



**VALENTEC OLIVETTE**

Valentec International Corporation  
9315 Olive Blvd.  
St. Louis, MO 63132  
Fax (314) 997-3659  
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November 6, 1990

Docket No. 04008954  
License No. SUC-1517

U.S. Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, Illinois 60137

Dear Mr. Davis,

In your letter dated November 2, 1990, you stated that the NRC has not yet received a response from Valentec Olivette on the requirements of 10 CFR 40.36 to submit a decommissioning funding plan.

I have enclosed a copy of our response sent to the NRC on July 20, 1990 to Mr. Adam. The letter outlines our conclusions that this regulation requirement does not apply to our facility.

On November 1, 1990, during a routine inspection by Mr. Lynch of the NRC, Mr. Lynch indicated that he had reviewed my letter and was in concurrence with our conclusion that a funding plan was not required.

I hope this satisfies your Demand for Information. If you require any additional information, please let me know.

Sincerely,

Dale D. Windsor  
Environmental Systems & Services Manager

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REGION III

CC: Director  
Division of Low-Level Waste Management and Decommissioning  
Office of Nuclear Material Safety and Safeguards  
Washington, D.C. 20555

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Valentec International Corporation  
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St. Louis, MO 63132  
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July 20, 1990

United States Nuclear  
Regulatory Commission  
Region III  
Attn: Mr. William Adam  
799 Roosevelt Road  
Glen Ellyn, IL 60137

Reference: NRC License No. SUC-1517  
Docket 040-38954

Dear Mr. Adam,

In your letter dated June 4, 1990, you stated that it may be necessary for our facility to comply with the "Financial Assurance and Recording for Decommissioning" of Title 10 Code of Federal Regulations.

Valentec Olivette has reviewed these regulations and believes that our facility is not required to submit a decommissioning funding plan based upon the following;

1. The Valentec Olivette Materials License is for source material ( depleted uranium ) under 10 CFR Part 40.
2. The four circumstances requiring a funding plan under 10 CFR Part 40 all indicate that the source material must be in a readily dispersible form.
3. Valentec Olivette receives the source material in a solid form and assembles this component inside another component. Valentec Olivette does not perform any operation which would remove any source material and cause it to become readily dispersible.
4. Valentec Olivette Loose Contamination Level Surveys indicate only background levels, ie., the April highest level found was 59 DPM/100cm. This is well below the 22,000 DPM/100cm limit.

If you have any questions regarding our operations or disagreement with our conclusions, please feel free to contact the undersigned.

Sincerely,

DALE D. WINDSOR  
Environmental Administrator, RSO