



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

January 15, 2008

TO: NRC MATERIALS LICENSEES AUTHORIZED TO CONDUCT LICENSED
ACTIVITIES IN THE COMMONWEALTH OF PENNSYLVANIA WHO HAVE A
DECOMMISSIONING FINANCIAL ASSURANCE INSTRUMENT

SUBJECT: DECOMMISSIONING FINANCIAL ASSURANCE INSTRUMENTS AND
THE UPCOMING AGREEMENT WITH THE COMMONWEALTH OF
PENNSYLVANIA

Dear Licensee:

The Commonwealth of Pennsylvania intends to enter into an Agreement with the U.S. Nuclear Regulatory Commission. Under the Agreement, the NRC will relinquish to the Commonwealth of Pennsylvania regulatory authority for certain licenses for byproduct, source, and special nuclear materials. It is anticipated that the Agreement will become effective on or about March 31, 2008.

In accordance with NRC requirements described in 10 CFR 30.35, 40.36, and 70.25, you have provided the NRC a decommissioning financial instrument. This instrument names the NRC as a beneficiary, grants NRC specific powers, and contains specific NRC notification provisions. As part of the transfer of regulatory authority from the NRC to the Commonwealth of Pennsylvania, we have determined that your financial instrument will need to be re-issued so that provisions currently specifying the "U.S. Nuclear Regulatory Commission" are changed to specify the "Commonwealth of Pennsylvania." Please note that the Commonwealth of Pennsylvania has model financial assurance forms prepared by the Pennsylvania Department of Environmental Protection (PADEP). You may use these forms to assist in preparation of your new financial assurance instrument for the Commonwealth of Pennsylvania. You may request copies of these model forms by contacting the PADEP staff member identified below.

To implement the transfer of decommissioning financial assurance instruments in the most timely and effective manner, we request that you begin to prepare, with the issuer of your current instrument, a modified financial instrument with the changes described above. This modified instrument should be executed on the effective date of the signing of the Agreement. NRC staff will notify you of the effective date of the Agreement. After you have executed the changes to your financial instrument and provided the original instrument to the Commonwealth of Pennsylvania, we will cancel and return to you the financial instrument that we currently hold in our office. Please note that if you fail to execute a modified instrument on the effective date of the Agreement, it is likely that you will be out of compliance with the Commonwealth of Pennsylvania regulatory requirements.

Questions applicable to the Commonwealth of Pennsylvania requirements should be directed to:

Mr. Benjamin Seiber, Program Analyst
Bureau of Radiation Protection
Pennsylvania Department of Environmental Protection
Rachel Carson State Office Building, 13th Floor
400 Market Street
P.O. Box 8469
Harrisburg, PA 17105-8469
Telephone: (717) 787-2480

If you have any questions regarding this letter, please contact Stephen Hammann of the NRC at (610) 337-5399.

Sincerely,

/RA/

Brian E. Holian, Director
Division of Nuclear Materials Safety

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Sincerely,

/RA/
 Brian E. Holian, Director
 Division of Nuclear Materials Safety

SUNSI Review Complete: DMJ (Reviewer's Initials)

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