

[Letterhead of
New York State
Atomic Research and Development Authority]

April 8, 1963

Mr. Robert Lowenstein
Director
Division of Licensing
and Regulation
Atomic Energy Commission
Washington 25, D. C.

In re: Nuclear Fuel Services, Inc., et al.
Applications for Licenses
AEC Docket No. 50-201

Dear Mr. Lowenstein:

L&R File Copy *Suppl.*

This will refer to your letter of February 13, 1963, relating to the above proceeding, in which you express the position of the AEC staff "that the State of New York should furnish assurance in satisfactory form that the State will be responsible for the proper maintenance of the storage tanks and the burial site in perpetuity in accordance with the Atomic Energy Act of 1954, as amended, and the Atomic Energy Commission's regulations" in the event certain situations arise.

Since the receipt of your letter, my staff and counsel have discussed with you and your counsel the most appropriate way in which the requested assurance might be evidenced. In accordance with those conversations, an agreement, dated March 21, 1963, has been entered into between the New York State Office of Atomic Development and this Authority. A copy of this agreement, as executed by the parties, is enclosed herewith. Also enclosed is a copy of a letter from the Governor of the State of New York evidencing his approval of the minutes of the Authority authorizing the execution of this agreement.

Mr. Robert Lowenstein

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As you will note, the agreement not only recognizes and accepts the responsibility of the State of New York for the perpetual maintenance and monitoring of the site in question and the wastes stored at the site, but, in addition, it provides a mechanism for discharging this basic responsibility of the State.

Contemporaneously with this letter to you, the Authority is amending its application for licenses in the above proceeding to submit, as a part of the formal record, a copy of the agreement in question, as executed.

In view of this formal assurance as to the State's responsibility, we believe that the position of the AEC Staff has been fully satisfied and, accordingly, that it will not be necessary nor desirable to impose any condition in the construction permit to be issued in the above proceeding requiring such assurance prior to the grant of an operating license.

Very truly yours,

Oliver Townsend
Chairman

[The attachments referred to above
are filed herewith as Appendices
B and D respectively.]