

August 2, 2011

United States Nuclear Regulatory Commission
Attention: Director, Division of Nuclear Materials Licensing
611 Ryan Plaza Drive, Suite 400
Arlington, Texas 76011-8064

License No. 42-27787-01
Docket No. 030-36709

Subject: DECOMMISSIONING FINANCIAL ASSURANCE

Dear Sir or Madam,

This letter updates our certification of financial assurance. I am enclosing a Decommissioning Funding Plan (DFP) based on NUREG-1757 vol. 3.

PIKA does not possess any source, byproduct or special nuclear materials in amounts above the threshold requiring financial assurance. Our work is performed at our clients' locations. Occasionally we will take possession of our clients' radioactive material during the work or prior to transfer to a licensed disposal facility. We have no facility of our own that requires financial assurance for decommissioning. Therefore, our DFP requirement is for zero dollars (\$0.)

Please feel free to call me at 510-863-1570, if you have any questions or concerns regarding this letter.

Respectfully,

Joel I. Cehn, RSO

cc: Terry Kasnavia, PIKA

INTRODUCTION

This Decommissioning Funding Plan (DFP) provides a cost estimate for decommissioning activities performed under U. S. Nuclear Regulatory Commission (NRC) Materials License Number 42-27787-01, and is prepared in accordance with the requirements of 10 CFR 30.35(c)(5). A DFP is a financial assurance demonstration that is based on a site-specific cost estimate for decommissioning a facility.

SCOPE

This DFP is prepared for PIKA International, Inc., located at 12723 Capricorn Dr., Stafford, Texas. The DFP consists of five parts; Introduction, Scope, Site-Specific Cost Estimate, Adjusting the Cost Estimate, and DFP Documentation Submittal. The DFP provides an estimate of the minimum required level of financial assurance coverage necessary to perform required decommissioning.

SITE-SPECIFIC COST ESTIMATE

This site-specific cost estimate represents PIKA's best approximation of all direct and indirect costs of decommissioning its facilities under routine facility conditions.

Facility Description

PIKA's Radioactive Materials License authorizes work at temporary job sites. These sites are owned and licensed by our clients. For example, if we decontaminate a building and package and ship the waste for disposal, this is done for our client. The building and any licensed activities therein are the responsibility of our client. Occasionally, we prepare and manage a waste storage area, under our license. If we do, the area is owned by our client, who assumes financial responsibility for the entire property. Also, we enter into a license sharing agreement with our client when our license is used. In future agreements, the client's financial responsibilities for PIKA's work areas will be spelled out.

Estimated Decommissioning Costs

Decommissioning costs associated with PIKA's NRC Materials License are estimated to be zero dollars (\$0). Cost estimates are broken down in Table 1 below.

Costs associated with the decommissioning process (e.g., labor, non-labor, and contingency) are estimated to be zero dollars (\$0) because of the explanation provided in the section above.

Key Assumptions

The key assumption for determining zero dollars of decommissioning costs is that PIKA's work at clients' job sites has limited liability. Our clients assume financial responsibility for the entire job site.

Table 1 - Estimated Costs Associated With Decommissioning Tasks and Activities

Item	Associated Cost
Planning	\$0
Building Decontamination	\$0
Restoration of Grounds	\$0
Final Status Survey	\$0

ADJUSTING THE COST ESTIMATE

PIKA will review, and update as required, this DFP every 3 years or when the amounts or types of material at the facility change from those currently listed in the NRC Materials License. Adjustments to the cost estimate will be made, as necessary, to account for inflation, other changes in the prices of goods and services, changes in facility conditions or operations, and changes in expected decommissioning procedures.

DFP DOCUMENTATION SUBMITTAL

According to the guidance in NUREG-1737, the following documentation is required:

1. a site-specific cost estimate for decommissioning,
2. a description of the means that will be used to adjust the site-specific cost estimate and associated funding levels periodically over the life of the facility
3. a certification of financial assurance by the licensee that financial assurance for decommissioning has been provided in the amount of the decommissioning cost estimate, and
4. an originally signed duplicate

However, in light of PIKA's zero dollars decommissioning cost, only item 1 is submitted, within this DFP.

