



April 4, 2006

**United States Nuclear Regulatory Commission  
Region III  
Materials Licensing Branch  
801 Warrenville Road  
Lisle, IL 60532-4351  
Attn: Ms. Patty Pelke**

**Re: License No. 13-26571-01**

Dear Ms. Pelke:

This is to inform you that as of January 14, 2005, the gasification plant known to the NRC, Region III, as Wabash River Energy Ltd. ("WRE") (also known previously as Destec Energy Incorporated), and possessing License Number 13-26571-01, is now under different ownership. The plant was previously owned by WRE, a wholly-owned subsidiary of Global Energy, Inc. Global Energy, Inc. has established, along with Wabash Valley Power Association, Inc. ("WVPA"), an Indiana nonprofit corporation, SG Solutions, LLC ("SGS"), an Indiana limited liability company. The assets of WRE were transferred to SGS on the date indicated above. However, the facility and the licensed material continue to be located at 444 West Sandford Avenue in West Terre Haute, Indiana. While this is an ownership and name change, it is not an operational change for the facility or the licensed material.

In response to INFORMATION NOTICE 89-25, REV. 1, Attachment 1 (December 7, 1994), SGS offers the following line item responses:

1. *The new name of the licensed organization. If there is no change, the licensee should so state.*

The new name is SG Solutions, LLC, an Indiana limited liability company, owned 50% by WRE and 50% by WVPA. The board of managers of SGS consists of 5 members, with 3 members from WVPA and 2 members from WRE, thus giving WVPA operational control of the facility and the licensed material. WVPA is a nonprofit generation and transmission public utility cooperative, which is owned by its 27 nonprofit electric cooperatively-operated members. ConocoPhillips has a contract for the operation of the gasification plant and all related facilities.

PLANT OFFICE  
444 West Sandford Avenue  
West Terre Haute IN 47885

☎ 812 535 6000  
☎ 812 535 6100

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2. *The new licensee contact and telephone number(s) to facilitate communications.*

All contact names and telephone numbers shall be as follows:

Mel Mickelson, Radiation Safety Officer Environmental Supervisor ConocoPhillips Operators for SG Solutions, LLC (812) 535-6074	Rick D. Coons Chief Executive Officer SG Solutions, LLC c/o Wabash Valley Power Association, Inc. 722 N. High School Road Indianapolis, IN 46214 (317) 481-2840
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3. *Any changes in personnel having control over licensed activities (e.g., officers of the corporation) and any changes in personnel named in the license such as radiation safety officer, authorized users, or any other persons identified in previous license applications as responsible for radiation safety or use of licensed material. The licensee should include information concerning the qualifications, training, and responsibilities of new individuals.*

Although there has been an addition in the officers of SGS, those personnel having control over the licensed activities have not changed since this is a site-specific license for by-product material used in flow and level measuring devices. All personnel previously identified in our application as having responsibilities over the program remain in place, except as specified herein. The change in control is by virtue of the creation of the new entity, SGS, and not by virtue of actual changes in operational responsibility for the day-to-day activities at the gasification plant and the licensed material. The SGS officers are as follows:

Rick D. Coons  
Chief Executive Officer of SGS  
(and Chief Executive Officer of WVPA)

Jeff Conrad  
Secretary and Treasurer of SGS  
(and Chief Financial Officer of WVPA)

Keith Thompson  
Member of SGS Board of Managers  
(and WVPA Power Plant Manager)

4. *An indication of whether the transferor will remain a non-licensed business without the license.*

To SGS's best knowledge, transferor, WRE, has remained a non-licensed business after the transfer; however, as stated above, WRE is part owner of SGS.

5. *A complete, clear description of the transaction, including any transfer of stocks or assets, mergers, etc., so that legal counsel is able, when necessary, to differentiate between name changes and changes of ownership.*

WRE transferred all of the assets of the gasification plant to SGS, a new Indiana limited liability company. In exchange, WRE received 50% ownership share of SGS. WVPA contributed capital for its 50% share of SGS. Those assets contributed included the licensed materials. There was no stock transfer involved in the transaction.

6. *A complete description of any planned changes in organization, location, facility, equipment, or procedures (i.e. changes in operating or emergency procedures).*

There are no changes planned at this time. The responses above are a complete description of the new entity, which owns the gasification plant and which operates the facility with the assistance of ConocoPhillips. That structure remains intact to date.

7. *A detailed description of any changes in use, possession, location or storage of the licensed material.*

There have been no changes planned for the use, possession, location and storage of the licensed material.

8. *Any changes in organization, location, facilities, equipment, procedures, or personnel that would require a license amendment even without the change of ownership.*

There are no changes which are believed to require a license amendment.

9. *An indication of whether all surveillance items and records (e.g., calibrations, leak tests, surveys, inventories, and accountability requirements) will be current at the time of transfer. A description of the status of all surveillance requirements and records should also be provided.*

It is important to note that no other changes will occur as a result of this restructuring. All surveillance items and records are intact with hard copy records

maintained on-site at the gasification plant. All surveillance items and records are up-to-date and current at this time. The change in ownership of the gasification plant assets has had no impact on these matters.

