

December 10, 2004

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)	
)	
SAFETY LIGHT CORPORATION)	Docket Nos. 30-5980
Bloomsburg, Pennsylvania Site)	30-5982
)	
(Materials License Amendment))	ASLBP No. 04-833-07-MLA

NRC STAFF NOTICE OF DENIAL OF LICENSE RENEWAL

By order dated, November 9, 2004, the Board granted the August 30, 2004 hearing request of the Commonwealth of Pennsylvania, Department of Environmental Protection (PADEP), that opposed the April 22, 2004, letter request of Safety Light Corp. (SLC) for an amendment authorizing renewal of its materials license (No. 37-00030-08) and a continued exemption from decommissioning funding requirements in 10 C.F.R. § 30.35. LBP-04-25, 60 NRC ____.¹ The sole issue admitted for litigation was a PADEP contention alleging that SLC should not be granted any further exemption from financial assurance requirements or a reduced rate of contribution into the escrow funds. Slip op. at 15-16, 19.

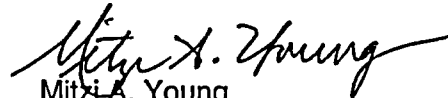
During the pendency of a 10 C.F.R. Part 2, Subpart L proceeding, the U.S. Nuclear Regulatory Commission Staff (Staff) is required to (1) notify the presiding officer and the parties of its action on any application or other regulatory matter for which a hearing was provided and (2) indicate the Staff's position on the matter in controversy. 10 C.F.R. § 2.1202(a). Subpart L further provides that the Staff's action is effective upon issuance, except in circumstances not apposite here. *Id.*

¹ PADEP did not oppose the renewal of License No. 37-00030-02, which authorizes SLC to possess radioactive material existing in contaminated facilities at the Bloomsburg site and to characterize and decommission those portions of the site. See LBP-04-25, at 2 n. 2.

Accordingly, the Staff hereby notifies the Board and parties that the Staff has denied SLC's request for renewal of the license contested in the proceeding (No. 37-00030-08), as well as License No. 37-00030-02, and has issued an order suspending both licenses. See Letter from Jack R. Strosnider, NRC, to C. Richter White, SLC, dated December 10, 2004 (December 10 Letter) (attached). SLC may request a hearing on the denial of the renewal applications and a hearing on the order suspending the licenses. *Id.* Any other person adversely affected by the order suspending the licenses may also request a hearing on the order. *Id.*

The denial of license renewal was based on the failure of the Applicant to submit a decommissioning funding plan as required by § 30.35, to make payments to its decommissioning trust fund as required by License Condition 16 (License No. 37-00030-02) and Condition 20.A (License No. 37-00030-08), and to demonstrate that an exemption should be granted. *Id.* In effect, the Staff's action supports PADEP's contention.

Respectfully submitted,


Mitzi A. Young
Counsel for NRC Staff

Dated at Rockville, Maryland
this 10th day of December, 2004



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 10, 2004

EA-04-148

Mr. C. Richter White
President
Safety Light Corporation
4150-A Old Berwick Road
Bloomsburg, PA 17815

SUBJECT: DENIAL OF SAFETY LIGHT CORPORATION'S APPLICATION TO RENEW
LICENSES AND ORDER SUSPENDING LICENSES (EFFECTIVE
IMMEDIATELY)

Dear Mr. White:

This is in reference to Safety Light Corporation's applications to renew NRC License Nos. 37-00030-02 and 37-00030-08 dated April 22, 2004. Both licenses expire on December 31, 2004. Your applications for the renewal of these licenses also requested that we grant an exemption from the financial assurance requirements of 10 C.F.R. § 30.35. Additional detail on these licenses is provided in Enclosure 1.

In accordance with 10 C.F.R. §§ 30.32(h) and 30.35(a)(1), applicants for licenses authorizing the possession and use of byproduct material in greater than specified quantities must submit a decommissioning funding plan as described in 10 C.F.R. § 30.35(e). Both Licenses Nos. 37-00030-02 and 37-00030-08 authorize the possession and use of byproduct material in quantities greater than the quantities specified in 10 C.F.R. § 30.35(a)(1). Your applications for the renewal of the two licenses did not provide a decommissioning funding plan satisfying the requirements in 10 C.F.R. § 30.35(e). Rather, in lieu of such a plan, you requested that the Commission grant an exemption from this requirement.

