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June 24, 1988

TELECOPIER-272-5979

William T. Russell
Regional Administrator
United States Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA 19406

Re: Safety Light Corporation, Bloomsburg, Pennsylvania
License Nos. 37-00030-02, 37-00030-08

Dear Mr. Russell:

On behalf of Safety Light Corporation we are hereby responding to the request for information by the NRC in a letter dated April 20, 1988 regarding License Nos. 37-00030-02 and 37-00030-08. This information is being provided to you without waiving any rights or defenses which our clients may have in any subsequent proceedings which may be initiated by the NRC or any other state or federal agency.

The NRC has requested a response by Safety Light Corporation to the questions set forth in Appendix B of that letter for the purpose of evaluating the application for renewal of License Nos. 37-00030-02 and 37-00030-08. Your letter of April 20, 1988 also indicates that inspections conducted at the Bloomsburg facilities of Safety Light Corporation on June 19-20 and November 12, 1986 revealed three possible violations of NRC regulations for allegedly failing to obtain NRC review and approval prior to the "sale of Safety Light Corporation on May 24, 1982 by USR Industries, Inc."; an alleged failure to meet the "intent" of Condition 13 of License No. 37-00030-02; and an alleged failure to complete the decontamination of specified sites at the Bloomsburg facility. In this letter we will

separately address each of the questions set forth in Appendix B and respond to the allegations that "possible violations" were discovered by inspection during 1986.

A. Answers to Questions in Appendix B

1. Describe all relationships and transactions between USR Industries, Inc., United States Radium Corporation, and their successors and subsidiaries affecting the Bloomsburg, Pennsylvania site.

A response to this question will be provided under separate cover on behalf of USR Industries, Inc.

2. Describe the relationship of USR Industries, Inc. and its subsidiaries to United States Radium Corporation prior to November 24, 1980.

A response to this question will be provided under separate cover on behalf of USR Industries, Inc.

3. Identify all successors to United States Radium corporation.

A response to this question will be provided under separate cover on behalf of USR Industries, Inc.

4. Provide a decommissioning plan for the site and a schedule for completion of the decontamination of that site.

As you know, since 1979 the decommissioning plan for the Bloomsburg site has consisted of extensive monitoring and a nuclear safety program. The safety program has included regular monitoring and reporting procedures including frequent testing of environmental samples taken from monitoring points throughout the Bloomsburg site, building surveys, submission of detailed annual status reports to the NRC and extensive safety measures intended to protect persons at the site from radiation exposure. Safety Light Corporation and its on-site executive officers and Radiation Safety Officer have provided full cooperation to NRC inspectors who have regularly inspected the Bloomsburg site for at least the past nine years.

The monitoring program consists of regularly scheduled contamination surveys and evaluation of test samples taken from various bore holes at the site. The test and survey results were made available to NRC inspectors who have also received and tested "split" samples on several occasions. For nearly a decade testing of the bore holes has been undertaken

by various independent laboratories whose scientific procedures and overall stature are recognized by the NRC. Significantly, as noted in the NRC combined inspection reports themselves, all tests conducted at the Bloomsburg site have been within acceptable limits as confirmed by outside independent laboratories and the NRC.

The status reports submitted by Safety Light Corporation on an annual basis have been fully accepted and never challenged by NRC compliance personnel. Throughout the past nine years environmental data derived from the monitoring program has revealed no harmful migration of any radioactive contamination.

In addition to the monitoring and testing program conducted at the Bloomsburg site, Safety Light Corporation has had a comprehensive nuclear safety program in place since 1979 for the purpose of protecting employees against exposure to radiation. As part of this nuclear safety program protective clothing is provided to all workers when necessary, health assessments are performed when needed and all radioactive areas at the site are clearly marked by NRC approved warning signs.

As explained in greater detail in the discussion of the alleged violations referred to in your April 20, 1988 letter, Safety Light Corporation has always understood that its monitoring and nuclear safety programs had been accepted by the NRC as a viable alternative to a full decommissioning plan. Rest assured that Safety Light Corporation intends to continue these programs in the future.

5. Provide an estimate of the cost of the decommissioning, including the cost of the disposition of the radioactive waste generated during the decommissioning effort.

In our opinion, based upon techniques and knowledge now available, the estimated cost of fully decommissioning the Bloomsburg site, with the objective of placing the site in pristine condition, could run into the tens of millions of dollars. This amount is well beyond the financial resources of Safety Light Corporation. It is not financially feasible to totally eliminate contamination at the Bloomsburg site in the foreseeable future. However, the monitoring results obtained by Safety Light Corporation over the past nine years demonstrate that an aggressive program of remedial decontamination

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is not necessary. There has been no harmful migration of any radioactivity and the surface levels of radiation at the Bloomsburg site itself are within acceptable limits.

