

DEC 28 1993

License No. 31-12000-02
Docket No. 030-19705
Control No. 113404

NDL Organization, Incorporated
ATTN: Peter J. Pastorelle
President
Post Office Box 791
Peekskill, New York 10566

Dear Mr. Pastorelle:

Subject: Financial Assurance

This is in reference to your letters dated September 27, 1991, April 3, 1992, December 17, 1993 and December 20, 1993 to provide financial assurance for NRC License No. 31-12000-02. We have reviewed your submittal and within the scope of our review, no further deficiencies were identified. After careful consideration, we hereby grant the requested exemption from the requirement to provide financial assurance for NRC License No. 31-12000-02.

Based on our review of your submittals, you are now in compliance with the requirements of 10 CFR 30.35. Please note that financial assurance certification and all associated documentation are required to be updated with significant changes in your operation and with each application for license renewal.

Thank you for your cooperation in this matter.

Sincerely,

Original Signed By:
Mohamed M. Shanbaky

Mohamed M. Shanbaky, Chief
Research and Development Section
Division of Radiation Safety
and Safeguards

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PDR ADOCK 03019705
C PDR

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DRSS:RI
Everhart



12/28/93

DRSS:RI
Shanbaky



12/28/93

the



Organization, inc.

030-19705

post office box 791
Peekskill, New York 10566
(914) 737-7200
fax (914) 737-9244

December 20, 1993

John D. Kinneman, Chief
United States
Nuclear Regulatory Commission
Nuclear Materials Safety Section B
Division of Radiation Safety & Safeguards
Region I
475 Allendale Road
King of Prussia, PA 19406-1415

RE: License No. 31-12000-02
Docket No. 030-19705
Control No. 113404

Dear Mr. Kinneman:

In response to my conversation today with Mr. David Everhart concerning my letter of December 17, 1993 in which NDL requested a financial assuredness exemption, I was asked to submit a breakdown of costs for a NDL driver to travel to the farthest point in the tri-state area to pick-up an abandoned NDL vehicle, I submit the following for your consideration.

Peekskill, New York to Cape May, New Jersey (200 miles)-

Two Drivers and one car down. Two drivers, one car, one truck return-

18	hours man hours @15.00/hour.....	270.00
200	truck miles @0.85/mile.....	170.00
400	car miles @0.30/mile.....	120.00
	tolls.....	<u>50.00</u>

Total \$ 610.00

A review update on the above costs will be submitted with each license renewal.

Yours truly,

Peter J. Pastorelle
President

PJP/mrdc
c. David Everhart
USNRC

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DEC 27 1993

the



Organization, inc.

M516

K-2

post office box 791
Peekskill, New York 10566
(914) 737-7200
fax (914) 737-9244

CERTIFIED-RETURN RECEIPT

December 17, 1993

John D. Kinneman, Chief
United States
Nuclear Regulatory Commission
Nuclear Materials Safety Section B
Division of Radiation Safety & Safeguards
Region I
475 Allendale Road
King of Prussia, PA 19406-1415

RE: License No. 31-12000-02
Docket No. 030-19705
Control No. 113404

Dear Mr. Kinneman:

With reference to your letter of September 13, 1993 regarding financial assurance for NDL's License No. 31-12000-02 and my subsequent telephone conversation with Mr. David Everhart, Health Physicist, of the NRC's Licensing Section, this is to request that The NDL Organization, Inc. be exempted from the financial assurance for License No. 31-12000-02 for the following reasons.

The NDL Organization, Inc. is licensed for the same facility, located at 1000 Lower South Street, Peekskill, New York, under New York State's agreement status and the Department of Labor's issuance of NDL's Radioactive Material License Nos. 1226-1422 (waste/facility), 1959-1422 (calibration), and 2095-1422 (leak-testing). NDL is required under New York State's licensing requirements to provide financial assuredness for its radioactive activities. NDL currently has financial assuredness with the New York State Department of Labor in the form of an Irrevocable Letter of Credit issued by The Bank of New York. The company is currently pursuing avenues of financing to meet the new increased requirements. This should be accomplished in the next month or so. Because NDL is required to have full financial assuredness with the New York State Department of Labor, additional financial assuredness with the USNRC for same facility would be a duplication and a significant financial burden.

