

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20655

MAY 2 6' 1994

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LICENSEE: Allied-Signal, Inc. Metropolis, Illinois

SUBJECT: SAFETY EVALUATION REPORT: APPLICATION DATED APRIL 12, 1994, SELF-GUARANTEE FINANCIAL ASSURANCE MECHANISM

Background

In Amendment 14 to Materials License SUB-526, the staff granted to Allied-Signal a schedular exemption from the regulations that specify acceptable financial assurance mechanisms, until completion of the self-assurance mechanism rulemaking. The final rule was published in the <u>Federal Register</u> in December 29, 1993, and Allied requested a self-guarantee by application dated April 12, 1994.

Discussion

The staff has reviewed the self-guarantee documents provided by Allied and found them to be in compliance with the criteria in 10 CFR Part 40, "Criteria Relating to Use of Financial Test and Self-Guarantee for Providing Reasonable Assurance of Funds for Decommissioning," (58 FR 68726).

Categorical Exclusion

The staff has reviewed the self-guarantee financial assurance mechanism and has determined that these changes are considered administrative in nature. The staff has determined that the proposed changes do not adversely affect the public health and safety or the environment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an environmental assessment nor an environmental impact statement is warranted for this action.

Conclusion/Recommendation

The staff concludes that the amendment meets the requirements of 10 CFR 40.36 and can be issued without undue risk to the workers, public, or the environment. Therefore, approval of the application is recommended.

The Region III Office has no objection to this licensing action.

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