

October 2, 2003

Mr. Martin H. Stein
President and CEO
Gray*Star, Inc.
200 Valley Road, Suite 103
Mt. Arlington, NJ 07856

Dear Mr. Stein:

I am responding to your August 11, 2003, letter regarding the license application from your company, CFC Logistics, Inc., to operate an irradiator in Milford Township, Bucks County, Pennsylvania. You questioned the Nuclear Regulatory Commission (NRC) staff decision to hold a public meeting on August 21, 2003, prior to issuing a license to CFC.

Assuring public safety is NRC's primary goal. We also strive to make licensing decisions in an effective and efficient manner, to reduce unnecessary regulatory burden, and to foster public confidence in our regulatory programs. CFC's application called for review of a wide range of technical issues. The NRC staff applied substantial resources in reviewing this application to assure the health and safety standards contained in our regulations were met.

The NRC staff noted during its review that there was significant interest in the proposed CFC irradiator from local residents, elected officials, and the media. NRC policy is to proactively address public questions and concerns about its regulatory programs. This promotes public confidence in our regulatory decisions, which assure protection of public health and safety. Therefore, NRC staff participated in the public meeting regarding CFC held by the Milford Township Board of Supervisors on July 16th. At that time, the staff review was ongoing. The staff decided to hold an additional public meeting on August 21st, when the application review and pre-licensing inspections were essentially complete. This allowed the staff to discuss its safety findings, hear final comments from the public, and inform interested parties that issuance of the license was imminent. The license was issued to CFC on August 27, 2003.

Mr. Martin H. Stein
Gray*Star, Inc.

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The NRC staff believes that its licensing review in this case was appropriately thorough, and the staff assured that issues that were raised by the public were fully and appropriately considered in the review. Please feel free to contact me at 610-337-5281 if you have additional questions regarding this matter.

Sincerely,

/RA/

George Pangburn, Director
Division of Nuclear Materials Safety

cc:
Commonwealth of Pennsylvania
State of New Jersey

Mr. Martin H. Stein
Gray*Star, Inc.

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