



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

April 15, 2008

Docket No. 04000341  
Control No. 141653

License No. STC-133

Michael J. Pecullan  
Radiation Safety Officer  
Defense Logistics Agency  
Defense National Stockpile Center  
8725 John J. Kingman Road, Suite 3229  
Ft. Belvoir, VA 22060-6223

**SUBJECT: DEFENSE LOGISTICS AGENCY, REQUEST FOR ADDITIONAL  
INFORMATION CONCERNING FINANCIAL ASSURANCE DOCUMENTS,  
CONTROL NO. 141653**

Dear Mr. Pecullan:

This is in reference to the letter from Mr. Holder, dated March 20, 2008 providing financial assurance for decommissioning for Nuclear Regulatory Commission License No. STC-133. In this letter Mr. Holder stated that your belief is that 10 CFR 40.36(c)(2) permitted you to submit a certification of financial assurance in lieu of a decommissioning funding plan. Please make note of the second to the last sentence of 10 CFR 40.36(c)(2), "If the licensee submits the certification of financial assurance rather than a decommissioning funding plan, the licensee shall include a decommissioning funding plan in any application for license renewal." Your license renewal occurred on February 10, 2000, a date after July 27, 1990. Thus a decommissioning funding plan was required during your last renewal.

In order to continue our review, we need the following additional information:

1. Please submit a decommissioning funding plan (DFP) for review. The appropriate level of detail for the cost estimate is discussed in Appendix A.3 to Volume 3 of NUREG-1757, "Consolidated NMSS Decommissioning Guidance." If the DFP cost estimate is greater than your current certification of financial assurance, you must submit a revised financial assurance instrument in the amount of the cost estimate. Please follow closely the recommended wording for financial assurance mechanisms found Appendix A to Volume 3 of NUREG-1757.

You may request a license amendment which will limit the possession of unsealed licensed material of half-life greater than 120 days and thereby reduce or eliminate the required financial assurance.

2. The new financial assurance mechanism submitted with your March 20, 2008 letter is not a Certification of Financial Assurance. As part of the DFP, please submit a revised Certification of Financial Assurance. Please follow closely the model given on Page A-23 found in Appendix A to volume 3 of NUREG-1757.

M. Pecullan  
Defense Logistics Agency

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3. You have submitted a new Statement of Intent in your letter dated March 20, 2008. All facilities listed on your current license must be listed on the Statement of Intent. The facilities that are awaiting release may need reduced funding amount which can be estimated in your DFP. Also, as stated in NUREG-1757, Volume 3, page A-151, please submit the documentation verifying that Mr. Holder is authorized to represent the licensee in the transaction (i.e., has the authority to request and obtain decommissioning funds from the appropriate funding body when necessary). However, you may elect to use your previous Statement of Intent, which was acceptable.

Current NRC regulations and guidance are included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material; Regulations, Guidance, and Communications**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 8:00 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to my attention at the Region I Office and refer to Mail Control No. 141653. If you have any technical questions regarding this deficiency letter, please call me at (610) 337-5366.

Sincerely,

***Original signed by Dennis R. Lawyer***

Dennis R. Lawyer  
Health Physicist  
Commercial and R&D Branch  
Division of Nuclear Materials Safety

cc:  
Cornel A. Holder, Administrator

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**SUNSI Review Complete: DLawyer**

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NAME	Dlawyer/DRL							
DATE	4/4/2008							

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