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FAX RECD 12/17/93

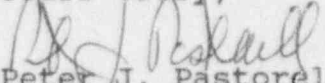
Kinneman - page 2

Secondly, NDL's primary service area is in the Tri-State region, i.e. Connecticut, New York, and New Jersey. In the light of Mr. Everhart's helpful suggestion, the cost for a NDL driver to travel to the farthest point in order to pick-up an abandoned NDL vehicle would be considerably less than \$1,000.00.

If you need additional information or have any questions, please contact me.

Thank you for your consideration.

Yours truly,


Peter J. Pastorelle
President

PJP/mrdc

c. David Everhart, Health Physicist
United States
Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, Pennsylvania
19406-1415

SEP 13 1993

License No. 31-12000-02
Docket No. 030-19705
Control No. 113404

NDL Organization, Inc.
ATTN: Peter J. Pastorelle
President
P.O. Box 791
Peekskill, New York 10566

Dear Mr. Pastorelle:

Subject: Financial Assurance

This refers to your letter dated April 3, 1992 regarding financial assurance for License No. 31-12000-02. Enclosed with that letter is a decommissioning cost estimate. In order for us to conclude that you have adequate financial assurance, we need the following additional information:

1. The cost estimate does not include a description of the facilities to be decommissioned; therefore, we are unable to evaluate the adequacy of the estimate. We assume that the estimate covers the return of radioactive waste in transit in states where NRC retains jurisdiction to the generator, the decontamination of trucks and equipment and final disposal of the licensed waste generated in that process. However, we need a clear statement of the activities which the cost estimate covers. Please use recent cost data for disposal of radioactive waste. If you intend to reduce the cost of decommissioning by returning waste to the generator, confirm that you have enforceable agreements with each of your customers that they will accept return of their waste if you are unable to dispose of it.
2. You did not include a contingency factor in your decommissioning cost estimate. Regulatory Guide 3.66, page 1-10, recommends that a contingency factor be included as part of the decommissioning cost estimate. NUREG/CR-1754 uses a contingency factor of 25 percent in its cost estimates for each six reference laboratories, although licensees may choose to use lower contingency factors if they can show why a lower factor is appropriate. Revise your cost estimate to account for unanticipated costs.

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3. 10 CFR 30.35(e) requires that licensees describe in a Decommissioning Funding Plan (DFP) the means they will use to adjust their decommissioning cost estimates and associated funding levels over the lives of the licensed facilities. Regulatory Guide 3.66 suggests that adjustments be made for inflation and for site-specific factors at the time of license renewal, or when the amounts and types of material at the facility change. Describe the method and frequency of such adjustments.

4. Submit a Letter of Credit (or other acceptable financial assurance mechanism) and appropriate supporting documentation as discussed in Regulatory Guide 3.66. If the financial assurance required by your New York license includes specific and sufficient funds to accomplish the tasks identified in your final DFP and cost estimate we will consider accepting that financial assurance as compliance with NRC regulations. Submit complete information on the funding mechanism and explicitly demonstrate that these costs will be covered. You must also show that accomplishment of these tasks will not detract from the ability to decommission your New York facility and agree to inform us of any changes to that financial assurance.

We will continue our review upon receipt of this information. Please reply in duplicate to my attention at the Region I office and refer to Mail Control No. 113404. If you have any question concerning this letter please call David Everhart at (215) 337-6936. Since financial assurance is required for your license we would appreciate a reply within 30 calendar days of the date of this letter.

Sincerely,

Original Signed By:
John D. Kinneman

John D. Kinneman, Chief
Research, Development and
Decommissioning Section
Division of Radiation Safety
and Safeguards

Enclosures:

1. Regulatory Guide 3.66
2. NUREG\CR-1754
3. NUREG\CR-1754 Addendum 1

NDL Organization, Inc.

-3-

bcc:

J. Kinneman, RI

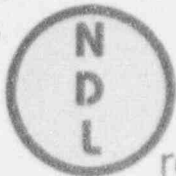
DRSS:RI
Everhart/smh

DRSS:RI
Kinneman

09/7/93

09/13/93

the



rganization, inc.

