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December 23, 1993

Mr. Robert Pierson  
Chief, Licensing Branch  
Division of Fuel Cycle Safety and Safeguards  
Office of Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Subject: APPLICATION FOR LICENSE RENEWAL  
BATTELLE MEMORIAL INSTITUTE  
Materials License No. SNM-7  
Docket No. 70-8

Dear Sir:

In accordance with 10 CFR §30.37, the Battelle Memorial Institute (BMI) hereby requests the renewal of Materials License No. SNM-7. Attached is our Renewal Application BMI 12-93.

This license renewal is being submitted using the guidance and format of the *Standard Review Plan for Type A Licenses of Broad Scope*, dated February 1985, for use with Proposed Revision 2 of Regulatory Guide 10.5. Our Renewal Application includes information about the current status of Battelle's organizational structure and its operation pursuant to SNM-7, and thus supersedes all previous submittals to NRC regarding terms and conditions of the license.

In addition, as required by 10 CFR §30.35(c)(2), this submittal also includes our Decommissioning Funding Plan, which in turn incorporates a re-submittal of our July 1990 Request for Exemption. That request would allow Battelle to rely on a U.S. Department of Energy (DOE) Statement of Intent to fulfill a substantial portion of Battelle's financial assurance obligation for decommissioning certain buildings. On May 25, 1993, Battelle submitted for NRC review an updated "Decommissioning Plan for the Battelle Memorial Institute Columbus Operations" (Decommissioning Plan). That plan was approved by the NRC by letter dated December 6, 1993. The Decommissioning Plan is included here as Appendix E (without attachments).

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You will see in the attached materials that our Decommissioning Funding Plan can be viewed as consisting of three parts: 1) Battelle's Request for Exemption, including DOE's Statement of Intent to fund 90 to 100% of the Battelle Columbus Laboratories Decommissioning Project; 2) Battelle's Letter of Credit from Society National Bank, including the Standby Trust Agreement; and 3) the extant Industrial Trust for decommissioning held by Bank One. I have asked Society Bank to issue the Letter of Credit as a specimen, pending your approval of the funding plan. The bank will issue the actual Letter of Credit immediately upon your indication that the plan is complete.

As our Renewal Application shows, licensed radiological work at Battelle now focuses primarily on research and development (R&D) activities using byproduct materials in toxicology and tracer studies, agricultural applications, and radiography. All NRC regulated SNM fuel has been shipped off-site. This reduction in licensed SNM is consistent with our decision to reduce SNM and source material R&D activities and focus on byproduct material R&D. As you are aware, we are continuing decontamination and decommissioning (D&D) operations at the King Avenue and West Jefferson facilities as part of the Battelle Columbus Laboratories Decommissioning Project (BCLDP). Only small quantities of SNM remain in vault storage on the SNM-7 inventory. This represents the remaining inventory from previous plutonium R&D operations for DOE. Actions are currently underway to dispose of these materials, thereby terminating SNM activities, with the exception of the possession of small quantities of SNM for R&D and instrument calibration purposes under the byproduct license. The source material inventory will consist primarily of depleted uranium and thorium as residual contamination, and uranium incorporated into shielding in shipping containers, e.g., Ir-192 used in radiography experiments.

As a result of the revised use of licensed material, we are requesting renewal of SNM-7 to authorize the following:

- Receipt, possession and use of byproduct material to conduct research and development activities;
- Possession only of diffuse special nuclear, source and byproduct material as residual contamination being removed from those laboratories that are part of the BCLDP. Authorization is also requested for possession of discrete quantities of special nuclear and source material for instrument calibration, R&D, and BCLDP decontamination activities.

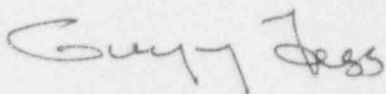
The quantities of material for each of the above activities are set forth in the attached request for renewal. Note that the Applicant is now identified as the Battelle Memorial Institute, the corporate entity responsible for all activities under the license, instead of the Battelle Columbus Division, which was identified in the previous renewal.

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Enclosed is our check made payable to the U.S. Nuclear Regulatory Commission in the amount of \$2200, which is believed to be the correct amount for a Renewal Application of a combined special nuclear material and byproduct license.

Please direct any questions you may have regarding this submittal to me at (614) 424-7923.

Sincerely,



Gregory Fess  
NRC Licensing Coordinator

cc: Donald Joy, NMSS

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