

EDO Principal Correspondence Control

FROM: DUE: 07/29/09

EDO CONTROL: G20090422
DOC DT: 07/21/09
FINAL REPLY:

Jay E. Silberg
Pillsburg Winthrop Shaw Pittman LLP

TO:

Vietti-Cook, SECY

FOR SIGNATURE OF :

** GRN **

CRC NO: 09-0372

Leeds, NRR

DESC:

ROUTING:

Aerotest Radiography and Research Reactor,
Docket No. 50-228, Request for Extension to
Demand Hearing (EDATS: SECY-2009-0363)

Borchardt
Virgilio
Mallett
Ash
Ordaz
Burns/Gray
Burns, OGC
Carpenter, OE
Collins, RIV
Brenner, OPA
Schmidt, OCA
Orders, OEDO

DATE: 07/24/09

ASSIGNED TO:

CONTACT:

NRR

Leeds

SPECIAL INSTRUCTIONS OR REMARKS:

Coordinate with OGC, as appropriate.

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E-RIDS: SECY-01

EDATS

Electronic Document and Action Tracking System

EDATS Number: SECY-2009-0363

Source: SECY

General Information

Assigned To: NRR

OEDO Due Date: 7/29/2009

Other Assignees:

SECY Due Date: NONE

Subject: Aerotest Radiography and Research Reactor, Docket No. 50-228, Request for Extension to Demand Hearing

Description:

CC Routing: NONE

ADAMS Accession Numbers - Incoming: NONE

Response/Package: NONE

Other Information

Cross Reference Number: G20090422, LTR-09-0372

Staff Initiated: NO

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Agency Lesson Learned: NO

OEDO Monthly Report Item: NO

Process Information

Action Type: Letter

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Urgency: NO

OEDO Concurrence: NO

OCM Concurrence: NO

OCA Concurrence: NO

Special Instructions: Coordinate with OGC, as appropriate.

Document Information

Originator Name: Jay E. Silberg

Date of Incoming: 7/21/2009

Originating Organization: Pillsburg Winthrop Shaw
Pittman LLP

Document Received by SECY Date: 7/24/2009

Addressee: Annette Vietti-Cook, SECY

Date Response Requested by Originator: 7/29/2009

Incoming Task Received: Letter

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

Date Printed: Jul 24, 2009 09:32

PAPER NUMBER: LTR-09-0372

LOGGING DATE: 07/22/2009

ACTION OFFICE: ED/GC

AUTHOR: Jay Silberg

AFFILIATION: DC

ADDRESSEE: Annette Vietti-Cook, Secretary of Comm

SUBJECT: Aerotest Aerotest Radiography and Research Reactor, Docket No. 50-228, request for extension to demand hearing

ACTION: Appropriate

DISTRIBUTION: RF, OGC

LETTER DATE: 07/21/2009

ACKNOWLEDGED No

SPECIAL HANDLING: EDO...coordinate appropriate action with...OGC

NOTES:

FILE LOCATION: ADAMS

DATE DUE:

DATE SIGNED:

EDO --G20090422



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License No. R-98
July 21, 2009

Secretary
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
Attn: Rulemakings and Adjudication Staff

**Re: Aerotest Radiography and Research Reactor, Docket No. 50-228,
Request for Extension To Demand Hearing**

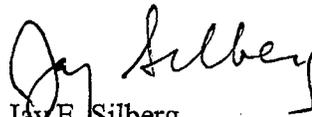
Ladies and Gentlemen:

By letter dated July 9, 2009, the U.S. Nuclear Regulatory Commission's ("NRC") Director of the Office of Nuclear Reactor Regulation informed Aerotest Operations, Inc. ("Aerotest") that the NRC was proposing to deny Aerotest's application to renew Aerotest Radiograph and Research Reactor's ("ARRR") Facility License R-98. The Director's letter stated that Aerotest has the right to demand a hearing within 20 days of the date of the letter (i.e., until July 29, 2009).

The Director's letter stated that the reason for the proposed denial is the NRC's finding that Aerotest has allegedly failed to comply with the NRC's requirements relating to foreign ownership, control, or domination law. On April 6, 2009, representatives of Aerotest met with the NRC to discuss issues related to the ARRR license, including foreign ownership. Aerotest considers the actions contemplated by the NRC with regard to the ARRR license and the ARRR renewal request to be related because both apparently are based on foreign ownership, control, or domination considerations. At the April 6, 2009, meeting, the NRC indicated that it was considering a period of at least 180 days to resolve the issues with the ARRR license. Therefore, pursuant to 10 C.F.R. §§ 2.103(b)(2) and 2.346(b), Aerotest requests a corresponding extension to January 25, 2010 to consider whether to request a hearing with respect to the proposed denial.

On June 18, 2009, Autoliv ASP, Inc. (parent corporation of Aerotest) and X-Ray Industries, Inc. entered into a non-binding letter of intent for the sale of ARRR to X-Ray Industries, Inc. The 180 day requested extension is expected to provide sufficient time for the parties to complete their due diligence for this potential transaction, as well as the submittal of an application to the NRC for license transfer and associated NRC action.

Sincerely,



Jay E. Silberg

Counsel for Aerotest Operations, Inc.

cc: U.S. NRC Office of Nuclear Reactor Regulation/NRLPO
U.S. NRC Region IV, Regional Administrator
NRC, NRR (C. Montgomery)
NRC, OGC (C. Safford)