MS 16

J8

post office box 791
peekskill, new york 10566
(914) 737-7200

April 3, 1992

John D. Kinneman, Chief
United States
Nuclear Regulatory Commission
Nuclear Materials Safety Section B
Division of Radiation Safety & Safeguards
Region I
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

RE: License #31-12000--02
Docket #030-19705
Control #113404

Dear Mr. Kinneman:

Pursuant to your letter of July 16, 1991, my letter of September 27, 1991 and my subsequent conversations with Mark Bouwens of your staff regarding the financial assurance requirements of 10 CFR 30.35(c)(2), NDL has opted to submit a decommissioning funding plan, utilizing Appendix F, Cost Estimating Tables in Regulatory Guide 3.66 "Standard Format and Content of Financial Assurance Mechanisms Required For Decommissioning Under 10 CFR Parts 30, 40, 70, and 72."

As you know, NDL is licensed (NYS Radioactive Materials License #1226-1422) for its operations in New York by the New York State Department of Labor under New York State's Agreement status. Part 38.7 of Title 12 of the Official Compilation of Codes, Rules and Regulations of the State of New York (12 NYCRR 38) requires security providing for the reimbursement to the Commissioner for any expense incurred in the event that the commissioner removes radioactive material or decontaminates the premises (e.g. storage area, truck loading area, offices and property) of the licensee. NDL is in full compliance with the state's security requirements and has an Irrevocable Letter of Credit issued to the benefit of the Industrial Commissioner for the required amount. Hence this company's decommissioning funding plan for the Nuclear Regulatory Commission would cover the decommissioning for NDL's out-of-state operations, primarily trucks and vehicles.

Enclosed please find the completed Cost Estimating Table covering NDL's decommissioning funding plan. The financial guarantee to the NRC for the entire amount would be through an Irrevocable Let-

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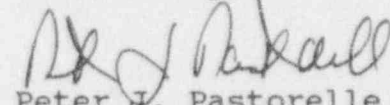
Kinneman-Page 2

ter of Credit issued by The Bank of New York, 1025 Brown Street, Peekskill, New York 10566 (Lillian Henning, Manager). The Letter of Credit will comply with the requirements specified in Exhibit 3-7 of Regulatory Guide 3.66.

I appreciate your notification and Mark Bouwens helpful assistance in submitting this information. If you have any questions, please contact me.

Thank you for your attention in this matter.

Yours truly,



Peter J. Pastorelle
President

Enc.

APPENDIX F

COST ESTIMATING TABLES

1. Planning and Preparation

Table 1

<u>Task</u>	<u>Supervisor</u>	<u>Work Days</u>		<u>Clerical</u>	<u>Total</u>	<u>Total Cost</u>
		<u>Foreman</u>	<u>H.P.</u>			
1. Preparation of Documentation for Regulatory Agencies	5	NA	3	2	10	1,609.92
2. Submittal of Decommissioning Plan to NRC when required by 10 CFR 30.36(c)(2), 40.42(c)(2), or 70.38(c)(2)*	8	NA	6	5	19	2,877.06
3. Development of Work Plans	2	2	2	1	7	1,081.40
4. Procuring of Special Equipment	1	1	1	NA	3	513.06
5. Staff Training	1	1	1	NA	3	513.06
6. Characterization of Radiological Condition of the Facility (Including soil and tailings analysis or ground-water analysis, if applicable)	2	3	5	2	12	1,786.85
7. Other	1	1	1	1	4	568.34
8. Total	20	8	19	11	58	8,949.69

* For assistance in preparation of cost estimate for 10 CFR Part 72, consult NRC Office of Nuclear Material Safety and Safeguards.

