

opportunity for interested Government agencies, organizations, and individuals to submit comments or suggestions on the environmental issues or the proposed scope of the supplement to the GEIS. Persons may pre-register to attend or to speak at the meeting on the NEPA scoping process by contacting Mr. James H. Wilson by telephone at 1-800-368-5642, Extension 1108, or by Internet to the NRC at oconeeis@nrc.gov no later than 12:00 noon on October 15, 1998. In addition, individuals may register to speak up until 15 minutes before the start of each session. Individual oral comments may be limited by the time available, depending on the number of persons who register. Members of the public who have not registered may also have an opportunity to speak, if time permits. Public comments will be considered in the scoping process for the supplement to the GEIS. If special equipment or accommodations are needed to attend or present information at the public meeting, the need should be brought to Mr. James H. Wilson's attention no later than October 13, 1998, so that the NRC staff can determine whether the request can be accommodated.

Members of the public may send written comments on the environmental scoping process for the supplement to the GEIS to: Chief, Rules and Directives Branch, Division of Administrative Services, Mailstop T-6 D 59, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

Comments may be hand-delivered to the NRC at 11545 Rockville Pike, Rockville, Maryland, between 7:45 a.m. and 4:15 p.m. on Federal workdays. To be considered in the scoping process, written comments should be postmarked by November 19, 1998. Electronic comments may be sent by the Internet to the NRC at oconeeis@nrc.gov. Electronic submittals should be sent no later than November 19, 1998, to be considered in the scoping process and will be available for inspection at the NRC and Local Public Document Rooms.

At the conclusion of the scoping process, the NRC will prepare a concise summary of the determination and conclusions reached, including the significant issues identified, and will send a copy of the summary to each participant in the scoping process. The summary will also be available for inspection at the NRC and Local Public Document Rooms.

Information about the proposed action, the supplement to the GEIS, and the scoping process may be obtained from Mr. James H. Wilson at the

aforementioned telephone number or e-mail address.

Dated at Rockville, Maryland, this 14th day of September 1998.

For the Nuclear Regulatory Commission.

Thomas H. Essig,

Acting Chief Generic Issues and Environmental Projects Branch, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

[FR Doc. 98-25175 Filed 9-18-98; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40-8989; License No. SUA-1559]

Envirocare of Utah, Inc.; Issuance of Director's Decision Under 10 CFR 2.206

Notice is hereby given that the Director, Office of Nuclear Material Safety and Safeguards, has taken action with regard to a Petition for action under 10 CFR 2.206 received from Dr. Thomas B. Cochran, Director of Nuclear Programs, on behalf of the Petitioner, Natural Resources Defense Council (NRDC), dated December 12, 1997, as supplemented May 6, 1998, with regard to Envirocare of Utah, Inc. (Envirocare). Specifically, by letter dated December 12, 1997, the Petitioner requested that NRC (1) conduct an immediate investigation of issues raised in the Petition and immediately suspend Envirocare's NRC license; (2) conduct an investigation of possible criminal violations of section 223 of the Atomic Energy Act of 1954, as amended (the Act); (3) immediately suspend Envirocare's license with the State of Utah, under section 274j(2) of the Act; (4) investigate the adequacy of the State of Utah agreement state program to protect whistleblowers; (5) contact each current and former Envirocare employee personally, on a confidential basis, to advise them of their rights to inform the NRC of unsafe practices and violations, to inform them of the protections available to them, and to ask them if they have any information which they wish to disclose, on a confidential basis or otherwise; and (6) order a special independent review of Envirocare's relationships with its employees, along the lines of the review ordered by the NRC for the Millstone site.

Petitioner asserts, as a basis for the December 12, 1997, request, that Envirocare's employee-related practices and contractual provisions constitute a violation of 42 U.S.C. § 5851 (Section 211 ("Employee Protection")) of the Energy Reorganization Act of

1974(ERA)) and the NRC's whistleblower protection regulations under Parts 19 and 40 of Title 10 of the *Code of Federal Regulations* (i.e., 10 CFR 19.16, 19.20, and 40.7). Specifically, Petitioner states that current and former Envirocare employees who have provided to governmental authorities information adverse to Envirocare's interests fear for their lives and the lives of their families should their identities become known to Envirocare. Petitioner also states that certain provisions in Envirocare's standard employment contract prevent its employees from disclosing to the NRC information concerning unsafe practices and violations under the NRC license and threaten them with severe financial penalties in the event of a disclosure. By letter dated January 16, 1998, NRC acknowledged receipt of NRDC's December 12, 1997, Petition.

