

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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In the Matter of)
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Chemetron Corporation)

(Decontamination of Harvard)
and Bert Avenue Sites))
_____)

Docket No. 04008724
License No. SUB-1357

LICENSEE'S RESPONSE TO NOVEMBER 2, 1990
DEMAND FOR INFORMATION

On November 2, 1990, A. Bert Davis, Regional Administrator, U.S. Nuclear Regulatory Commission, Region III, issued a Demand for Information to Chemetron Corporation, the Licensee in the captioned matter. The Demand for Information recited that as of July 27, 1990, the licensee was required to comply with 10 C.F.R. § 40.36 which requires licensees who possess prescribed quantities of licensed materials to submit certain information relating to financial assurance for decommissioning. The Demand for Information recited that "[t]he NRC staff has not yet received the Licensee's response to this requirement. Therefore, the Licensee appears to be in violation of this requirement." Accordingly, the NRC required certain information to be submitted to the Administrator, Region III in writing and under oath or affirmation.

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Chemetron Corporation's response to the Demand for information is presented herein. Section III(2) of the Demand for Information states:

If the Licensee has already submitted a surety instrument to the NRC, the date the Licensee submitted the surety and the address the Licensee sent it to (if the Licensee has already submitted a surety instrument to the NRC, the Licensee need not satisfy the remaining requirements in this Demand for Information unless notified by the Regional Administrator, Region III).

The Licensee has already submitted a surety instrument to the NRC. Specifically, in its August 31, 1990 Request for Consent to the Transfer of Control Over License No. SUB-1357, Chemetron stated that it would provide a parent company guarantee upon the effective date of reorganization of Allegheny International (previous parent to Chemetron). On October 1, 1990, in a letter to Mr. Charles J. Haughney (NRC/NMSS), Sunbeam/Oster Company, Inc. ("Sunbeam/Oster"), the current parent to Chemetron, provided a duly executed parent guarantee (dated September 28, 1990) in the amount of \$750,000.

Subsequently, on October 1, 1990, Chemetron submitted (with executed signature pages filed on October 2, 1990) its Request for License Renewal. As part of that submittal, Chemetron provided the following duly executed documents: (1) parent company guarantee of Sunbeam/Oster in the amount of \$7,465,000 (effective November 1, 1990) in lieu of the previous guarantee of \$750,000; (2) letter (with supporting documents) from the

Secretary, Sunbeam/Oster, demonstrating compliance with the financial test requirements of 10 C.F.R. Part 40; and (3) Amendment to Standby Trust Agreement in the amount of \$7,465,000. This information was submitted to the Nuclear Regulatory Commission ("NRC") Document Control Desk with a copy to NRC Region III.

Chemetron submits that this information satisfies Provision III(2) of the Demand for Information and thus in accordance with the Demand for Information, further financial information need not be submitted at this time.

FOR CHEMETRON CORPORATION

Michael G. Lederman

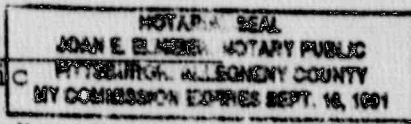
Michael G. Lederman
President

Subscribed and sworn to before me

this 14th day of November, 1990:

Joan E. Blaser

Notary Public



Pennsylvania Notary Public

My Commission expires: Sept 16, 1991