10. *Confirmation that all records concerning the safe and effective decommissioning of the facility, pursuant to 10 CFR 30.35 (g), 40.36(f), 70.25(g) and 72.30(d); public dose; and waste disposal by release to sewers, incineration, radioactive material spills, and on-site burials, have been transferred to the new licensee. If licensed activities will continue at the same location, or to the NRC for license terminations.*

Licensed activities will continue at this facility as outlined in the original Materials License. All decommissioning activities, if required, will remain the same as indicated in the previous application.

11. *A description of the status of the facility. Specifically, the presence or absence of contamination should be documented. If contamination is present, will decontamination occur before transfer? If not, does the successor company agree to assume full liability for the decontamination of the facility or site?*

The gasification plant is currently operational subject to planned and unplanned outages. There is no known contamination of this site due to licensed activities. The successor company, SGS, agrees to assume full liability for the decontamination of the facility or site as required by licensed activities as set forth below.

12. *A description of any decontamination plans, including financial assurance arrangements of the transferee, as specified in 10 CFR 30.35, 40.36, and 70.25. This should include information about how the transferee and transferor propose to divide the transferor's assets, and responsibility for any cleanup needed at the time of transfer. The decommissioning plan is the same as those previously file with the agency.*

SGS will assume all decommissioning requirements under regulations or statutes and proposes to comply with 10CFR§30.35(d) and (f)(2). SGS has assumed all decommissioning plans under this license. SGS has retained 100% of the licensed material and full responsibility for any decontamination and clean up needed after the time of transfer for all licensed activity.

13. *Confirmation that the transferee agrees to abide by all commitments and representations previously made to NRC by the transferor. These include, but are not limited to: maintaining decommissioning records required by 10 CFR 30.35(g); implementing decontamination activities and decommissioning of the*

*site; and completing corrective actions for open inspection items and enforcement actions.*

*With regard to contamination of facilities and equipment, the transferee should confirm, in writing, that it accepts full responsibility for the site, and should provide evidence of adequate resources to fund decommissioning; or the transferor should provide a commitment to decontaminate the facility before change of control or ownership.*

*With regard to open inspection items, etc., the transferee should confirm, in writing, that it accepts full responsibility for open inspection items and/or any resulting enforcement actions; or the transferee proposes alternative measures for meeting the requirements; or the transferor provides a commitment to close out all such actions with NRC before license transfer.*

SGS agrees to abide by all commitments and representations made by the transferor to the NRC as indicated in the original application for license and as required by 10CFR§30.35(g). At the time of transfer of the assets from WRE to SGS, there were no open inspection items needing corrective actions, and there were no enforcement actions pending.

Transferee, SGS, agrees to full responsibility for the site as evidenced by the attached certificate. Further, SGS will provide the required financial assurances to fund decommissioning and disposal of the licensed material.

There are no contaminants at the site nor are there open inspection items which the transferor or transferee must address.

14. *Documentation that the transferor and transferee agree to the change in ownership or control of the licensed material activity, and the conditions of transfer; and the transferee is made aware of all open inspection items and its responsibility for possible resulting enforcement actions.*

The transfer of all assets of the gasification plant was effective on January 14, 2005, preceded by a Phase I environmental assessment and safety due diligence of the licensed site. SGS agrees to the complete transfer of control for all licensed activity and has been made aware that there are no open inspection items or enforcement actions pending.

15. *A commitment by the transferee to abide by all constraints, conditions, requirements, representations, and commitments identified in the existing license. If not, the transferee must provide a description of its program to ensure compliance with the license and regulations.*

SGS commits to abide by all constraints, conditions, requirements, representations, and commitments under the existing license. All programs remain in place under the direction of the Radiation Safety Officer ("RSO") as indicated in the original license application.

Should you require additional information please contact me at your earliest convenience at (812) 535-6074 or (812) 535-6000. Thank you for your assistance in this matter.

Regards,



Mel M. Mickelson  
Radiation Safety Officer/Environmental  
Supervisor, ConocoPhillips  
Operators for: SG Solutions, LLC

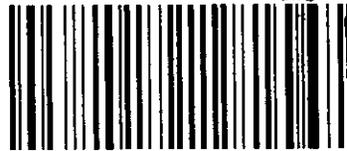
Cc: Rick D. Coons  
Don F. Morton  
Richard J. Payonk

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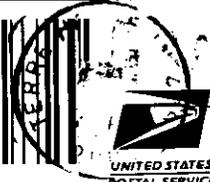


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West Terre Haute IN 47885

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#210*

United States Nuclear Regulatory  
Commission  
Region III  
Materials Licensing Branch  
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Lisle, IL 60532-4000  
Attn: Ms. Patty Pelke