APPENDIX F (Continued)
COST ESTIMATING TABLES

Table 2

Position	Unit Cost for Workers 15%		Worker Cost/year	Worker Cost/day
	Basic Salaries (\$/yr)	Overhead Rate (%)		
Supervisor	45,000.00	6,750.00	51,750.00	199.07
Foreman	33,000.00	4,950.00	37,950.00	145.97
Craftsman	18,000.00	2,700.00	20,700.00	79.61
Technician	23,000.00	3,450.00	26,450.00	101.73
Health Physicist	38,000.00	5,700.00	43,700.00	166.07
Laborer	13,000.00	1,950.00	14,950.00	57.50
Clerical	12,500.00	1,875.00	14,375.00	55.28
Other				

2. Decontamination and/or Dismantling of Radioactive Facility Components*

	No.	Dimensions		No.	Dimensions
Glove Boxes	---	NA (m ³)	Amount of Floor Space	---	NA (m ²)
Fume Hood	---	(m ³)	Ventilation Ductwork	---	(m)
Hot Cells	---	(m ³)	Amount of Wall Space	---	(m ²)
Lab Benches	---	(m)	Other	---	
Sink and Drain	---	(m)			

Table 3

Work Days

Task	Super-visor	Fore-man	Tech-nicians	H.P.	Crafts-men	La-borer	Total	Total Cost
1. Decon/Dismantle Major Components and/or Processing and Storage Tanks	---	---	NA	---	---	---	---	---
2. Decon/Dismantle Laboratories, Fume Hoods, Glove Boxes, Benches, etc.	---	---	NA	---	---	---	---	---

*Indicate whether component is to be decontaminated to unrestricted release levels or packaged and disposed of at a low-level waste site.

APPENDIX F (Continued)
COST ESTIMATING TABLES

Table 3 (continued)

Task	Work Days						Total	Total Cost
	Super- visor	Fore- man	Tech- nicians	H.P.	Crafts- men	La- borer		
3. Decon/Dis- mantle Waste Areas	8	8	8	8	3	8	43	5,617.15
- Radwaste Areas								
- Scrap Recovery Areas								
- Other								
4. Decon/Dis- mantle Service Facilities			NA					
- Maintenance Shop								
- Decontamination Areas								
- Ventilation Systems								
- Other								
5. Decon/Dis- mantle Waste Treatment Facilities and Storage Areas on the Site (Including exhume and package contaminated soil and tail- ings, if any)			NA					
- Fluoride Lagoons								
- Nitrate Lagoons								
- CaF2 Waste Recovery								
- Ground Water Restoration								
- Other								

APPENDIX F (Continued)
COST ESTIMATING TABLES

Table 3 (continued)

Task	Work Days						Total	Total Cost
	Super-visor	Fore-man	Tech-nicians	H.P.	Crafts-men	La-borer		
6. Monitor for compliance, reclean and remonitor, if necessary	3	3	3	3	1	3	16	2,096.48
7. Other (e.g., contractor fees)(consultant)	1							2,000.00

Table 4

Equipment/Supply	Quantity	Cost
Power Equipment	4	800.00
Decon Supplies		1,200.00

3. Packaging, Shipping, and Disposal of Radioactive Wastes

Table 5

Waste Type	Volume (GAL) f	No. of Containers	Type of Containers	Unit Cost of Container	Cost of Container
Dry solid	37.5	5	17H Drums	33.10	165.50
Total	37.5	5		33.10	165.50

Table 6

Waste Type	No. of Shipments	Unit Cost for Shipping	Distance Shipped	Surcharge	Transportation Cost
Dry solid	1	255.00	850.00	NA	1,275.00
Total	1	255.00	850		1,275.00

APPENDIX F (Continued)
COST ESTIMATING TABLES

Table 7

Burial Charges	44.50	($\$/m^3$)
Surcharges	900.24	(\$)
Per container		($\$/m^3$)
Disposal		($\$/m^3$)

Waste Type	Burial Volume ft^3	Unit Cost of Burial ft^3	Surcharge ft^3	Burial Cost
dry solid	37.5	44.50/ft ³	120.032/ft ³	6,169.77
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	37.5	44.50/ft ³	120.032/ft ³	6,169.77

4. Restoration of Contaminated Areas on Facility Ground

Table 8

Task	Supervisor	Work Days			Total	Total Cost
		Foreman	H.P.	Clerical		
Backfill and Restore Site	1	1	1	1	4	568.34
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

5. Final Radiation Survey

Table 9

Task	Supervisor	Work Days			Total	Total Cost
		Foreman	H.P.	Clerical		
Survey	1	1	2	1	5	736.41
Report	1	NA	2	2	5	645.73
Total	2	1	4	3	10	1,382.14

APPENDIX F (Continued)
 COST ESTIMATING TABLES

6. Site Stabilization, Long-Term Surveillance (if applicable)

Table 10

<u>Task</u>	<u>Supervisor</u>	<u>Work Days</u>		<u>Clerical</u>	<u>Total</u>	<u>Total Cost</u>
		<u>Foreman</u>	<u>H.P.</u>			
_____	_____	NA	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

OFFICIAL RECORD COPY ML 10

113404

DATE 3-27-92

TELEPHONE OR VERBAL CONVERSATION RECORD

TIME A.M. P.M.

