

TELEPHONE/DISCUSSION LOG

CONTACT: G. Hellstrom

DATE: 02/14/94

TELEPHONE NO.: (801)532-0920

ORGANIZATION: Envirocare of Utah

TYPE: Visit Conference Telephone: In X Out

SUBJECT: LETTER OF CREDIT

SUMMARY: This telcon was a followup to Mr. Hellstrom's 2/04/94 call regarding the Letter of Credit (LOC). M. Fliegel and myself contacted G. Hellstrom of Envirocare to convey the results of the staff's review of the proposed wording change to the LOC. L. Bykoski and D. Futoma had reviewed the proposed wording and determined that the change was unacceptable. None of the NRC reviewers understood the rationale for the proposed change or what the change was meant to accomplish. The LOC wording in NRC guidance has been accepted both nationally and internationally. In addition, Envirocare had provided no justification to support the proposed deviation from the guidance. We indicated that if Envirocare used the exact wording for the LOC as provided in the guidance, NRC approval was almost automatic.

However, we informed ENV that it could propose any change it wished to the LOC wording. The proposed change would have to be supported by a statement of what the change was meant to accomplish, a rationale for the proposed change, and justification to support the proposed deviation from approved guidance. Envirocare was reminded that deviations from accepted guidance usually lengthens the approval process.

Another issue was brought up regarding the LOC. Specifically, ENV was reminded that, based on its application, the license identifies a trust agreement as the surety mechanism. Any change in the surety instrument from the trust agreement will require a license amendment. As a result, Mr. Hellstrom questioned whether ENV must submit a funded LOC as part of the license amendment request or whether two license amendments would be requested. I indicated that we would call URFO to see how similar situations were handled in the past.

After discussions with R. Hall in URFO, I called G. Hellstrom back to inform him how such a license amendment review could be handled. Specifically, ENV could submit a proposal notifying NRC of its intent to submit a license amendment to change its surety instrument from a trust agreement to a LOC. The proposal would contain all the supporting data and the exact wording of the LOC. The NRC would review the document to determine acceptability of the proposed license amendment. Upon completion of an acceptable review, the NRC would issue a letter to ENV stating that NRC would issue the license amendment upon receipt of the formal license amendment request and a funded LOC.

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ACTION REQUIRED: None
PERSON DOCUMENTING CONVERSATION: Sandra L. Wastler
DISTRIBUTION: M. Bell, J. Holonich, M. Fliegel, S. Wastler, L. Bykoski, D. Futoma, PDR, Docket 40-8989, C. Judd