Pursuant to 10 C.F.R. § 30.11, the Commission may grant exemptions from its regulations "as it determines are authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest." When your licenses were renewed in 1999, the NRC granted an exemption from the financial assurance requirements set forth in 10 C.F.R. § 30.35 provided that you: (1) make payments to the trust fund in accordance with the schedule contained in Condition 16 (License No. 37-00030-02) and Condition 20.A. (License No. 37-00030-08), and (2) demonstrate compliance with 10 C.F.R. § 30.35 at the time of application for the next renewal. You complied with neither of these requirements. Moreover, you failed to provide a basis why an exemption is otherwise warranted. Accordingly, you have failed to satisfy the requirements for renewal of your licenses. Because you have not demonstrated compliance with the Commission's substantive requirements as described above, the staff does not have the requisite assurance in Safety Light's ability to comply with those requirements in the future. Consequently, the staff is unable to make the requisite findings to grant an exemption.

Accordingly, pursuant to 10 C.F.R. § 2.103(b)(2), your applications to renew License Nos. 37-00030-02 and 37-00030-08 are hereby denied. Consequently, you must initiate procedures to terminate your licenses pursuant to 10 C.F.R. § 30.36.

As provided by 10 C.F.R. § 2.103(b), you may, as explained below, request a hearing concerning the denial of the license renewal requests, within 20 days from the date of this letter. A request for a hearing shall be submitted to the Secretary, Rulemakings and Adjudications, U. S. Nuclear Regulatory Commission, Washington, D.C. 20555, with copies to the Director, Office of Nuclear Material Safety and Safeguards, and the Assistant General Counsel for Materials Litigation and Enforcement, Office of the General Counsel, at the same address, and to the Regional Administrator, Region I, 475 Allendale Road, King of Prussia, PA, 19406. If a hearing is requested, the Commission will issue an order designating the time and place of any such hearing.

If you do not request a hearing within 20 days of the date of this letter, the denial of the renewal application becomes effective on the expiration date of the licenses, December 31, 2004. On that date, this letter constitutes a final determination of the Commission that the license has expired, and you shall initiate procedures, pursuant to 10 C.F.R. § 30.36, to terminate your licenses.

The NRC is also issuing the enclosed Order Suspending License. Given that the NRC has found that the failure to make the required payments to the trust fund was willful and adversely affects the safe conduct of activities under your licenses, the enclosed Order is immediately effective. This Order requires, in addition to other measures, that, by December 20, 2004, you submit a written plan for orderly shutdown, and that all activities under your License No. 37-00030-02 and License No. 37-00030-08 be suspended on January 1, 2005. The only activities authorized on or after January 1, 2005, are those activities listed in Section V of the Order. As explained in the enclosed Order, any request for a hearing on the denial of your license will not stay the immediate effectiveness of the license suspension. You may, as separately provided in the Order, request a hearing with respect to the Order as well as to set aside its immediate effectiveness.

Issuance of the enclosed Order does not preclude the NRC from taking additional enforcement action for violations of NRC requirements. Pursuant to Section 223 of the Atomic Energy Act of 1954, as amended, any person who willfully violates, attempts to violate, or conspires to violate, any provision of this Order shall be subject to criminal prosecution as set forth in that section. Violation of this Order may also subject the person to civil monetary penalty.

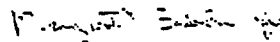
Questions concerning this license renewal denial or the enclosed Order should be addressed to George Pangburn at NRC's Region I office, who may be reached at (610) 337-5281. Information regarding hearing requests with respect to the Order are provided in Section VI of the Order.

Please note that on October 25, 2004, the NRC suspended public access to ADAMS and initiated an additional security review of publicly available documents to ensure that potentially sensitive information is removed from the ADAMS database accessible through the NRC's web site. The security review which necessitated this action is ongoing. Once this process is complete, public access to NRC documents will be restored with the exception of those that the

Staff has determined could be of assistance to terrorists. A request for access to a specific document that may be necessary and which is not otherwise available through the Public Document Room or ADAMS should be made to Mitzi A. Young, Counsel for the NRC Staff, Office of the General Counsel, at (301) 415-1523 or by e-mail at: may@nrc.gov.

To the extent possible, your response should not include any personal privacy, proprietary, safeguards or other sensitive security information so that it can be made available to the public without redaction. Any information of the foregoing types that is included must be appropriately marked.