INCOMING CALL

OUTGOING CALL

VISIT

PERSON CALLING

Mark R. Bouwers

OFFICE/ADDRESS

RI

PHONE NUMBER

EXTENSION

6910

PERSON CALLED

Peter Pasterella

OFFICE/ADDRESS

NOL

PHONE NUMBER

EXTENSION

914-737-7200

CONVERSATION

SUBJECT

Fin. Assurance (returning his call)

SUMMARY

Peter wanted to know if he could submit ~~for the DFP~~ the cost estimates for a DFP and all other info. for Financial Assurance without sending the letter of credit. Would this be a "reasonable submittal"?

I called back again with info. from Eric Reber. I told Peter it would be considered a reasonable submittal.

Peter requested this so that he could get the submittal in fast and so that if changes were required in the \$ amount of the DFP we would he would not have to get another letter of credit.

REFERRED TO:

ACTION REQUESTED

ADVISE ME OF ACTION TAKEN.

INITIALS

DATE

ACTION TAKEN

INITIALS

DATE

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113404

INCOMING CALL OUTGOING CALL VISIT

PERSON CALLING M.R. Bonvens OFFICE/ADDRESS RI PHONE NUMBER EXTENSION 6910

PERSON CALLED Peter Pastorelle OFFICE/ADDRESS NDL PHONE NUMBER EXTENSION 914-737-7200

CONVERSATION

SUBJECT Financial Assurance

SUMMARY
 Eric suggested he could submit a dfp instead of \$50,000. Peter was ~~to~~ looking into that. He said it would be next month. After I stressed the importance of Fin. Ass. he said he would make a submittal within a week.

REFERRED TO:	<input type="checkbox"/> ADVISE ME OF ACTION TAKEN.
ACTION REQUESTED	
	INITIALS
	DATE
ACTION TAKEN	INITIALS
	DATE

the



Organization, inc.

31-12000-02

Registered Mail

post office box 791
Peekskill, New York 10566
(914) 737-7200
fax (914) 737-9244

Sept. 27, 1991

John D. Kinneman, Chief
Nuclear Materials Safety Section B
Division of Radiation Safety & Safeguards
United States Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

RE: Mail Control #113404

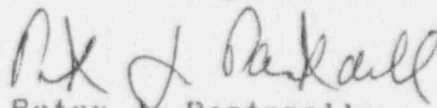
Dear Mr. Kinneman:

Pursuant to your letter regarding the obligatory financial assurance requirements specified in 10CFR 30.35(c)(2), this is to apprise you that we are reviewing our options under this regulation. Obviously the \$750,000.00 could not be sustained by this company (a small business). We therefore would like to select an alternative means, whereby NDL will comply with the regulations, while not being restricted by licensing in servicing the needs of its customers.

I will be writing your office shortly to notify you of the method and the financial instrument we will select to be in compliance by the time for the submission of NDL's license renewal application.

Thank you for the notification.

Very truly yours,


Peter J. Pastorelle
President

PJP/mrde
Sent in duplicate.

OFFICIAL RECORD COPY ML 10

113404
OCT 02 1991

JUL 16 1991

License No. 31-12000-02
Docket No. 030-19,05
Control No. 113404

NDL Organization, Inc.
ATTN: Peter J. Pastorelle
President
P. O. Box 791
Peekskill, New York 10566

Dear Mr. Pastorelle:

This is in reference to your letter dated June 15, 1990.

Due to the possession limits contained in your license, 10 CFR 30.35(c)(2) requires you to submit financial assurance in an amount at least equal to \$750,000. Please submit complete documentation (samples of which can be found in Regulatory Guide 3.66 (enclosed)) for the method of financial assurance that you provide.

