



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

JUN 29 1979

Docket No. 70-8

Battelle Columbus Laboratories
ATTN: Mr. Harley L. Toy
NRC Licensing Coordinator
505 King Avenue
Columbus, Ohio 43201

Gentlemen:

We have completed our review of the conceptual decommissioning plan with its cost estimate for the Battelle Hot Laboratory (JN-1) and the related financial plan, as described in your submittals of November 22, 1978, December 15, 1978 and April 25, 1979. These plans were submitted at our request, reflecting our position that such plans are required for major licensed facilities. We agree that your cost estimate for decontamination of the facility to enable its release for unrestricted use is reasonable and the proposed financial plan for assuring the availability of the required funds is acceptable. Accordingly, as I discussed with your Dr. Kenneth Brog, these commitments will be made conditions of License No. SNM-7 and License No. 34-6854-5 through license amendments as soon as you inform us that you have completed the steps necessary to implement the proposed financial plan. We have under review your application for license renewal (which would consolidate these two licenses) and at such times that licensing action is taken on this request, these same license conditions will be incorporated into the renewed license.

As license conditions, the provisions of the financial plan will be subject to periodic review by the NRC. In this regard, we note that the description of the financial plan submitted by your letter of November 22, 1978 includes a commitment for annual review by Battelle. Documentation of these reviews must be maintained for review by NRC upon request. Any audits performed by the Defense Contract Audit Agency (DCAA) may also be used by the NRC in its reviews to confirm that the provisions of the plan are being carried out as described. Also as published in the Federal Register on March 13, 1978 (42 FR 10370), the NRC has underway extensive studies intended to provide a data base for developing decommissioning criteria for nuclear facilities. The Commission is considering amending its regulations to provide more specific guidance on decommissioning criteria for NRC licensees. The conditions added to your licenses, as discussed above, may be subject to modification depending upon the requirements that are developed.

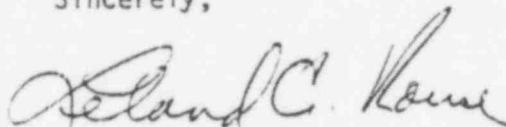
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JUN 29 1979

With respect to the Plutonium Laboratory (JN-4), we recognize that you are presently decontaminating this facility to a condition that would enable its release for unrestricted use. As we discussed, we also plan to condition License No. SNM-7 to require submittal of a decommissioning plan and appropriate financial plan for our review and approval before any subsequent use of unsealed radioactive materials may be initiated in the facility. In this regard, we recommend that you inform our Office of Inspection and Enforcement, Region III, at the time decontamination of the facility is complete to provide opportunity for an NRC confirmation survey as to the contamination status of the facility.

If you have any questions concerning these matters, please let me know.

Sincerely,



Leland C. Rouse, Acting Chief
Fuel Reprocessing and Recycle Branch
Division of Fuel Cycle and
Material Safety

cc: Mr. James Buchar
Contracts Management Office
U.S. Department of Energy

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