

PDR: per H.E. Lefevre

**ENVIROCARE** OF UTAH, INC.  
THE SAFE ALTERNATIVE

40-8989

**Public Statement**

January 2, 1997

SALT LAKE CITY, UTAH -- A lawsuit was filed against Mr. Khosrow Semnani and Envirocare of Utah, Inc. in October, 1996 by Mr. Larry Anderson, the former Director of the Utah Bureau of Radiation Control. Mr. Anderson claims to have approached Mr. Semnani and requested and entered into a verbal contract which entitles him to receive payment from Mr. Semnani and Envirocare.

Mr. Semnani and Envirocare have filed a response and counterclaim stating that (1) Mr. Anderson requested payments from Mr. Semnani and Mr. Semnani believes that such requests were in violation of law, (2) Mr. Semnani made payments because of concerns that Mr. Anderson otherwise would not provide a fair and objective review of his licensing application, and (3) that no special work or regulatory relief was requested of or provided by Mr. Anderson during the licensing process; and no contract, verbal or otherwise, ever existed for services to be provided by Mr. Anderson. No payments were ever made by Envirocare of Utah.

Mr. Semnani immediately advised the Utah Attorney General's office of the lawsuit, of Mr. Anderson's payment demands, and has provided requested information. An investigation is underway by the Utah Attorney General's office. Mr. Semnani and Envirocare will continue to fully cooperate with the investigation. Additionally, Mr. Semnani has advised the press about the lawsuit and provided information.

Protection of public health and the environment has always been and continues to be Envirocare's primary objective. Since Envirocare's beginning, many individuals have been involved with the licensing and oversight of Envirocare, both during Mr. Anderson's tenure and since his departure more than three years ago. The Division of Radiation Control, under the direction of Mr. Bill Sinclair since June, 1993, has performed license reviews, amendments and modifications as well as inspections of the Envirocare facilities.

Envirocare's license is also subject to multi-agency reviews. Included in these agencies are the Utah Division of Water Quality, the Utah Division of Solid and Hazardous Waste, and the U.S. Nuclear Regulatory Commission (NRC), which reviewed Envirocare's low level radioactive license and approved the State of Utah's actions. Additionally, the NRC issued a license to Envirocare for the receipt of 11e.(2) radioactive waste in October of 1993.

Envirocare's operations are protective of public health and the environment. Envirocare's license remains in effect and operations continue to proceed without interruption. Envirocare is confident that the results of this investigation will confirm Mr. Semnani's claims and shall not interrupt Envirocare's ability to continue operating compliantly in Utah.

46 WEST BROADWAY • SUITE 240 • SALT LAKE CITY, UTAH 84101 • TELEPHONE (801) 532-1330

9702130119 970102  
PDR ADDCK 04008989  
C PDR1/0  
X110