When you submit an application for renewal of your license in May 1992, a decommissioning funding plan will be required. Your decommissioning funding plan must contain an estimate of the cost to decommission any facilities which may contain radioactive material or contamination. It appears that these would be your trucks and associated equipment and the maximum quantity of waste which they might be carrying at any given time. Information on the level of detail required is given in Appendix F to Regulatory Guide 3.66. You must also provide financial assurance for your cost estimate and submit executed documentation (samples of which can be found in Regulatory Guide 3.66) for the method of financial assurance that you choose.

Alternatively, you may request that your possession limit be reduced so that no financial assurance is required or so that one of the fixed amounts specified in the regulations is required.

We will continue our review upon receipt of this information. Please reply in duplicate to my attention at the Region I office and refer to Mail Control No. 113404.

We would appreciate a reply from you within 30 calendar days from the date of this letter, we shall assume that you do not wish to pursue your application.

Sincerely,

Original Signed By:

John D. Kinneman

John D. Kinneman, Chief
Nuclear Materials Safety Section B
Division of Radiation Safety
and Safeguards

Enclosure:
Regulatory Guide 3.66

bcc: E. Reber, RI
J. Kinneman, RI

RI:DRSS
Reber/cmm

05/5/91

RI:DRSS
Kinneman

05/14/91

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07/05/91

DEC 31 1990

Docket Nos. 030-12908, 030-19705
Control Nos. 113362, 113404

31-17528-01
31-12000-02

MEMORANDUM FOR: Ronald R. Bellamy, Chief
Nuclear Materials Safety Branch
Region I

FROM: John E. Glenn, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

SUBJECT: APPLICATION OF THE FINANCIAL ASSURANCE REQUIREMENTS IN
10 CFR 30.35, 40.36 AND 70.25 TO RADIAC RESEARCH CORPORATION
AND NDL ORGANIZATION, INC., WASTE BROKERS IN AGREEMENT STATES
(TECHNICAL ASSISTANCE REQUEST)

This is in response to John Kinneman's October 24, 1990, memorandum inquiring about the applicability of the financial assurance requirements to two waste brokers located in the Agreement State of New York. We referred Mr. Kinneman's inquiry to the Division of Low-Level Waste Management and Decommissioning (LLWM). LLWM coordinated its response with the Office of the General Counsel (OGC) and we sent a copy of LLWM's December 5, 1990, reply to Mr. Kinneman by facsimile.

The key points in LLWM's response are as follows:

- 0 The financial assurance requirements apply to the waste brokers because of the quantities of licensed material they are authorized to possess.
- 0 The waste brokers must submit a decommissioning funding plan (DFP) for the eventual decontamination of their trucks, equipment, and facilities.
- 0 The DFP, which may be for an amount greater or less than that prescribed in 10 CFR 30.35(d) (and equivalent provisions of 10 CFR Parts 40 and 70), must contain all the information specified in 10 CFR 30.35(e).
- 0 The waste brokers may request, pursuant to 10 CFR 30.11, an exemption from these financial assurance requirements.
- 0 The provisions of 10 CFR 30.35, 40.36 and 70.25 are a matter of compatibility with the Agreement States.

DEC 31 1990

Ronald R. Bellamy

- 2 -

Also please note that, in accordance with Michael Lamastra's telephone discussions with John Kinneman, we have asked the Operations Branch to revise Policy and Guidance Directive FC 90-2 to incorporate the guidance we have provided in the recent past to the regions in response to their technical assistance requests on the decommissioning rule.

If you have any questions on this matter, please contact Patricia Vacca at FTS 492-0615.

John E. Glenn, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

cc: J. Kinneman, RI

DISTRIBUTION (w/10/24/90 incoming and LLWM memo dtd 12/5/90): IMAB-269

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LWCamper, IMAB	WAdams, RIII	PRathbun

OFC: IMAB *PCV* :IMAB *ML* :IMAB *JEG*

NAME: PCVacca:ce/ht :MLamastra :JEGlenn

DATE: 12/28/90 :12/26/90 :12/26/90

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

DEC 5 1990

MEMORANDUM FOR: John E. Glenn, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

FROM: John H. Austin, Chief
Regulatory Branch
Division of Low-Level Waste Management
and Decommissioning, NMSS

SUBJECT: RESPONSE TO TECHNICAL ASSISTANCE REQUEST REGARDING
APPLICATION OF FINANCIAL ASSURANCE REQUIREMENTS FOR WASTE
BROKERS LOCATED IN AGREEMENT STATES

This memorandum is in response to your November 8, 1990, inquiry about the applicability of the financial assurance requirements in 10 CFR Parts 30, 40, and 70, with regard to two waste brokers located in the Agreement State of New York.

