



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

February 12, 2001

Docket No. 03005980

License No. 37-00030-02

Kevin Bruno
Robertson, Freilich, Bruno & Cohen, LLC
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

SUBJECT: USE OF SAFETY LIGHT CORPORATION/USR INDUSTRIES, INC.
SETTLEMENT AGREEMENT TRUST FUNDS

Dear Mr. Bruno:

This refers to your letter dated December 22, 2000, in which you request the use of approximately \$400,000.00 from the Settlement Agreement Trust Fund account to prepare the waste that was removed from two underground silos for off-site disposal. We understand from your letter and the Safety Light Corporation (SLC) letter to NRC dated September 22, 2000, that SLC is unable to dispose of the radioactive waste removed from the two underground silos in its current form. You have stated that these additional funds would be used for the costs of sorting, characterizing, and re-packing the waste to satisfy the requirements of the disposal sites. You stated that your client, SLC, has been placed under significant pressure to dispose of the silo waste and that SLC's only other recourse would be to pursue the original contractor in court.

While Item 17 of the Settlement Agreement permits the use of funds set aside as part of the Agreement for site decontamination, cleanup and decommissioning, we are concerned about the significant erosion of limited funds with an uncertain outcome. We do not believe it appropriate to use such funds prior to a careful analysis of the issues and available options for this remediation step as well as future remediation activities. Accordingly, we do not approve the release of additional trust funds until we have a risk-informed decision, evaluated in concert with our review of other issues at the site.

Recognizing that the silo waste is also regulated by the Commonwealth of Pennsylvania Department of Environmental Protection (PADEP), we have informed them of our position in this matter, and we are pursuing their input to assist in our development of an overall strategy. As you are aware, the decision not to release NRC controlled funds at this time, does not release SLC from compliance with all license requirements or the requirements of any other regulatory authority.

K. Bruno
Robertson, Freilich, Bruno & Cohen, LLC

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If you have any questions regarding this matter, please contact Marie Miller, Project Manager for the Safety Light site at 610-337-5205.

Sincerely,

Original signed by Francis M. Costello

George Pangburn, Director
Division of Nuclear Materials Safety

cc:

William E. Lynch, Vice President, SLC
Larry Harmon, Plant Manager, SLC
David Allard, Bureau of Radiation Protection, PADEP
Rick Shipman, Division of Hazardous Waste Management, PADEP
James Kopenhaver, Manager, Radiation Protection Program

K. Bruno
Robertson, Freilich, Bruno & Cohen, LLC

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