

November 15, 2000

Mr. Andre B. Kerr
5370 Punta Alta Unit 2H
Laguna Hills, CA 92653

Dear Mr. Kerr:

This is in response to your letter of September 28, 2000, discussing your concerns relative to the property owned by Joseph and Virginia Thomson on Providencia Street in Burbank, California. We note that the letter was sent to several current and former Nuclear Regulatory Commission (NRC) staff members. We would like to thank you for taking the time to tell us your concerns about this case.

Section 274 of the Atomic Energy Act of 1954 establishes a statutory framework under which the NRC relinquishes to the States its regulatory jurisdiction over certain byproduct and source material, and special nuclear material in certain quantities. The mechanism for the transfer of NRC's authority to a State is an agreement signed by the Governor of the State and the Chairman of the NRC. The State of California entered into such an Agreement with the NRC on September 1, 1962, and has regulatory jurisdiction over that site pursuant to its Agreement. The State is aware of the contamination at the West Providencia Street site, and is taking steps to protect the public health and safety.

Since Mr. and Mrs. Thomson are the current owners of the property, the State of California included them, as well as the successor corporations to the prior occupants of the site, in its July 24, 2000 order to protect and clean up the site. As you noted, the Thomsons have engaged counsel and are seeking, among other things, compensation from these successor corporations. This is the legal action to which you refer as beginning in January, 2001.

Again, thank you for your interest and we trust that this response addresses your concerns.

Sincerely,

/RA/

Paul H. Lohaus, Director
Office of State and Tribal Programs

Andre B. Kerr

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*See previous concurrence.

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