Sincerely,



Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

Docket Nos: 03005980
03005982
License Nos: 37-00030-02
37-00030-08

Enclosures:

1. Background Information Relevant to the Denial of the SLC License Renewal Applications
2. Order Suspending Licenses (Immediately Effective)

cc w/encl:

William Lynch, Safety Light Corporation
Larry Harmon, Safety Light Corporation
Robert Malers, Commonwealth of Pennsylvania
Commonwealth of Pennsylvania
USEPA - Region III

ENCLOSURE 1

BACKGROUND INFORMATION RELEVANT TO DENIAL OF THE SLC LICENSE RENEWAL APPLICATIONS

The Safety Light Corporation (SLC or Licensee) facility is located in central Pennsylvania, approximately five miles east of Bloomsburg, PA. SLC has four licenses issued by the NRC. The two licenses, which are the subject of the renewal applications are License No. 30-00030-02 (the 02, or legacy license) and License No. 30-00030-08 (the 08, or operational license).

Soil, groundwater, buildings and equipment at the site are contaminated with several radionuclides from past operations. Present licensed activities at the site consist primarily of the manufacture of self-luminous signs using tritium under the 08 license. SLC coats the glass tubes used in self-luminous signs with a phosphor, and then ships the coated glass tubes to a facility in Canada where they are filled with tritium and sealed before being returned to SLC for assembly into finished signs. In addition, SLC manufactures foils containing tritium. No commercial activities take place at the site under the 02 license which authorizes characterization and decommissioning of contaminated facilities, equipment, and land from previous operations.

The 02 license and the 08 license were last renewed by the NRC on December 28, 1999, after SLC submitted applications for renewal of the 02 license on February 18, 1999 and for renewal of the 08 license on April 12, 1999. Both 1999 renewal applications requested exemption from the Commission's financial assurance requirements set forth in 10 C.F.R. § 30.35. The requested exemptions were granted as part of the renewal. In conjunction with granting the renewal, NRC informed SLC that it would need to demonstrate compliance with the requirements of 10 C.F.R. § 30.35 when it applied for the next renewal of the license. The renewal of the 02 license was also expressly subject to the requirements that SLC: (1) develop a schedule and plan, for NRC review and approval, regarding additional site characterization and for development of revised cost estimates, including strategies for site cleanup that meet the criteria of the license termination rule, 10 C.F.R. § 30.36, and (2) contribute specified monthly payments (\$7,000 per month in 2000; \$8,000 per month in 2001 and 2002; and \$9,000 per month in 2003 and 2004) to a decommissioning trust fund over the life of the license to support decommissioning activities. NRC approval was required for any withdrawals from that fund. Renewal of the 08 license was subject to an express condition, License Condition 20.B, requiring the licensee to prepare a cost estimate for decommissioning the facilities and equipment associated with the tritium operation. As renewed, both the 02 and 08 licenses expire on December 31, 2004.

On April 22, 2004, SLC filed applications to renew these licenses for an additional five year period. As part of those applications, SLC requested an exemption from the Commission's financial assurance requirements contained in 10 C.F.R. § 30.35. In lieu of complying with those requirements, SLC proposed to make monthly \$5,000 contributions into a decommissioning trust fund over the period of the license. Additionally, SLC committed to maintain security and perimeter fencing of the site and continue SLC's program of environmental monitoring at the site. The staff found the applications to be acceptable for the limited purposes of initiating its review, but issued a request for additional information (RAI) on August 18, 2004. SLC requested additional time to respond to the RAI and submitted its response in a letter dated October 26, 2004; however, this letter did not provide any additional basis for granting the requested exemption.

OPERATIONAL HISTORY SINCE THE 1999 RENEWAL

Since the 1999 renewals, the NRC staff has conducted numerous inspections of SLC's operational license as well as the legacy license. These inspections have determined that radiation exposures to workers and the public, including releases to the environment, have met applicable standards.

In late 2000, as required by Condition 20.B of the 08 license, SLC submitted decommissioning cost estimates (DCE's) for an unrestricted use termination. These estimates totaled approximately \$29 million (compared to the earlier combined estimate of \$18 million). The staff reviewed these DCE's and developed independent decommissioning cost estimates. The NRC staff's estimate for unrestricted release of the site is between \$94 million and \$120 million, and for restricted release, between \$50 million and \$78 million. The difference between the NRC and SLC estimates resulted from differing assumptions on the depth and dispersion of radiological contamination in soil across the site and incomplete site characterization information used by SLC in its DCEs.

FAILURE TO PROVIDE FINANCIAL ASSURANCE AS REQUIRED BY LICENSE

Condition 16 (License No. 37-00030-02) and Condition 20.A (License No. 37-00030-08) require payments to the decommissioning trust fund, beginning January 1, 2000, of \$7000 per month for a period of 12 months; \$8000 per month for a period of 24 months and \$9000 per month for a period of 24 months. These license conditions also provide that the exemption from 10 C.F.R. § 30.35 is valid until the date of license expiration or the date of any failure to comply with the payment schedule.

