as tritium waste generated after September 2004, will be removed from the SLC site by December 31, 2007. Tritium-contaminated waste

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resulting from production operations will be characterized and prepared for disposal on an ongoing basis. Shipments of waste material are tentatively scheduled for the last quarter of 2006 and the second and fourth quarters of 2007. The disposal of this waste will be performed in conjunction with the activities detailed under item 4 below.

3. License Condition 20c (iii): Notify Customers

SLC plans to notify commercial exit sign customers, via letter, by August 31, 2007, that signs and devices can no longer be returned to the SLC Bloomsburg site after October 31, 2007.

Since 10 CFR 31.7 does not address sign disposal, airline customers will not be notified. It should be noted that SLC's policy requires customers to obtain a Return Material Authorization (RMA) from SLC prior to returning any product to SLC. The issuance of RMAs to aircraft customers will be discontinued by June 30, 2007.

SLC plans to notify tritium foil customers, via letter, by October 31, 2006, that the licensed activities at the Bloomsburg facility will be terminated on December 31, 2007.

4. License Condition 20(iv): Disposal of Pre-2000 Tritium Waste

Safety Light Corporation is currently pursuing options to address the removal of pre-2000 tritium wastes currently stored on site. SLC plans 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 disposal of at Barnwell. In order to award a contract to a qualified vendor and move forward with characterization and disposal of these wastes, SLC submitted a request on March 15, 2006 to the NRC to obtain a commitment 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.

SLC plans to have all the high-level waste removed offsite in 2006 and the balance of the waste characterized. It is envisioned that since escrow funds will be spent in support of this effort, that progress reviews will be performed by NRC as payments come due and as funds are released.

Please contact me if you have any questions concerning the above.

Regards,


William E. Lynch,
Vice President

CC: PADEP-BRP

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.

37-00030-08 / 37-00030-02
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** 138648/138649
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.