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WM Project

Docket No.

PDR

LPDR

Mr. J. O. Bunting, Jr.
Office of Nuclear Material Safety
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Distribution:

Seemann

JOB

(Return to WM, 623-SS)

Dear Sir:

This letter is to comment on the proposed rulemaking for Financial Responsibility for Accident Cleanup.

First, the proposed rule covers a fairly wide spectrum of affected parties and the associated risks. I have one roof moisture gauge with a 50 milliCurie sealed source. I note that damage to such a device reportedly cost over \$1 million to clean up. I can assure you that my firm has no resources of that magnitude to fund the cleanup. I have referred the announcement to my insurance carrier for comment from their point of view. They may be unaware of the potential exposure and I will end up with my insurance cancelled. If insurance is not available, I will simply dispose of my gauge and cease operations in that area.

Second, it appears to me that the cleanup cost exposure goes far beyond what any single firm could possibly bear as a normal business expense. That leaves insurance and the insurance market is getting out of risk categories which are safer than this. That leaves only governmental insurance similar to flood insurance. This raises the question as to whether there is sufficient benefit to the public versus the cleanup risk to continue to permit the use of gauges such as roof moisture or soil density. There are alternative methods for obtaining the data which are less accurate and less convenient. However, when the cleanup risk is included, the overall cost-benefit may well dictate that such devices should be banned. I find it difficult to believe that the costs quoted for cleanup are correct but on the other hand they may well be.

Third, there is another alternative to financial responsibility, namely requirements for improved physical protection of the source within the gauges. My source could be broken if the gauge were driven over by a large truck. Rules which would make such release virtually impossible might make insurance a better risk to the point that it would be obtainable.

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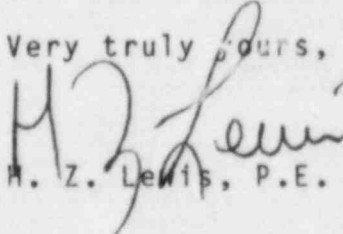
Engineering Services in Roof Inspection, Electrical Systems Inspection and Heat Loss



Four while it is true that the direct users of nuclear materials should have the primary responsibility for cleanup costs, there are benefits to the general public for having nuclear-based testing equipment. The cost of building roads will increase without the use of nuclear density gauges for convenient quality control. The cost of maintaining roofs will increase without accurate data on wet areas obtained by NDT methods. Insurance is nothing more than spreading the risk among the involved parties. Although my personal political philosophy is that government should avoid involvement in private enterprise functions, there is no bigger pool of affected parties than the general public and no larger pool of financial resources than the federal government. I do not mind paying for other people's flood insurance if it keeps them off the welfare rolls and also keeps them from building in a known flood plain. The nuclear situation is somewhat similar.

In conclusion, I do not understand the full ramifications of the proposal at all. There are many businesses such as truck lines that I cannot relate to. For my business, if the risk cannot be covered by minimal cost (less than \$500 per year) insurance, I will simply eliminate that part of my business function. Perhaps there will be one or two large nationwide companies which will be able to generate sufficient revenues to cover higher costs; I feel sure that many small, local operations would cease.

Very truly yours,


H. Z. Lewis, P.E.

HZL:cj

cc: ACIL