Upon consultation with the Office of the General Counsel, it has been determined that the Decommissioning Rule requirements apply to these waste broker licensees. Implementation of the regulation occurs when possession limit thresholds are met, not by the storage or transportation status described in this situation. Since the licensees' possession quantities of radioactive materials exceeds 10^5 times the applicable quantities set forth in Appendix C to 10 CFR Part 20, they are required to provide pursuant to 10 CFR Section 30.35(a), a decommissioning funding plan for the eventual decontamination and disposal of their trucks and facilities. Each decommissioning plan pursuant to 10 CFR 30.35 (e) must provide a cost estimate for decommissioning (the cost estimate may be greater or lesser than the amounts of financial assurance prescribed by paragraph (d) of 10 CFR 30.35), a selection of a financial assurance method for assuring funds for decommissioning, a copy of the method used to obtain the dollar value that is reflected in the cost estimate, and a means of adjusting the cost estimates and associated funding levels periodically over the life of the facilities. Licensees are always entitled, pursuant to 10 CFR 30.11 (a), to request an exemption to the Decommissioning Rule requirements. Such requests are evaluated on the merits of each specific case.

It should also be noted that the Decommissioning Rule is a matter of compatibility with Agreement States.

If you have any questions with regard to the above, please contact Tim Johnson on extension 20558 or Louis Bykoski on extension 20572.

John H. Austin, Chief
Regulatory Branch
Division of Low-Level Waste Management
and Decommissioning, NMSS

90/2130292

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MEMORANDUM FOR: John H. Austin, Chief
Regulatory Branch
Division of Low-Level Waste Management
and Decommissioning, NMSS

FROM: John E. Glenn, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

SUBJECT: TECHNICAL ASSISTANCE REQUEST REGARDING APPLICATION OF
FINANCIAL ASSURANCE REQUIREMENTS FOR WASTE BROKERS
LOCATED IN AGREEMENT STATES

Enclosed please find Region I's Technical Assistance Request (TAR) dated October 24, 1990, inquiring about the applicability of the financial assurance requirements in 10 CFR Parts 30, 40, and 70, with regard to two waste brokers (i.e., Radiac Research Corporation and NDL Organization, Inc.) that are located in the Agreement State of New York. The activities of these two licensees are further described in Region I's TAR. Region I believes that the financial assurance requirements do not apply in these two cases and we concur. Please provide your views, so that we may both respond to Region I and advise the other Regions.

If you have any questions on this matter, please contact Patricia Vacca at Ext. 20615.

~~Mr. [unclear] signed by~~
John E. Glenn, Chief
Medical, Academic, and Commercial
Use Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

Enclosure: Region I memo dtd 10/24/90

DISTRIBUTION: (IMAB-204) (ref: Docket Nos. 030-12908, 19705)

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
476 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406

OCT 24 1990

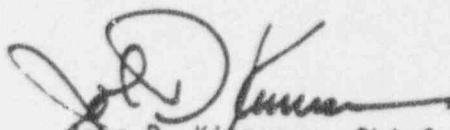
License Nos. 31-17258-01
 31-12000-02
Docket Nos. 030-12908
 030-19705
Control Nos. 113362
 113404

MEMORANDUM FOR: John E. Glenn, Chief
 Medical, Academic, and Commercial
 Use Safety Branch
 Division of Industrial and
 Medical Nuclear Safety, NMSS

FROM: John D. Kinneman, Chief
 Nuclear Materials Safety Section B
 Region I

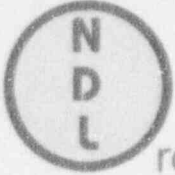
SUBJECT: APPLICATION OF THE FINANCIAL ASSURANCE REQUIREMENTS IN
 10 CFR 30.35, 40.36 and 70.25 TO RADIAC RESEARCH CORPORATION
 AND NDL ORGANIZATION, INC., WASTE BROKERS IN AGREEMENT STATES
 (TECHNICAL ASSISTANCE REQUEST)

