

MATERIALS LICENSE

Amendment No. 02

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 40 and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee

1. Hoosier Energy Division

2. P.O. Box 908
Bloomington, IN 47402In accordance with application dated
May 29, 19853. License number 13-18945-01 is amended in
its entirety to read as follows:

4. Expiration date June 30, 1990

5. Docket or
Reference No. 030-173876. Byproduct, source, and/or
special nuclear material

A. Cesium-137

B. Cesium-137

C. Cesium-137

7. Chemical and/or physical
formA. Sealed sources
(Texas Nuclear Model
No. 570-57157C)B. Sealed sources
(Kay-Ray, Inc.
Model 7700D)C. Sealed sources
(Kay-Ray, Inc.
Model 7700D)8. Maximum amount that licensee
may possess at any one time
under this licenseA. No single source
to exceed 100
millicuriesB. No single source
to exceed 100
millicuriesC. No single source
to exceed 100
millicuries

9. Authorized Use

- A. To be used in a Texas Nuclear Model 5190 source holder for density measurement of calcium sulfate slurry.
- B. To be used in a Kay-Ray, Inc. Model 7062P source holder to determine coal pipe voids between bunker outlets and rotary coal feeder inlets.
- C. To be used in a Kay-Ray, Inc. Model 7062P source holder to determine the level of flyash buildup in electrostatic precipitator hopper(s).

CONDITIONS

10. Licensed material shall be used only at the licensee's facilities located at Merom Generating Station (30 miles south of Terre Haute) on State Highway 54, West, Six (6) miles west of State Highway 41, Merom, Indiana.

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11. The licensee shall comply with the provisions of Title 10, Chapter 1, Code of Federal Regulations, Part 19, "Notices, Instructions and Reports to Workers; Inspections" and Part 20, "Standards for Protection Against Radiation."
12. A. Licensed material shall be used by, or under the supervision of, Les King, Robert Heacox or Dennis Watson.

B. The Radiation Protection Officer for the activities authorized by this license is Dennis Watson.
13. A. (1) Each sealed source containing licensed material, other than hydrogen-3, with a half-life greater than thirty days and in any form other than gas shall be tested for leakage and/or contamination at intervals not to exceed six months; except those sealed sources as specified by the manufacturer and specifically authorized by the Commission or an Agreement State may be leak tested at intervals not to exceed three years. In the absence of a certificate from a transferor indicating that a test has been made within six months prior to the transfer, a sealed source received from another person shall not be put into use until tested.

(2) The periodic leak test required by this condition does not apply to sealed sources that are stored and not being used. The sources excepted from this test shall be tested for leakage prior to any use or transfer to another person unless they have been leak tested within six months prior to the date of use or transfer.

B. The test shall be capable of detecting the presence of 0.005 microcurie of radioactive material on the test sample. The test sample shall be taken from the sealed source or from the surfaces of the device in which the sealed source is permanently mounted or stored on which one might expect contamination to accumulate. Records of leak test results shall be kept in units of microcuries and maintained for inspection by the Commission.

C. If the test reveals the presence of 0.005 microcurie or more of removable contamination, the licensee shall immediately withdraw the sealed source from use and shall cause it to be decontaminated and repaired or to be disposed of in accordance with Commission regulations. A report shall be filed within 5 days of the test with the U.S. Nuclear Regulatory Commission, Region III, 799 Roosevelt Road, Glen Ellyn, Illinois 60137, describing the equipment involved, the test results, and the corrective action taken.

D. Tests for leakage and/or contamination shall be performed by the licensee or by other persons specifically authorized by the Commission or an Agreement State to perform such services.
14. Sealed sources containing licensed material shall not be opened or removed from their respective source holders by the licensee.

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15. Installation, relocation, removal from service, maintenance, repair, and initial radiation survey of devices containing licensed material and installation, replacement, and disposal of sealed sources containing licensed material used in devices shall be performed only by the manufacturer or by other persons specifically authorized by the Commission or an Agreement State to perform such services.
16. The licensee shall conduct a physical inventory every six (6) months to account for all sealed sources received and possessed under the license. The records of the inventories shall be maintained for two (2) years from the date of the inventory for inspection by the Commission, and shall include the quantities and kinds of byproduct material, manufacturer's name and model numbers, location of sealed sources and the date of the inventory.
17. The licensee shall establish "lock-out" procedures to assure that prior to maintenance or repair in or around equipment to which licensed gauges are mounted, steps are taken to terminate the radiation beams, (e.g., "lock-out" shutters, placement of "beam stoppers," etc.) to prevent individuals from entering the radiation beam.
18. Except as specifically provided otherwise by this license, the licensee shall possess and use licensed material described in Items 6, 7, and 8 of this license in accordance with statements, representations, and procedures contained in application dated May 29, 1985. The Nuclear Regulatory Commission's regulations shall govern the licensee's statements in applications or letters, unless the statements are more restrictive than the regulations.

For the U.S. Nuclear Regulatory Commission

Date June 14, 1985

Original Signed
By George M. McCann
Materials Licensing Section, Region III

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