



Iowa Department of Public Health
Promoting and Protecting the Health of Iowans

To: Miller, FSME

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DEDMRS
DEDR
DEDA
AO
Rll

Thomas Newton, MPP, REHS
Director

Chester J. Culver
Governor

Patty Judge
Lt. Governor

January 3, 2008

Martin J. Virgilio, Deputy Executive Director for Materials,
Waste, Research, State, Tribal, and Compliance Programs
Office of the Executive Director for Operations
United States Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Subject: State of Iowa Integrated Materials Performance Evaluation Program (IMPEP) 2007 Final Report

Dear Mr. Virgilio:

Your letter to Mr. Thomas Newton, Director, Iowa Department of Public Health dated December 27, 2007 and received in this office on January 2, 2008, transmitting the 2007 State of Iowa Final IMPEP Report, has been referred to me for response. Contained within the Final Report is one recommendation identified by the IMPEP Review Team that requires a written response from the State. The recommendation and the State of Iowa response are listed below.

2007 State of Iowa IMPEP Review Team Recommendation:

"The review team recommends that the State evaluate their decommissioning financial assurance program to identify and secure original financial assurance documentation from current and future licensees who are required to comply with Iowa's financial assurance requirements."

State of Iowa response:

The State has identified nine specific licensees that may be a possible candidate for financial assurance requirements. The current status of each of these licensees is listed below:

American Ordnance, LLC, Radioactive Material License Number 0290-1-29-SM1

In a letter from J. E. Shannon, Mason & Hanger-Silas Mason Company to Peter Lee, USNRC Region III dated June 9, 1994, the licensee states that "Title 10, Chapter 1, Part 40.36 entitled "Financial assurance and recordkeeping for decommissioning" was reviewed and determined that Financial Assurance is not required". This licensee has not changed possession limits of material nor authorized activities since the 1994 letter; therefore, the licensee does not require financial assurance in the State of Iowa.

Page 2

Mr. Martin J. Virgilio

United States Nuclear Regulatory Commission

January 3, 2008

University of Northern Iowa, Radioactive Materials License Number 0039-1-07-RD2:

The license was revised on December 10, 2007 to remove authorization for unsealed Sodium-22 which is not used at the University. This was verified on December 9, 2007 through discussions between Randal Dahlin of my staff and the Radiation Safety Officer for the University of Northern Iowa. Financial assurance is no longer required for the University.

Grinnell College, Radioactive Materials License Number 0119-1-79-RD2:

The license was revised on January 3, 2008 to add license condition 18 which states; "In addition to the possession limits in Item 7, the licensee shall further restrict the possession of licensed material to quantities below the minimum limit specified in 641-39.4(26)"d" for establishing decommissioning financial assurance". This license condition will be reviewed during the next scheduled health and safety inspection on or about April 1, 2008, to verify the licensee's compliance.

Pioneer Hy-Bred International, Inc., Radioactive Materials License Number 0089-1-77-RD2:

This licensee is authorized possession limits of radioactive material with a half-life greater than 120 days that meet the requirements for financial assurance. Through a review of past health and safety inspection reports and discussions with the Radiation Safety Officer for the licensee, it has been determined that this licensee currently does not possess, nor have they possessed, an amount of radioactive material that would require financial assurance. This license will be revised before January 31, 2008 to lower the authorized amounts of material to less than that required for financial assurance.

FPL Energy Duane Arnold, LLC, Radioactive Materials License Number 0095-1-57-LAB:

This license authorizes radioactive material at an off-site facility for the Duane Arnold Energy Center in the event of an accident that would result in a release of radioactive material to the public. This licensee currently does not have material at the facility that would meet the requirements of financial assurance. The licensee is working with the University Hygienic Laboratory (UHL) at the University of Iowa to use UHL facilities during an accident event. This license will either be terminated after the agreement with UHL is completed, revised to lower possession limits, or revised to add a license condition that requires the licensee to restrict amounts of radioactive material to levels below the requirement for financial assurance. This licensing action is expected to be completed by January 31, 2008.

Page 3

Mr. Martin J. Virgilio

United States Nuclear Regulatory Commission

January 3, 2008

Iowa State University, Radioactive Materials License Number 0014-1-85-AAB and
University of Iowa, Radioactive Materials License Number 0037-1-52-AAB:

Bureau of Radiological Health staff is currently working with the Radiation Safety Officers for both Universities to secure original, signed Statements of Intent for each University. Bureau staff has directed the Universities to use the Model Statement of Intent as found in NUREG-1757, Volume 3, "Consolidated NMSS Decommissioning Guidance, Financial Assurance, Recordkeeping, and Timeliness". Once received by the Bureau, the Statement of Intent will be copied and filed in the licensees file. The original, signed Statement of Intent will be maintained in a locked, fireproof safe in the office of the Bureau Chief. This action is expected to be completed by January 31, 2008.

Fansteel/Wellman Dynamics Corporation, Radioactive Materials License Number 0103-1-88-SM1 and
Tjaden Biosciences, LLC, Radioactive Materials License Number 0344-1-29-MD

Bureau staff has been working with the respective Radiation Safety Officers and licensee lawyers to secure original, signed financial assurance documentation. These licensees were instructed to use the model Trust Funds or model Sinking External Funds as found in NUREG-1757, Volume 3, "Consolidated NMSS Decommissioning Guidance, Financial Assurance, Recordkeeping, and Timeliness". Upon receiving the financial assurance mechanism from the licensee, the Bureau will have the documentation reviewed by the Assistant Attorney General for the Iowa Department of Public Health to ensure that the submitted documentation is adequate and meets the State of Iowa requirements for financial assurance. Once approved by the Assistant Attorney General, the original financial assurance mechanism will be maintained in a locked, fireproof safe in the office of the Bureau Chief. While it is uncertain at this time when the financial assurance mechanisms will be received by the Bureau, staff will maintain weekly contact with the licensees until such time this documentation is received and approved.

Future licensing actions will require that Bureau staff review all new license requests, renewals and license amendments for requested radioactive material possession limits that exceed the requirement for maintaining financial assurance. If a request for material exceeds the limit, the licensee will be required to submit an appropriate original financial assurance mechanism that lists the Bureau of Radiological Health as the recipient of the funds. This documentation will be reviewed and approved by the Assistant Attorney General for the Iowa Department of Public Health. The licensing action will be approved only after obtaining approval of the documentation by the Assistant Attorney General.

Page 4

Mr. Martin J. Virgilio
United States Nuclear Regulatory Commission
January 3, 2008

I wish to once again express my sincere thanks to the IMPEP Review Team and the Management Review Board for the quality of the review and the professionalism of the staff. If you have any questions regarding the State of Iowa response to the recommendation contained in the 2007 Final IMPEP Report, please do not hesitate to call me.

Sincerely,



Melanie Rasmusson, Chief
Bureau of Radiological Health
(515) 281-3478
mrasmuss@idph.state.ia.us

RSD
RSD/rlu

cc: Randy Erickson, IMPEP Team Leader
USNRC Region IV
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

Jim Lynch
USNRC Region III
Regional State Agreements Officer
2443 Warrenville Road, Suite 210
Lisle, IL 60532-4352

Aaron McCraw
IMPEP Project Manager
United States Nuclear Regulatory Commission
Washington, D.C. 20555-0001

Thomas Newton, Director
Iowa Department of Public Health

Ken Sharp, Director
Division of Environmental Health