The licensee failed to make the prescribed deposits into the decommissioning trust fund beginning on May 1, 2001. The licensee made all overdue payments by February 2003 to address the deficit that existed at the end of 2002. However, starting in January 2003, the licensee again failed to make the total prescribed payments into the decommissioning trust fund. This resulted in a deficit of \$81,000 by November 2003. The licensee made all of the prescribed deposits from December 2003 through November 2004. In addition, SLC made payments of amounts in arrears in December 2003, February 2004, and October 2004, resulting in a deficit of \$36,000 plus interest to the decommissioning trust fund as of November 30, 2004.

Previously, on December 18, 2003, NRC issued a Demand for Information (DFI) to SLC regarding the failure to make these payments. In SLC's January 16, 2004 response to the DFI, Safety Light stated that a slowdown in business activity had made it impossible to stay current with SLC's payment obligations to the NRC. NRC's Office of Investigations conducted an investigation of SLC's failure to make these payments and concluded on March 10, 2004 that the licensee management had deliberately violated the license conditions. In a July 1, 2004 letter, NRC informed Safety Light of this apparent deliberate violation of SLC's license conditions and invited the licensee to a predecisional enforcement conference to discuss this matter. At a July 20, 2004 enforcement conference, SLC management stated that a general downturn in business conditions led to their failure to make payments. SLC also committed that it would provide a proposal to the NRC for making up the payments owed to the decommissioning trust fund.

SLC's past and current failure to make the required payments to the trust fund, as required by Condition 16 (License No. 37-00030-02) and Condition 20.A (License No. 37-00030-08), voided the exemption from the financial assurance requirements of 10 C.F.R. § 30.35, and placed SLC in continued violation of these conditions and 10 C.F.R. § 30.35.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	Docket Nos. 030-05980
SAFETY LIGHT CORPORATION)	030-05982
Bloomsburg, PA)	License Nos. 37-00030-02
)	37-00030-08
		EA-04-148

ORDER SUSPENDING LICENSE
(EFFECTIVE IMMEDIATELY)

I

Safety Light Corporation (the Licensee or SLC) is the holder of two Byproduct Material Licenses issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 C.F.R. Part 30 for the facility at 4150-A Old Berwick Road near Bloomsburg, Pennsylvania. License No. 37-00030-02 authorizes the Licensee to characterize and decommission its contaminated facilities, equipment, and land. License No. 37-00030-08 authorizes, among other things, the Licensee to manufacture self-luminous signs and foils using tritium. The licenses were last renewed on December 28, 1999, and are due to expire on December 31, 2004.

II

On December 28, 1999, License Nos. 37-00030-02 and 37-00030-08 were renewed. As part of these renewals, License Conditions were included that exempted the Licensee from certain of the Commission's financial assurance requirements and required the Licensee to develop plans which would address the License Termination Rule (10 C.F.R. Part 20, Subpart E). This exemption was granted in response to the Licensee's request to the Commission to exempt the Licensee from the financial assurance decommissioning requirements set forth in 10 C.F.R. § 30.32 and 10 C.F.R. § 30.35, based on the lack of sufficient funds available at the time to assure that adequate financial ability existed to decommission the facility. In lieu of complying with 10 C.F.R. § 30.35, the Licensee committed to (1) develop a schedule and plan,

for NRC review and approval, for additional site characterization and to develop revised cost estimates including strategies for site decommissioning that would comply with the criteria specified in the license termination rule, 10 C.F.R. § 30.36, and (2) contribute specified monthly payments (\$7,000 per month in 2000; \$8,000 per month in 2001 and 2002; and \$9,000 per month in 2003 and 2004) to a decommissioning trust fund over the life of the license to support decommissioning activities. The NRC specifically approved an exemption, in Condition 16 of Amendment No. 51 for License 37-00030-02 and Condition 20.A of Amendment No. 13 for License 37-00030-08, provided that the licensee make the specified monthly payments into a decommissioning trust fund. The NRC granted the renewal of the two licenses based on the Licensee's continued ability to provide sufficient remediation funding and adequate security of radioactive materials at the facility.

