

September 10, 2003

The Honorable Rick Santorum
United States Senate
Washington, DC 20510

Dear Senator Santorum:

I am following up on Ms. Annette Vietti-Cook's letter to you, dated July 30, 2003, in response to your July 18, 2003, letter regarding a license application from CFC Logistics, Inc., to operate an irradiator in Milford Township, Bucks County, Pennsylvania. As noted in your letter, residents of Milford Township have expressed concerns about the irradiator and requested a hearing on this application.

Our Region I staff in King of Prussia, Pennsylvania, received this application in February 2003. The application has been reviewed against the regulations in 10 CFR Part 36, "Licenses and Radiation Safety Requirements for Irradiators," as well as the guidance contained in NUREG-1556, Volume 6, "Program-Specific Guidance About Licensing Part 36 Irradiators." The regulations in Part 36 were developed in the early 1990's and established specific design, construction, and operational requirements for these kinds of facilities. These requirements, along with the Commission's standards for protection against radiation contained in 10 CFR Part 20, provide a substantial and well-defined basis for a licensing decision.

In response to concerns raised by this application, the Milford Township Board of Supervisors held an informational meeting on this facility at the Quakertown High School on July 16, 2003. Approximately 400 citizens attended the meeting, at which Region I management made presentations and answered questions about our review. The Region I representatives addressed questions on security, the potential for groundwater contamination, accident scenarios, emergency procedures, siting criteria, and operational history of irradiators, as well as on the Nuclear Regulatory Commission (NRC) licensing process. In addition, the Milford Township Board of Supervisors and the designer of the irradiator made presentations and answered questions at the meeting.

On August 21, 2003, the NRC staff held a public meeting in Quakertown, Pennsylvania, to provide the public with an update on the licensing review and to describe how NRC took into account public concerns in that review. Approximately 250 members of the public attended the meeting. During the meeting, NRC responded to numerous concerns raised by members of the public; the concerns are similar to those voiced during the July 16, 2003, meeting. NRC regional managers provided a brief overview of the CFC facility, described the NRC's license review and associated pre-licensing inspections, and discussed plans for inspections to be performed once the license is issued.

We have carefully considered the issues and concerns raised at these meetings and believe they have been addressed in our extensive review of the application. Our review included the following: 1) an acceptance review to ensure that the application contained the necessary information; 2) technical reviews and numerous onsite inspections by health physicists,

electrical engineering, and geotechnical engineering experts; 3) several visits by senior Region I management; and 4) a peer review by an internal panel that focused on unique engineering aspects of the irradiator's design. In short, we applied substantial staff and management resources to review this application to ensure that the health and safety standards contained in our regulations were met. Based on this review, we issued a materials license to CFC Logistics for the Quakertown irradiator facility on August 27, 2003.

With respect to security requirements, in June 2003 the NRC staff issued Orders requiring certain compensatory measures to enhance security at irradiator facilities under Part 36. The NRC staff ensured that CFC Logistics, as part of the irradiator community, was kept informed of the compensatory measures under consideration, and has already incorporated applicable security measures into the design of, and operational procedures for, the Quakertown facility. The NRC staff is issuing an Order Imposing Compensatory Measures to CFC, as it has to all other licensed pool irradiators.

As you are aware, on June 23, 2003, counsel for Concerned Citizens of Milford Township requested a hearing on this application. In accordance with NRC's procedures regarding the conduct of adjudicatory proceedings for this type of facility, contained in 10 CFR Part 2, Subpart L, the Chairman of the Atomic Safety Licensing Board Panel has appointed a Presiding Officer to determine whether that request should be granted. The Presiding Officer is currently considering the issues raised by the citizens. However, under NRC regulations a request for hearing on a materials license (such as that for an irradiator under Part 36) need not delay the license application or issuance of the license by the staff.

NRC plans robust oversight of the CFC facility through initial stages of testing and subsequent operation consistent with our regulatory program. We have required the licensee to inform us in advance of receiving cobalt-60 sources, so that we can inspect the loading and testing of the irradiator and review the results of radiation surveys at the facility prior to operating the irradiator. If our inspection program identifies violations of our requirements, we will take appropriate action under our Enforcement Policy, issuing sanctions if necessary.

I trust that this information is responsive to your request. Please feel free to contact me or Dennis K. Rathbun, Director, Office of Congressional Affairs, if you have additional questions regarding this matter.

Sincerely,

/RA/

William D. Travers
Executive Director
for Operations

cc: The Honorable Arlen Specter
Mr. Robert Wonderling, PA State Senate

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cc: The Honorable Arlen Specter
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| P. Shea | G. Pangburn, RI | S. Burns | K.. Cyr | NMSS Dir. Off. r/f |
| RI Docket | SCollins | | | |

Identical letters sent to: The Honorable Arlen Specter, U.S. Senate and The Honorable Robert Wonderling, PA State Senate

ML032130135

*See Previous Concurrence

| OFFICE | RI | RI | RI | Editor | NMSS |
|--------|-----------|----------|----------|------------------|-----------|
| NAME | GPangburn | HMiller | TWalker* | EKraus* (by fax) | MVirgilio |
| DATE | 07/30/03* | 8/01/03* | 7/30/03 | 8/27/03 | 8/28/03 |

| OFFICE | OGC/NLO | DEDMRS | EDO |
|--------|----------|-------------|----------|
| NAME | SLewis | CPaperiello | WTravers |
| DATE | 8/27/03* | 9/5/03 | 9/5/03 |

September 10, 2003

The Honorable Arlen Specter
United States Senate
Washington, DC 20510

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for Operations

cc: The Honorable Rick Santorum
Mr. Robert Wonderling, PA State Senate

September 10, 2003

The Honorable Robert C. Wonderling
Pennsylvania Senate
427 West Main Street
Lansdale, PA 19446

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