

DL-081899\_02

# The Applied Radlant Energy Corporation

Manufacturers of **Gammaper** Acrylic/Wood Flooring

Venture Drive • Forest Commercial Center  
P.O. Box 289 • Forest, Virginia 24551

Toll Free 1-800-283-5667 • 804-525-6262 • Fax 804-525-7437

August 18, 1999

Mr. Wade T. Loo, Health Physicist  
U.S. Nuclear Regulatory Commission  
Region II  
61 Forsyth St., S.W., Suite 23785  
Atlanta, GA 30303-3415

Dear Mr. Loo:

Subject: Requests for Amendments to Licenses 45-11496-01 & -02

I am requesting an amendment to the Applied Radiant Energy Corporation's (ARECO) Materials Licenses 45-11496-01 and 45-11496-02.

These licenses have a Condition (#15 in both cases) that prohibits removal, replacement and disposal of sealed sources. The conditions in both licenses say that such services shall be performed by persons specifically licensed by the Commission or an Agreement State to perform such services. At first glance this would appear to relieve constraints to the shipment of our sealed sources between our company facilities or to a disposal facility.

At present we are negotiating with Neutron Products, Inc. (NPI) of Dickerson, Maryland, to provide a shipping cask, technicians and transport vehicle to transfer 9,000 curies of Cobalt-60 in 120 doubly encapsulated sources from our old facility on Lakeside Drive in Lynchburg, Virginia, to our new one in Forest, Virginia. NPI is the original supplier of 108 of the sources that are to be moved and they have a lot of experience in the transportation of such sources. However, they have informed ARECO that in the past they have always removed and transported sources under the license of the client requiring the services. Obviously, Condition #15 of License 45-11496-01 prohibits this and blocks the transfer. These sources and a small check source which are allowed to be possessed at the new Forest facility under License 45-11496-02 are all the radioactive material at the old facility. With their transfer, decommissioning of the old facility can occur and the 45-11496-01 license could be then terminated.

Consequently, I am requesting that Condition #15 of License 45-11496-01 be amended to allow ARECO to remove such sources from their present storage pool. The transfer to Forest would insure that this would be the last such operation under Condition #15 of License 45-11496-01. In an effort to anticipate future removal and disposal needs for these sources, ARECO can foresee contracting with NPI (or another entity that is specifically licensed) to remove these sources from Forest for possible reuse by NPI but more likely for disposal at an appropriate site. Therefore, I further request that Condition #15 of License 45-11496-02 also be amended to allow receipt, removal and/or disposal of sealed Cobalt-60 sources.

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It should be noted that ARECO has had considerable experience with the loading and unloading of shipping casks containing sealed radioactive sources and the positioning and repositioning of sources within irradiator pools and our personnel would be performing some procedures during the anticipated inter-ARECO facility source transfer.

I am enclosing a copy of the procedures ARECO personnel intend to use for the transfer. They are largely an adaptation of the procedures that were successfully employed for the receipt of the February 24, 1999, shipment of 250,000 curies of Cobalt-60 from Nordion that was witnessed by representatives of Region II, including yourself. We will be employing the same crane company that very ably assisted us in the February 24 exercise.

As the Cobalt-60 source transfer to our new facility is now planned for August 30, 1999, I am seeking a favorable and prompt reply to my request. If you have questions regarding this matter, please call me at (804) 525-5252.

Yours truly,

THE APPLIED RADIANT ENERGY CORPORATION

*James J. Myron Ph.D.*

James J. Myron, Ph.D.  
V.P. of Safety & Regulatory Affairs

JJM/dek (F523)

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