With respect to the May 6, 1998, Supplement, NRDC requested that (1) NRC suspend all licenses Envirocare has with the NRC; (2) NRC request the State of Utah to suspend all licenses that Envirocare holds with the State of Utah under the purview of the Utah Division of Radiation Control; (3) the license suspensions indicated in (1) and (2) above are to be enforced until such time as NRC and the State of Utah have completed the actions under (4) and (5) below; (4) NRC undertake a program, in cooperation with the State of Utah and the Environmental Protection Agency (EPA), to contact each and every current and past employee on an individual basis and obtain a sworn statement from each, indicating: (i) whether they were intimidated by the unlawful Envirocare Employee Agreement; (ii) whether they withheld or altered any health, safety, or environmental information in any Envirocare report, or in any written or oral communication with any official of the State of Utah, EPA or NRC; and, (iii) whether they failed to report any health, safety, or environmental information to appropriate authorities; and in cases where there was information withheld, altered, or not reported, identify fully what the information was; (5) NRC investigate the extent to which such information, revealed under (4) above, has affected existing and past licenses held by Envirocare issued by the NRC or the State of Utah, under the purview of the Utah Division of Radiation Control.

In support of Petitioner's May 6, 1998, request, NRDC asserted that NRC now has before it new information that it did not have at the time that NRDC's earlier Petition (dated January 8, 1997) requesting enforcement action against Envirocare was denied by NRC on

February 5, 1997. NRDC's Petition dated January 8, 1997, was addressed in Director's Decision (DD-97-02) which was issued on February 5, 1997. Petitioner further stated that this new information consists of NRC's letter of December 8, 1997, to Charles A. Judd, indicating that Envirocare's employee protection policies were in violation of NRC's Whistleblower Protection Regulations.

By letter dated June 9, 1998, NRC acknowledged receipt of the May 6, 1998, Petition and indicated that, because of the similarity of requested actions with those of the December 12, 1997, Petition that the May 6, 1998, Petition is being considered as a Supplement to the December 12, 1997, Petition.

The Director, Office of Nuclear Material Safety and Safeguards, has determined that the requests should be denied for the reasons stated in the "Director's Decision Under 10 CFR 2.206" (DD-98-09), the complete text of which follows this notice and which is available for public inspection in the Commission's Public Document Room, the Gelman Building, located at 2120 L Street, N.W., Washington D.C. 20555 and is also available on the NRC Electronic Bulletin Board at (800) 952-9676.

A copy of this Decision has been filed with the Secretary of the Commission for the Commission's review in accordance with 10 CFR 2.206(c) of the Commission's regulations. As provided by this regulation, this Decision will constitute the final action of the Commission 25 days after the date of issuance unless the Commission, on its own motion, institutes review of the Decision within that time.

Dated at Rockville, Maryland, this 14th day of September 1998.

For the Nuclear Regulatory Commission.

Carl J. Paperiello,

Director, Office of Nuclear Material Safety and Safeguards.

I. Introduction

On December 12, 1997, and May 6, 1998, Dr. Thomas B. Cochran, Director of Nuclear Programs, Natural Resources Defense Council (NRDC), filed Petitions with the U.S. Nuclear Regulatory Commission (NRC) pursuant to Title 10 of the *Code of Federal Regulations*, Section 2.206 (10 CFR 2.206). In these Petitions, NRDC requested that NRC take action to immediately suspend all licenses held by Envirocare of Utah, Inc. (Envirocare). Specifically, NRDC requested that NRC take the following actions.

Petition of December 12, 1997

(1) Conduct an immediate investigation of issues raised in the Petition and immediately suspend Envirocare's NRC license.

(2) Conduct an investigation of possible criminal violations of section 223 of the Atomic Energy Act of 1954, as amended (the Act).

(3) Immediately suspend Envirocare's license with the State of Utah, under section 274j(2) of the Act.

(4) Investigate the adequacy of the State of Utah agreement state program to protect whistleblowers.

(5) Contact each current and former Envirocare employee personally, on a confidential basis, to advise them of their rights to inform the NRC of unsafe practices and violations, to inform them of the protections available to them, and to ask them if they have any information which they wish to disclose, on a confidential basis or otherwise.

(6) Order a special independent review of Envirocare's relationships with its employees, along the lines of the review ordered by the NRC for the Millstone site.