Radiac Research Corporation and NDL Organization each have an NRC license which allows them to receive and possess packaged solid waste byproduct, source, and special nuclear material, and to transfer such packages to authorized land burial facilities. The possession limits listed in their license are such that financial assurance would be required pursuant to Parts 30, 40 and 70. However, these licenses do not permit storage at any location owned or controlled by the licensee in a non-Agreement State. Both licensees also have an Agreement State license from New York State which allows them to store radioactive material at their facility in New York. During routine operations the licensee sends a truck to customer facilities which picks up prepackaged waste and then either returns to the licensee's Agreement State facility or proceeds to the licensed burial site. Since the licensee has no NRC licensed facilities other than their trucks and these are returned to the Agreement State for decontamination, we conclude that the financial assurance regulations do not apply. Is this the correct view?


John D. Kinneman, Chief
Nuclear Materials Safety Section B
Region I

~~9011290280~~

the



Organization, inc.

030-19705

post office box 791
Peekskill, New York 10566
(914) 737-7200

15 June 1990

U.S. Nuclear Regulatory Commission
Region I
ATTN: Tom Thompson
Health Physicist
Nuclear Material Section C
475 Allendale Road
King of Prussia, PA 19406

Dear Mr. Thompson:

[Reference NRC Lic. No. 31-12000-02]

Log	Oct 8
Remitter	
Check No.	To be verified
Amount	Coordinate w/
Fee Category	AC
Type of Fee	AMJ 11/3/89
Date Check Rec'd.	
Date Completed	
By:	

In response to the future requirements the NRC will impose on all Part 30, 40, 70, and 72 licensees regarding their financial assurance mechanisms for decommissioning, we request confirmation or clarification on our understanding of the regulations in regards to NDL's operations in non-Agreement States.

NDL's understanding of the requirement for such mechanisms is that we already have an approved financial assurance plan as required by New York State's Department of Labor (12 NYCRR 38.7, Security), under which we have our NY State rad-waste license for this facility.

With the above financial mechanism in place, we believe we meet the requirement.

If your understanding differs from ours, please clarify.

We thank you for your time and effort in answering our question(s), including any clarifications.

Sincerely,

Michael Varela, RSO

U.S. NUCLEAR REGULATORY COMMISSION
SEP 28 P2:58
RECEIVED

90 JUN 19 11:22

RECEIVED

113404

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Rec'd in LAS 9/24/98

(FOR LFMS USE)
INFORMATION FROM LTS

BETWEEN:

LICENSE FEE MANAGEMENT BRANCH, ARM
AND
REGIONAL LICENSING SECTIONS

PROGRAM CODE: 03232
STATUS CODE: 0
FEE CATEGORY: 4C
EXP. DATE: 19920630
FEE COMMENTS:

LICENSE FEE TRANSMITTAL

A. REGION I

1. APPLICATION ATTACHED
APPLICANT/LICENSEE: NDL ORGANIZATION, INC.
RECEIVED DATE: 900924
DOCKET NO: 3019705
CONTROL NO.: 113404
LICENSE NO.: 31-12000-02
ACTION TYPE: AMENDMENT

*To RI for Voiding
to be combined
with 113609
Action not to be
combined. 113404 is
a dicomm action, 113609
is a RSD change. Spoke
with S.K. 02/10/91.*

2. FEE ATTACHED
AMOUNT: -----
CHECK NO.: -----

3. COMMENTS

SIGNED
DATE

*Judith M. Haverkamp
11/25/90
TMT*

B. LICENSE FEE MANAGEMENT BRANCH (CHECK WHEN MILESTONE 03 IS ENTERED)

1. FEE CATEGORY AND AMOUNT: HC -----

2. CORRECT FEE PAID. APPLICATION MAY BE PROCESSED FOR:
AMENDMENT -----
RENEWAL -----
LICENSE -----

3. OTHER -----

SIGNED
DATE

*S.K.
11/2/90*