



**New York State  
Energy Research and Development Authority**

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*J Davis*  
*Thawshardt*  
*CC FC*

*50-201*

*PDR* *Return to*  
*D. Cramer*  
*Roosevelt* *396-55*  
*Hawthorne*

John G. Davis, Director  
Office of Nuclear Material  
Safety and Safeguards  
United States Nuclear Regulatory  
Commission  
Washington, D.C. 20555

June 8, 1981



Dear Mr. Davis:

Thank you for your letter of May 20, 1981, transmitting a copy of an indemnity agreement between the Nuclear Regulatory Commission ("NRC") and Nuclear Fuel Services, Inc. ("NFS"). The agreement covers work to be performed by your contractor, Rockwell Hanford Operations ("Rockwell"), to inspect and evaluate the high-level waste storage system at the Western New York Nuclear Service Center ("Center").

In your letter, you also ask for the Authority's assurance that it has no objection to Rockwell proceeding with the inspection program. Consistent with our previous statements, the Authority has no objection to Rockwell's efforts to carry out the NRC program for inspection and evaluation of the West Valley high-level waste storage facilities. As you know, of course, NFS continues to have exclusive possession and control of access to the facilities at the Center, pursuant to the provisions of NRC License No. CSF-1. Therefore, as your letter recognizes, only NFS, and not the Authority, may now grant or deny permission for ingress or egress to the waste storage facilities. After NFS transfers exclusive possession and control of the Center to the Department of Energy ("DOE") to carry out the West Valley Demonstration Project, permission for ingress and egress will have to be obtained from DOE.

You can be assured of our full support and cooperation with your efforts to inspect and evaluate the high-level waste storage facilities.

Very truly yours,

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JLL:nak

*James L. Larocca*  
James L. Larocca  
Chairman

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*6/16/81*  
*Original was not received.*  
*J. Schultze for L.C. Rouse, FCAP, NMSS*