



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-7001

September 3, 1998

40-6940

Mr. Kevin L. Holsopple
Radiation Safety Officer
Cabot Corporation
P.O. Box 1608
County Line Road
Boyertown, Pennsylvania 19512-1608

SUBJECT: BIENNIAL REVIEW OF FINANCIAL ASSURANCE INSTRUMENT
(TAC NO. L31101)

Dear Mr. Holsopple:

In accordance with your application dated July 30, 1998, and pursuant to Part 40 of Title 10 of the Code of Federal Regulations, Materials License SMB-920 is hereby amended to include a requirement for a biennial review of your financial assurance instrument.

Accordingly, License Condition 15 is added and reads as follows:

15. At intervals not to exceed 24 months, from September 30, 1998, the licensee shall evaluate the decommissioning funding plan and the financial surety arrangements, including the potential cost to dispose of the stored filter cake, to assure that funds will be available for decommissioning. If the licensee determines that the decommissioning cost exceeds the financial surety by 10%, amended financial surety arrangements incorporating the new decommissioning cost shall be provided to NRC within 60 days.

All other conditions of this license shall remain the same.

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Mr. Kevin L. Holsopple

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Enclosed are copies of the revised Materials License SMB-920 and the Safety Evaluation Report, which includes the Categorical Exclusion determination. If you have any questions regarding this licensing action, please contact the Project Manager, Mr. Michael Lamastra, at (301) 415-8139.

Sincerely,

Mary T. Adams, Acting Chief
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket 40-6940
License SMB-920
Amendment 2

Enclosures: 1. Materials License SMB-920
2. Safety Evaluation Report

DISTRIBUTION: w/encls. (Control No. 150S)

Docket 40-6940 PUBLIC NRC File Center
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*See Previous Concurrence

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NAME	MLamastra *	PShea *	<i>MGalloway</i>	<i>CEmeigh</i> <i>MTAdams</i>
DATE	8/20/98	8/20/98	9/2/98	9/4/98

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Sincerely,

Charles W. Emeigh, Acting Chief
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

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