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*Copies to
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August 7, 1989

Jay Gutierrez, Esquire
Regional Counsel
Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, Pennsylvania 19406

RE: In the Matter of: Neutron Products, Inc.

Dear Mr. Gutierrez:

Pursuant to our conversation, enclosed please find a copy of the Consent Agreement executed between Neutron Products, Inc. and the Maryland Department of the Environment regarding the above-captioned matter. As reflected in this Agreement, the Department has determined that Neutron Products is in substantial compliance with License Amendment No. 33, which was in part, the subject of the administrative hearing held on July 18-24, 1989. As a result of statements made on the record by Mr. Jackson Ransohoff to Chief Hearing Examiner Cornelia Bright Gordon upon termination of the hearing, Neutron Products, Inc. has agreed to be bound by all terms and conditions of License Amendment. Furthermore, pursuant to statements made to the Hearing Examiner, Neutron Products has waived its right to a further hearing regarding the validity and enforceability of this Amendment.

Thank you for your assistance and cooperation in this matter. If you have any further questions concerning this case, please contact Rebecca Laws of this office.

Sincerely,

Maura I. McInerney
Maura I. McInerney
Staff Attorney

MIM/dmw
Enclosure

A130

CONSENT AGREEMENT

This Consent Agreement, by and between Neutron Products, Inc. (hereinafter "Neutron") and the Maryland Department of the Environment (hereinafter "MDE") is effective this 25th day of July, 1989.

1. MDE has found that Neutron is in substantial compliance with License Amendment 33, as amended by correspondence dated May 26 and June 1. As a result, it hereby confirms that it has authorized Neutron:

a) to resume immediately, all operations that were suspended by License Amendment 30, with the exception of cobalt-60 melting; and

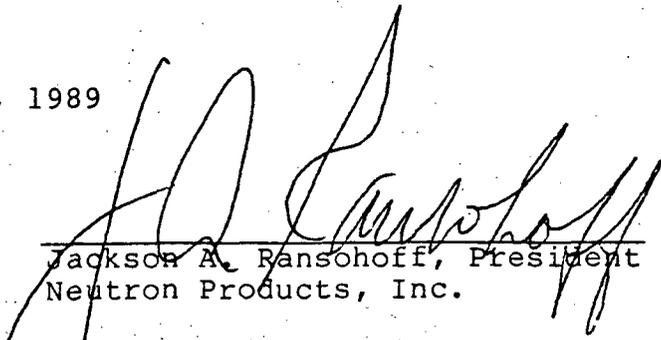
b) to resume cobalt-60 melting at such time as Neutron's Health Physics Consultant (hereinafter "HPC") has reevaluated and confirmed the adequacy of Neutron's hot cell exhaust system in the course of the operations authorized by subparagraph 1.a) hereof and the Department reviews and approves the evaluation of the Health Physics Consultant which approval shall not be unreasonably delayed or withheld.

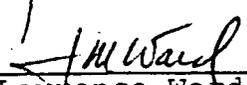
2. MDE perceives some minor issues arising out of Neutron's actual and proposed performance under Amendment 33, and the parties have agreed to cooperate to resolve said issues.

3. Neutron has requested Deputy Assistant Secretary Ward to consider its written requests for changes in CRH policies and practices that Neutron considers to be illegal, abusive, unreasonable, founded in false doctrine, or counterproductive of radiation safety or public understanding. Without assuring satisfaction, Mr. Ward has agreed to timely consider any such requests on their merits, and to effect reforms expeditiously when he believes them to be warranted.

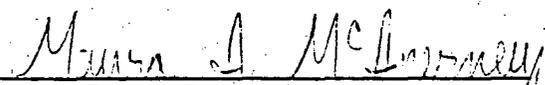
4. This agreement does not constitute an acknowledgement by Neutron that MDE's Action of March 3rd was either warranted or legal, nor does it evidence an admission by MDE that said Action was unwarranted or illegal. Rather, it acknowledges that Neutron has received, by other means, the principal benefits that it could derive from success in the hearing that is hereby terminated.

Agreed to this 25th day of July, 1989


Jackson A. Ranshoff, President
Neutron Products, Inc.


Lawrence Ward
Deputy Assistant Secretary
Toxic Environmental Science
and Health

Approved as to form and legal
sufficiency this 25th day
of July, 1989.


Maura I. McInerney
Staff Attorney