6. Method of insuring that sufficient funds will be available to implement the decommissioning plan.

Given the cost of any substantial decontamination of the Bloomsburg site there is no way to ensure that sufficient funds will be available for the complete decontamination of the site. Moreover, there has been no change in financial resources arising from the change in ownership of Safety Light Corporation stock which would have any material effect on the ability of Safety Light Corporation to implement a decommissioning plan having an objective of putting the Bloomsburg site into pristine condition. The cost of any such program could not be justified by the marginal benefits thereof. Such costs would be beyond the resources of all but the largest companies in America and would certainly be prohibitive for any of the companies providing employment in the Bloomsburg area.

B. Alleged Violations of License No. 37-00030-02

Each of the alleged violations identified in the combined inspection report submitted with your letter of April 20, 1988 is addressed separately below.

1. Failure to obtain NRC review and approval prior to the "sale of Safety Light Corporation on May 24, 1982 by USR Industries, Inc."

A response will be provided under separate cover on behalf of USR Industries, Inc.

2. Failure to meet the intent of Condition 13 of License No. 37-00030-02.

In paragraph 4 of the combined inspection report the NRC inspectors state that they found some apparent violations of Condition 14 of License No. 37-00030-02 because the decommissioning plan submitted to the NRC on or about October 23, 1978 had not been implemented. As stated previously, for the past nine years Safety Light Corporation has been conducting an extensive monitoring program at the Bloomsburg site, made available test results to NRC inspectors on an annual basis and submitted detailed status reports each year regarding the nature and extent of contamination at

Mr. William T. Russell

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that site. Throughout this nine year period Safety Light Corporation representatives reasonably believed that the extensive monitoring and nuclear safety programs at the Bloomsburg site were an acceptable alternative to the implementation of the decommissioning plan submitted to the NRC by Terry D. Brown of U.S. Radium Corporation on or about October 23, 1978. At no time during the past nine years has any representative of NRC expressed a dissatisfaction whatsoever with the monitoring and nuclear safety programs at the Bloomsburg site, nor have they found any radiation levels above acceptable limits which pose a health hazard at that site. Accordingly, it is the position of Safety Light Corporation that it has not violated the spirit or intent of Condition 13 of License No. 37-00030-02.

3. Failure to complete the decontamination of specified sites.

For the reasons given in the previous paragraph, at all times throughout the past nine year period Safety Light Corporation understood that its monitoring and nuclear safety programs at the Bloomsburg site had been accepted by the NRC as an alternative to the full-scale decontamination of that site. Moreover, extensive decontamination of the Bloomsburg site is prohibitively expensive as explained on page 3 of this letter.

If you have any questions or require any further information, please have a representative of the NRC call me or Michael J. O'Donoghue at (215) 272-8400. We wish to emphasize that Safety Light Corporation is willing to cooperate with respect to the matters raised by the NRC in your April 20, 1988 request for information. We also respectfully request that the NRC not undertake any official action without first giving Safety Light Corporation an opportunity to discuss these matters with NRC representatives in greater detail.

Thank you for your consideration and cooperation.

Sincerely,



GEOFFREY L. BEAUCHAMP

GLB/jg

(SWORN AFFIRMATIONS TO FOLLOW)

U. HOUY
F. Costello
J. Kinneman

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July 8, 1988

Mr. William T. Russell
Regional Administrator
United States Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA 19406

Re: Safety Light Corporation

Dear Mr. Russell:

Please find enclosed the sworn affirmations submitted by John T. Miller and C. Richter White, President and Vice President of Safety Light Corporation respectively. These affirmations are being submitted in support of the response of Safety Light Corporation dated June 24, 1988 which was previously sent to you. If you have any questions, or require any further information, please do not hesitate to call me at (215) 272-8400.

Sincerely,

Geoffrey L. Beauchamp/S.E.

Geoffrey L. Beauchamp


GLB:se
Enclosure

AFFIRMATION

I, John T. Miller, President of Safety Light Corporation, hereby affirm under oath that the representations made in the letter dated January 24, 1988 on behalf of Safety Light Corporation responding to the request for information from the NRC dated April 20, 1988 are true and correct to the best of my knowledge and belief.


JOHN T. MILLER, President
Safety Light Corporation

Sworn to and subscribed
before me this 29th day
of June , 1988.


Notary Public
CINDY WHITFIELD LITTERER, NOTARY PUBLIC
SOUTH CENTRE TWP., COLUMBIA COUNTY
MY COMMISSION EXPIRES DEC. 21, 1991
Member, Pennsylvania Association of Notaries

AFFIRMATION

I, Charles Richter White, Vice-President of Safety Light Corporation, hereby affirm under oath that the representations made in the letter dated January 24, 1988 on behalf of Safety Light Corporation responding to the request for information from the NRC dated April 20, 1988 are true and correct to the best of my knowledge and belief.



CHARLES RICHTER WHITE
Vice-President
Safety Light Corporation

Sworn to and subscribed
before me this 1st day
of July, 1988.


Notary Public

NANCY S. MONTGOMERY, NOTARY PUBLIC
BADNOR TOWNSHIP, DELAWARE COUNTY
MY COMMISSION EXPIRES SEPT. 30, 1991
Member, Pennsylvania Association of Notaries