III

On November 21, 2003, the NRC learned, during telephone conversations with Licensee management, that the Licensee had not made all payments into its decommissioning trust fund, as required by Condition 16 (License No. 37-00030-02) and Condition 20.A (License No. 37-00030-08). The Licensee failed to make several prescribed deposits into the decommissioning trust fund over the period from May 2001 to December 2002. The Licensee made all overdue payments by February 2003 to address the deficit that existed at the end of 2002. However, starting in January 2003, the Licensee again failed to make the total prescribed payments into the decommissioning trust fund, resulting in a deficit of \$81,000 by the end of November 2003.

Upon learning of the foregoing, on December 19, 2003, the NRC issued a Demand for Information to SLC which required the Licensee to submit to the NRC the following information:

1. Detailed schedule for making all overdue payments, with interest, to the decommissioning trust fund;
2. Reasons why the Licensee did not make the required payments, as scheduled, to the decommissioning trust fund;
1. Reasons why the NRC should have confidence that the Licensee will, in the future, make the required monthly deposits to the decommissioning trust fund;
2. Assurance from the Licensee, that, should it encounter any difficulty making required monthly deposits in the future, it will promptly notify the NRC that there will be a delay in making a specific deposit, and provide the reasons for the delay;
3. Reasons why the NRC should have confidence that in the future, the Licensee will adhere to license conditions and applicable NRC requirements;
4. Reasons why, in light of the Licensee's past failure to make all required payments to the trust fund, License Nos. 37-00030-02 and 37-00030-08 should not be modified, suspended, or revoked.

On January 16, 2004, the Licensee responded to the Demand for Information and indicated, in part, that the Licensee could not submit a detailed schedule for making overdue payments

given the Licensee's inability to accurately predict future sales and cash flow. The Licensee also indicated that a slowdown in the Licensee's business activity caused by a general economic downturn made it impossible to stay current with the Licensee's payment obligations. At the same time, the Licensee indicated that aggressive marketing efforts, along with an improving economy, led to an increase in order activity which it expected to translate into an upturn in business.

The Licensee made all of the prescribed deposits from December 2003 through November 2004. In addition, the Licensee made payments of amounts in arrears in December 2003, February 2004, and October 2004, resulting in a deficit of \$36,000 plus interest to the decommissioning trust fund as of November 30, 2004.

The Licensee submitted license renewal applications for License Nos. 37-00030-02 and 37-00030-08 on April 22, 2004. As noted in the letter transmitting this Order to the Licensee, the NRC denied the renewal applications based on the Licensee's failure to demonstrate compliance with the requirements of 10 C.F.R. § 30.35, as well as the Licensee's violation of several conditions of its licenses, including the failure to make the required monthly payments into the decommissioning trust fund.

IV

The NRC Office of Investigations conducted an investigation into the Licensee's failure to make the required monthly payments to the decommissioning trust fund, and concluded that the Licensee's management had deliberately violated the requirement to make the prescribed payments to the trust fund. In a July 1, 2004 letter, the NRC informed the Licensee of this apparent deliberate violation of the License Conditions and invited the licensee to a predecisional enforcement conference to discuss this matter. At the pre-decisional enforcement conference held on July 20, 2004, SLC management stated that a general downturn in business conditions led to the Licensee's failure to make payments. Nonetheless, the NRC maintains that the violation was deliberate in that the Licensee admitted knowledge of the requirement to make payments to the trust fund, yet failed to do so. The obligation to make the specified payments set forth in the license conditions is unqualified and is not subject to the state of SLC's business conditions, and was material to the granting of an exemption to the Licensee in connection with the renewal of its licenses in 1999. The Licensee's deliberate failure to make the required payments to the trust fund, as required by license conditions 16 and 20.A, voided the exemption from the financial assurance requirements of 10 C.F.R. § 30.35, and placed the Licensee in continued violation of these license conditions and 10 C.F.R. § 30.35. This deliberate failure by the Licensee has significant health and safety implications in that these regulatory requirements are intended to ensure the availability of adequate funds for characterization, packaging, and disposal of radioactive waste from the Licensee's site.

Based on the Licensee's willful failure to make the required scheduled payments into the decommissioning trust fund as required by its licenses, and the resultant implication for public

health and safety, I lack the requisite reasonable assurance that the Licensee's current operations can be conducted under License Nos. 37-00030-02 and 37-00030-08 in compliance with the Commission's requirements and that the health and safety of the public, including the Licensee's employees, will be protected. Therefore, the public health, safety, and interest require that License Nos. 37-00030-02 and 37-00030-08 be suspended and that the Licensee must develop a plan for the orderly shutdown of its licensed activities. Furthermore, pursuant to 10 C.F.R. § 2.202, I find that given the willful nature of the violation of Conditions 16 and 20.A. of License Nos. 37-00030-02 and 37-00030-08, respectively, and 10 C.F.R. § 30.35, as well as the related effect on public health and safety, this Order shall be immediately effective.

