



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 30, 1999

Berthold Systems, Inc.
ATTN: G.M. (Bud) Smith
President
101 Corporate Drive
Aliquippa, PA 15001

Dear Mr. Smith:

I am responding to your letter dated May 28, 1999, in which you expressed concern that Generic Letter 99-01 (GL 99-01) "Recent NMSS Decision Concerning Bundling of Exempt Quantities," did not mention your situation as a company specifically authorized to distribute gauging devices utilizing multiple exempt sources to general licensees. In addition, you also requested a waiver of our May 17, 1999, request to distribute copies of GL 99-01 to your customers who had received your devices prior to their authorization under a general license.

The generic letter, GL 99-01, was sent to our specific licensees to remind them of our exempt licensing requirements and it was also intended to indirectly inform persons exempt from all licensing requirements of our recommendations about devices utilizing multiple exempt sources. However, in order to address potential misinterpretations of GL 99-01, the Nuclear Regulatory Commission (NRC) will inform its materials licensees in the next available issue of its Nuclear Material Safety and Safeguards Newsletter that: 1) persons exempt from licensing requirements are not authorized to combine exempt quantity sources nor are they authorized to use devices containing combined multiple exempt quantity sources; 2) devices intended for distribution to general or specific licenses, and designed to use combined multiple exempt quantity sources, must first be evaluated and registered with NRC or an Agreement State; and 3) that Berthold Systems, Inc. (BSI), has been specifically licensed by NRC to distribute their gauging device Models NW-201 Series, NW-301 Series, and NW-401 Series, to general licensees.

Your request to waive the distribution of GL 99-01 to your customers, as we requested in our letter, would conflict with Commission instructions to the staff regarding this matter. The Commission directed the staff to request manufacturers of these devices to provide copies of GL 99-01 to their customers who had received these devices prior to their authorization under a general license. We wanted persons exempt from all licensing, that may have combined exempt sources, informed about our recommendations on control, labeling and disposal of these devices. Further, we want to clarify that persons exempt from licensing may not combine multiple exempt sources and that devices containing such multiple sources must be reviewed and approved by NRC or an Agreement State. You may send a copy of this letter to your

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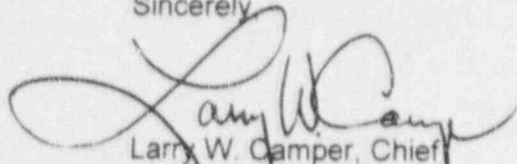
G. M. (Bud) Smith

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customers to immediately help them understand that NRC and the State of Kentucky have authorized the manufacture and distribution of certain generally licensed gauging devices utilizing multiple exempt sources including those BSI devices cited earlier.

Should you have any questions concerning this letter, please contact Anthony Kirkwood, of my staff at (301) 415-6140.

Sincerely,

A handwritten signature in dark ink, appearing to read "Larry W. Camper". The signature is fluid and cursive, with a large initial "L" and "C".

Larry W. Camper, Chief
Materials Safety and Inspection Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Materials Safety
and Safeguards

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Should you have any questions concerning this letter, please contact Anthony Kirkwood, of my staff at (301) 415-6140.

Sincerely,

/s/
Larry W. Camper, Chief
Materials Safety and Inspection Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Materials Safety
and Safeguards

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not authorized pursuant to the exemptions in 10 CFR Part 30. However, you may send a copy of this letter to your customers to immediately help them understand that NRC and the State of Kentucky have already authorized the manufacture and distribution of generally licensed gauging devices utilizing multiple exempt sources.

Should you have any questions concerning this letter, please contact Anthony Kirkwood, of my staff at (301) 415-6140.

Sincerely,

Larry W. Camper, Chief
Materials Safety and
Inspection Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Materials Safety
and Safeguards

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*see previous concurrence

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