From: Frank Kolodziej [fkolodziej@somascan.net]
Sent: Wednesday, August 11, 2010 11:14 AM
To: Ullrich, Elizabeth; 'JOSE GONZALEZ (FIA)'
Cc: leizarodriguez@somascan.net; Dwyer, James
Subject: RE: Financial Assurance Requirements - License No. 52-31352-02

I suppose Somascan, Inc. can provide financial assurance. Also, it would be nice to learn how the competition (Bristol-Lantheus) handles such events. I will give them a call.

Frank Kolodziej, MD

From: Ullrich, Elizabeth [mailto:Elizabeth.Ullrich@nrc.gov]
Sent: Martes, 10 de Agosto de 2010 04:35 p.m.
To: JOSE GONZALEZ (FIA)
Cc: Frank Kolodziej; leizarodriguez@somascan.net; Dwyer, James
Subject: RE: Financial Assurance Requirements - License No. 52-31352-02

Mr. Gonzalez,

I am unaware of facilities that have used insurance policies as a means to provide financial assurance. Many facilities have used Letters of Credit, or Trust Funds, or Surety Bonds, or Standby Trusts as described in our NUREG-1757, "Consolidated NMSS Decommissioning Guidance", Volume 3, "Financial Assurance, Recordkeeping, and Timeliness", (link: http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1757/v3/) There are other methods, but these seem to be the most commonly used. Some of the other facilities such as yours were able to use a Parent Company Guarantee or a Self-guarantee. We have a few Materials (non-reactor) licensees who have provided financial assurance through Certificates of Deposit.

Thank you for responding. Also, I appreciate knowing that you contacted the NRC in July. We were not aware of your question to the NRC.

Please contact me if you have additional questions.

Betsy

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From: JOSE GONZALEZ (FIA) [mailto:jose.gonzalez@firstbankpr.com]
Sent: Tuesday, August 10, 2010 4:17 PM
To: Ullrich, Elizabeth
Cc: Frank Kolodziej; leizarodriguez@somascan.net
Subject: FW: Financial Assurance Requirements - License No. 52-31352-02
Importance: High

Mrs. Ullrich,

For the past two months I've been trying to locate and insurance option to fulfill the financial assurance requirements of:

License No. 52-31352-02
Docket No. 030-37957
Control No. 144277
International Cyclotron

As far as we have investigated there is no insurance company issuing decommissioning insurance policies for medical facilities. We have limited access to U.S. insurance markets and we would like to know, based on your experience, if there is any licensee who operates a medical facility such as International Cyclotron and has an insurance policy funding its decommissioning plan. Attach you will find my "question" to NRC Regulatory Guides Coordinator **dated July 19, 2010** regarding this same matter.

We appreciate your comments regarding this issue in order to identify an insurance option to fund the decommissioning plan.

José Javier González CIC
Business Development Manager
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From: JOSE GONZALEZ (FIA)
Sent: Wednesday, July 21, 2010 10:53 AM
To: leizarodriguez@somascan.net
Subject: Financial Assurance Requirements
Importance: High

Leiza,

Under NRC regulations Cyclotron, Inc. can use either a surety bond or an insurance policy as a financial assurance mechanism to fund its Decommissioning Plan. These two options are part of a list of other non-insurance options to fund the plan.

As per our research we've found that surety companies are willing to accept the risk only if a 100% cash collateral is presented by Cyclotron. Being this way we consider this is not an option.

Looking for insurance policy mechanism we've found in the U.S. insurance markets what is called a Decommissioning Insurance Policy, but according to our U.S insurance brokers this kind of policy is available for large risk as nuclear power plants.

Going deeper, last Monday we contacted the NRC in order to identify a U.S. insurance carrier which offers decommissioning insurance policies for medical facilities in the U.S.A. For your reference I'm including the request made to the NRC.

If you have any other consultant working on this Financial Assurance Program it will be of great value having their opinion on this matter.

Thanks in advance!

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