



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

May 6, 2005

Docket No. 03030859
Control No. 136478

License No. 37-28294-01

Linda Dickson
Mgr, Special Chemistry, RSO
Quest Diagnostics, Inc
Special Chemistry
900 Business Center Drive
Horsham, PA 19044

SUBJECT: QUEST DIAGNOSTICS, INC, REQUEST FOR ADDITIONAL INFORMATION
CONCERNING APPLICATION FOR RENEWAL OF LICENSE, CONTROL NO.
136478

Dear Ms. Dickson:

This is in reference to your application dated February 4, 2005 requesting to renew Nuclear Regulatory Commission License No. 37-28294-01. In order to continue our review, we need the following additional information:

1. 10 CFR 20.1801 requires that licensed material be secured against unauthorized removal from the place of storage. 10 CFR 20.1802 requires that the licensee control and maintain constant surveillance over materials in unrestricted areas that are not in storage. In your application, you did not indicate how you will secure licensed material. Describe how you will preclude the unauthorized removal of licensed material from the place of storage and in unrestricted areas.
2. It appears from your letter that a possible change of ownership (control) has occurred. It appears the name changed from Quest Diagnostics of Penn Inc. to Quest Diagnostics Incorporated. Additionally, on the application (NRC Form 313), it stated the name to be Quest Diagnostics (no Inc. added). Please provide the correct legal name of the company. Licensees must provide full information and obtain NRC's **prior written consent** before transferring control of the license. Control of a license is in the hands of the person or persons who are empowered to decide when and how that license will be used. That control is to be found in the person or persons who, because of ownership or authority explicitly delegated by the owners, possess the power to determine corporate policy and thus the direction of the activities under the license. A transferee is an entity that proposes to purchase or otherwise gain control of an NRC-licensed operation. A transferor is an NRC licensee selling or otherwise giving up control of a licensed operation. Provide the following information concerning changes of control by the applicant (transferor and/or transferee, as appropriate). If any items are not applicable, so state.

- a. Provide a complete description of the transaction (transfer of stocks or assets, or merger).
 - b. Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact who NRC may contact if more information is needed.
 - c. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for any new personnel.
 - d. Describe any changes in the organization, location, facilities, equipment or procedures that relate to the licensed program.
 - e. Describe the status of the surveillance program (surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.
 - f. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.
 - g. Confirm that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.
3. 10 CFR 20.2003(a)(2) requires that the licensee's releases into the sewer in 1 month divided by the average monthly volume of water released into the sewer by the licensee, does not exceed the concentration listed in table 3 of appendix B to part 20. Provide calculations to show compliance with 10 CFR 20.2003(a)(2) and confirm that records will be maintained of all disposals made into the sanitary sewage system.

Current NRC regulations and guidance are available at the NRC Web sites listed below or by contacting the Government Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to my attention at the Region I Office and refer to Mail Control No. 136478. If you have any technical questions regarding this deficiency letter, please call me at (610) 337-5303.

L. Dickson
Quest Diagnostics, Inc

3

In order to continue prompt review of your application, we request that you submit your response to this letter within 30 calendar days from the date of this letter.

Sincerely,

Original signed by Thomas K. Thompson

Thomas K. Thompson
Senior Health Physicist
Commercial and R&D Branch
Division of Nuclear Materials Safety

Enclosure:

NRC Web site addresses

NRC regulations

<http://www.nrc.gov/reading-rm/doc-collections/cfr/>

Licensing guidance

<http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1556/>

General Policy and Procedure for NRC Enforcement Actions

<Http://www.nrc.gov/what-we-do/regulatory/enforcement/enforc-pol.pdf>

206 of the Energy Reorganization Act of 1974

<http://www.nrc.gov/who-we-are/governing-laws.html>

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