In accordance with 10 C.F.R. § 30.36 (b) and (c), these licenses will continue in effect beyond the expiration date with respect to possession of byproduct material until the Commission notifies the Licensee in writing that the licenses are terminated. During this time, the Licensee shall limit actions involving byproduct material to those related to decommissioning and continue to control entry to restricted areas until they are suitable for release in accordance with NRC requirements. The Licensee is not authorized to receive any additional licensed material beyond the license expiration date but shall continue to take such actions as are needed to facilitate the decommissioning of the site, including the processing of the existing inventory of tritium to produce devices for transfer to authorized recipients. These actions are described in Section V below.

Accordingly, pursuant to Sections 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 C.F.R. § 2.202 and 10 C.F.R. Part 30, IT IS HEREBY ORDERED, EFFECTIVE IMMEDIATELY, THAT:

- A. License Nos. 37-00030-02 and 37-00030-08 are suspended on January 1, 2005 excepting those activities addressed in the shutdown plan prepared in accordance with item B. below and 10 C.F.R. 30.36 (b) and (c), pending further Order.
- B. The Licensee shall, by December 20, 2004, submit to the Regional Administrator, Region I, for approval, a plan for the orderly shutdown of its licensed activities over a period beginning on January 1, 2005, to be completed by March 31, 2005. This plan shall include provisions to:
 - 1. Cease receipt of licensed material at the Licensee's Bloomsburg, Pennsylvania site;
 - 2. Process existing inventory of licensed material into finished products for transfer to authorized recipients;
 - 3. Transfer, or maintain in secure storage, the remaining inventory of tritium at the site;

4. Notify SLC customers of exit signs, or other devices containing licensed material, that they may not return these signs or devices to the licensee's Bloomsburg, Pennsylvania facility;
5. Provide continued security for the Licensee's Bloomsburg, Pennsylvania facility to assure safe conditions at the site; and
6. Provide continued heating, electrical power and other utility service.

The Regional Administrator, Region I, may, in writing, relax or rescind this order upon demonstration by the Licensee of good cause.

VI

In accordance with 10 C.F.R. § 2.202, the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this order and set forth the matters of fact and law on which the Licensee or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear

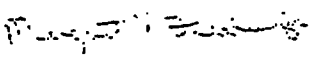
Regulatory Commission, ATTN: Rulemakings and Adjudications Staff, Washington, DC 20555. Copies of the hearing request also should be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Materials Litigation and Enforcement at the same address, to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, Pennsylvania, and to the Licensee. Because of continuing disruptions in delivery of mail to United States Government offices, it is requested that answers and requests for hearing be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101 or by e-mail to hearingdocket@nrc.gov and also to the Office of the General Counsel either by means of facsimile transmission to 301-415-3725 or by e-mail to OGCMailCenter@nrc.gov. If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 C.F.R. § 2.309(d).

If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 C.F.R. § 2.202(c)(2)(i), the Licensee, or any other person adversely affected by this Order, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section V above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section V shall be final when the extension expires if a hearing request has not been received. A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

FOR THE NUCLEAR REGULATORY COMMISSION


Jack R. Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

Dated this 15th day of December 2004

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

SAFETY LIGHT CORPORATION
Bloomsburg, Pennsylvania Site
(Materials License Amendment)

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Docket Nos. 30-5980
30-5982
ASLBP No. 04-833-07-MLA

CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF NOTICE OF DENIAL OF LICENSE RENEWAL" in the above-captioned proceeding have been served on the following by deposit in the United States mail or by deposit in the Nuclear Regulatory Commission's internal system, and by electronic email as indicated by an asterisk (*) on this 10th day of December, 2004.

Administrative Judge*
E. Roy Hawkens, Chair
Atomic Safety and Licensing Board Panel
Mail Stop - T-3 F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
E-mail: erh@nrc.gov

Administrative Judge*
Peter S. Lam
Atomic Safety and Licensing Board Panel
Mail Stop - T-3 F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001
E-mail: psl@nrc.gov

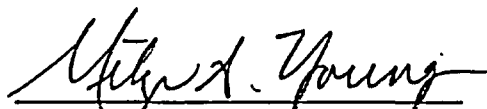
Administrative Judge*
Ann M. Young
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