8/8/11

DATE

This is to acknowledge the receipt of your letter/application dated 8/2/11, and to inform you that the initial processing, which includes an administrative review, has been performed.

☒ There were no administrative omissions. Your application will be assigned to a technical reviewer. Please note that the technical review may identify additional omissions or require additional information.

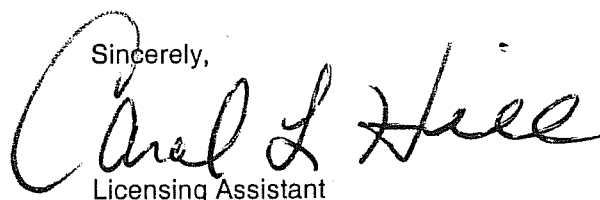
☐ Please provide to this office within 30 days of your receipt of this card:

The action you requested is normally processed within 90 days.

☐ A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned **Mail Control Number** 575749.
When calling to inquire about this action, please refer to this mail control number.
You may call me at 817-860-8103.

Sincerely,


Licensing Assistant

BETWEEN:

Accounts Receivable/Payable
and
Regional Licensing Branches

[FOR ARPB USE]
INFORMATION FROM LTS

Program Code: 03234
Status Code: Pending Amendment
Fee Category: 14A 1D 3N 4B
Exp. Date:
Fee Comments:
Decom Fin Assur Req: Y

License Fee Worksheet - License Fee Transmittal

A. REGION

1. APPLICATION ATTACHED

Applicant/Licensee: PIKA INTERNATIONAL INC
Received Date: 08/05/2011
Docket Number: 3036709
Mail Control Number: 575749
License Number: 42-27787-01
Action Type: FIN Assurance

2. FEE ATTACHED

Amount: _____

Check No.: _____

3. COMMENTS

Signed: _____

Date: _____

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered / /)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:

Amendment: _____

Renewal: _____

License: _____

3. OTHER _____

Signed: _____

Date: _____

From: (281) 340-5525
J.Cohn PIKA
PIKA
12723 Capricorn Dr. #500
Stafford, TX 77477

Origin ID: SGRA



Ship Date: 03AUG11
ActWgt: 0.5 LB
CAD: 9725439/NET3180

Delivery Address Bar Code

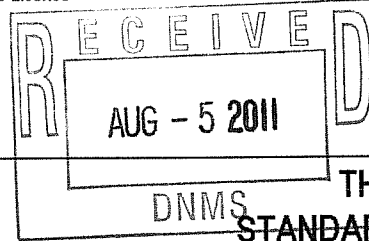


SHIP TO: (817) 860-8100 **BILL THIRD PARTY**
Director Nuclear Mat'ls. Licensing
US NRC
612 E LAMAR BLVD STE 400

ARLINGTON, TX 76011

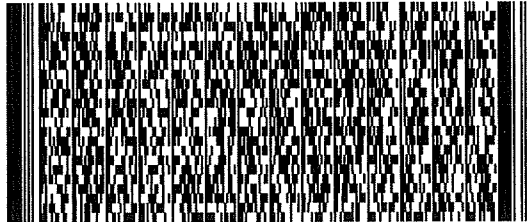
Ref #
Invoice #
PO #
Dept #

NRC License



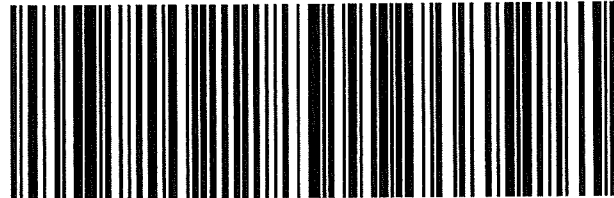
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THU - 04 AUG A1
STANDARD OVERNIGHT



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After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

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