



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

June 7, 2010

Docket No. 03031174
Control No. 144508

License No. 07-28386-01

Norman Lanier
Corporate Radiation Safety Officer
Tracerco, a business unit of John Matthey, Inc
4106 New West Drive
Pasadena, TX 77507

SUBJECT: TRACERCO, REQUEST FOR ADDITIONAL INFORMATION CONCERNING
FINANCIAL ASSURANCE DOCUMENTS, CONTROL NO. 144508

Dear Mr. Lanier:

This is in reference to our conversations on March 31, May 26, and June 2, 2010 regarding financial assurance for decommissioning for Nuclear Regulatory Commission License No. 07-28386-01. During our review of your financial assurance instruments, we noted that the Decommissioning Funding Plan (DFP) submitted in 1995 and updated in December 2007 does not include a site-specific cost estimate in accordance with NUREG-1757, Vol. 3, *Consolidated NMSS Decommissioning Guidance - Financial Assurance, Recordkeeping, and Timeliness*.

NUREG 1757, Vol. 3, Appendix A, Section A.3, provides the examples for preparing and adjusting site-specific cost estimates. For instance, the Table in Section A.3.5, *Number and Dimensions of Facility Components*, provides the mechanisms for documenting the number and dimensions of facility components that may become contaminated, and the Table A.3.18, *Total Decommissioning Costs*, describes contingency costs.

Please submit your site-specific cost estimate in the format described in Appendix A to NUREG-1757, Vol. 3, *Consolidated NMSS Decommissioning Guidance - Financial Assurance, Recordkeeping, and Timeliness*, in accordance with 10 CFR 30.35.

The links to the above mentioned references are:

<http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1757/v3/sr1757v3.pdf>
<http://www.nrc.gov/reading-rm/doc-collections/cfr/part030/part030-0035.html>

After the NRC has approved the site-specific cost estimate, you will be required to submit a certification that financial assurance for decommissioning has been provided in the amount of the cost estimate and an originally signed duplicate of the financial instruments obtained to provide financial assurance for decommissioning. Financial assurance for decommissioning may be provided by one or more of the approved financial assurance methods provided in 10 CFR 30.35(f).

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material**; then **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 6:30 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to the Region I Office and refer to Mail Control No. 144508. If you have any technical questions regarding this deficiency letter, please call Laurie Kauffman at (610) 337-5323.

Sincerely,

Original signed by Elizabeth Ullrich

Elizabeth Ullrich
Senior Health Physicist
Commercial and R&D Branch
Division of Nuclear Materials Safety

cc:
Troy Votaw, Radiation Safety Officer

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SUNSI Review Complete: LKauffman

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| OFFICE | DNMS/RI | N | DNMS/RI | DNMS/RI | | |
| NAME | LKauffman/LKauffman | | SHamman/STH | E.Ullrich/BU | | |
| DATE | 06/07/2010 | | 6/7/10 | 6/7/10 | | |

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