IT ROUTING

## Advanced Medical Systems, Inc.

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April 15, 1993

Mr. Robert M. Bernero, Director Nuclear Material Safety and Safeguards U. S. Nuclear Regulatory Commission Washington, D. C. 20555

RE: Petition Dated March 3, 1993, Filed by William B. Schatz on Behalf of the Northeast Ohio Regional Sewer District Concerning Advanced Medical Systems, Inc.'s Byproduct Material License No. 34-19089-01

30-16055

Dear Mr. Bernero:

On April 12, 1993, we received a copy of Mr. Schatz's petition requesting that the NRC modify AMS' License to (1) assume all costs resulting from the off-site release of cobalt<sup>60</sup> that has been deposited at the district's Southerly Treatment Plant, and (2) decontaminate the sewer connecting AMS' London Road facility with the public sewer at London Road and continue downstream with such decontamination to the extent sampling by AMS or the NRC indicates is necessary. AMS is strongly opposed to this petition for the following reasons:

- (1) AMS was not a party to nor did it authorize incineration of cobalt<sup>60</sup> or any licensed material in violation of 10 CFR § 20.305.
- (2) It is our understanding that the incineration, which was performed in violation of 10 CFR § 20.305 most likely occurred in the late 1970's prior to AMS receiving its NRC license. AMS did not receive its license until December 13, 1979, and did not begin discharging until May 15, 1980. Thus, there is no evidence to support Mr. Schatz's allegation that AMS is responsible for the presence of the cobalt<sup>60</sup> which was incinerated in violation of regulatory requirements.
- (3) AMS has been specifically investigated by the NRC as a result of allegations that it was discharging liquid radioactive waste to the sanitary sewer by special inspections conducted on December 4, 1986, through February 18, 1987, and October 27, 1992, through December 17, 1992. Each time the allegations were not substantiated and no violations of NRC requirements or license conditions were identified.
- Contrary to the sewer district's allegations, the London Road facility is not "contaminated", and this allegation is not supported by NRC inspections or by the Oak Ridge Associated Universities' "Radiation Survey of the Advanced Medical Systems, Inc. London Road Facility, Cleveland, Ohio" dated April, 1989.

- (5) AMS does not presently discharge to the sanitary sewer system, and has not done so for four years. However, there are numerous present or former NRC licensees in the area, which are or were licensed to possess cobalt and who have or had contractors in to perform licensable work. The district's allegation that AMS is the source of the cobalt at the Southerly Treatment Plant is unsupported by any facts or NRC documentation.
- (6) All previous inspections have revealed that, when AMS did discharge into the sanitary sewer, all discharges were substantially below regulatory limits. There is no evidence to demonstrate that future discharges would not also be in full compliance with NRC regulations, and well below applicable limits.
- (7) AMS has received no reports from the NRC, the agency responsible for overseeing the Southerly clean-up, that AMS is responsible for the incineration which resulted in the contamination, or that the cobalt was discharged by AMS, and, in fact, the "UPDATED REPORT ON SITE DECOMMISSIONING MANAGEMENT PLAN" issued to the NRC Commissioners, SECY-92-200, dated May 29, 1992, specifically states, "The contamination apparently originated by discharge into the Cleveland Metropolitan sewer system by parties unknown.....It is unknown who contributed the CO-60." (Report at A-136.)

Therefore, given the fact that Mr. Schatz's allegations are not supported by fact or NRC inspections, we respectfully request that the Northeast Ohio Regional Sewer District's Petition be denied in its entirety.

Sincerely,

SHERRY J. SYEIN

Director of Regulatory Affairs

SJS/cs

cc: Executive Director for Operations
U.S. NRC