NRDC asserts, as basis for the December 12, 1997, request, that Envirocare's employee-related practices and contractual provisions constitute a violation of 42 U.S.C. § 5851 (Section 211 ("Employee Protection") of the Energy Reorganization Act of 1974 (ERA)) and the NRC's whistleblower protection regulations under Parts 19 and 40 of Title 10 of the *Code of Federal Regulations* (i.e., 10 CFR 19.16, 19.20, and 40.7). Specifically, NRDC asserts that current and former Envirocare employees, who have provided to governmental authorities information adverse to Envirocare's interests, fear for their lives and the lives of their families should their identities become known to Envirocare. NRDC also states that certain provisions in Envirocare's standard employment contract prevent its employees from disclosing to the NRC information concerning unsafe practices and violations under the NRC license and threaten them with severe financial penalties in the event of a disclosure. By letter dated January 16, 1998, I acknowledged receipt of NRDC's December 12, 1997, Petition.

Petition of May 6, 1998

(1) Suspend all licenses Envirocare has with the NRC.

(2) Request the State of Utah to suspend all licenses that Envirocare holds with the State of Utah under the purview of the Utah Division of Radiation Control.

(3) The license suspensions indicated in (1) and (2) above are to be enforced

until such time as NRC and the State of Utah have completed the actions under (4) and (5) below.

(4) Undertake a program, in cooperation with the State of Utah and the Environmental Protection Agency (EPA), to contact each and every current and past employee on an individual basis and obtain a sworn statement from each, indicating: (i) whether they were intimidated by the unlawful Envirocare Employee Agreement; (ii) whether they withheld or altered any health, safety, or environmental information in any Envirocare report, or in any written or oral communication with any official of the State of Utah, EPA or NRC; and, (iii) whether they failed to report any health, safety, or environmental information to appropriate authorities; and in cases where there was information withheld, altered, or not reported, identify fully what the information was.

(5) Investigate the extent to which such information, revealed under (4) above, has affected existing and past licenses held by Envirocare issued by NRC or the State of Utah, under the purview of the Utah Division of Radiation Control.

In support of NRDC's request in this Petition, NRDC asserted that NRC now has before it new information that it did not have at the time that NRDC's earlier Petition, dated January 8, 1997, requesting enforcement action against Envirocare that was denied by NRC on February 5, 1997. NRDC's Petition dated January 8, 1997, was addressed in DD-97-02, issued February 5, 1997. NRDC stated that this new information consists of NRC's letter of December 8, 1997, to Charles A. Judd, indicating that Envirocare's employee protection policies were in violation of NRC's whistleblower protection regulations.

NRC's letter dated June 9, 1998, acknowledged receipt of the May 6, 1998, Petition and indicated that, because of the similarity of requested actions with those of the December 12, 1997, Petition, the May 6, 1998, Petition would be considered as a supplement to the December 12, 1997, Petition.

As was indicated in the NRC's acknowledgment letters dated January 16, 1998, and June 9, 1998, NRDC's requests for action concerning Envirocare's license with the State of Utah and the Utah Agreement State Programs concern matters that do not fall within the scope of matters ordinarily considered under 10 CFR 2.206. As indicated in the June 9, 1998, acknowledgment letter, these matters were addressed by Richard L. Bangart, Director of the Office of State Programs, in his February 18, 1998, letter to NRDC. Accordingly, this Director's Decision

will only address the NRDC requests for action that relate to the license to receive, store, and dispose of certain byproduct material issued to Envirocare by NRC, pursuant to Section 11e.(2) of the Act.¹ Allegations of possible criminal violations of section 223 of the Act have been referred to the Federal Bureau of Investigation (FBI). Although matters of federal criminal violation clearly fall under the jurisdiction of the FBI, the NRC staff has, in the course of its investigations into NRC-related matters, reviewed and examined documents bearing on these matters. NRC's evaluation of this information, which has been acquired either directly, or examined under condition of confidentiality, will be discussed briefly, to the extent possible, in Section III of this Decision.

II. Background

Envirocare operates a radioactive waste disposal facility in Clive, Utah, 128 kilometers (80 miles) west of Salt Lake City in western Tooele County. Radioactive wastes are disposed of by modified shallow land burial techniques. Envirocare submitted its license application to the NRC in November 1989 for commercial disposal of byproduct material, as defined in Section 11e.(2) of the Act (11e.(2) byproduct material). On November 19, 1993, NRC completed its licensing review and issued Envirocare an NRC license to receive, store, and dispose of uranium and thorium byproduct material. Envirocare began receiving 11e.(2) byproduct material in September 1994 and has been in continuous operation since.

To ensure that the facility is operated safely and in compliance with NRC requirements, the staff conducts routine, announced inspections of the site. Areas examined during the inspections include management organization and controls, operations review, radiation protection, radioactive waste management, transportation, construction work, groundwater activities, and environmental monitoring. The NRC has conducted ten inspections of the Envirocare facilities between April 14, 1994, and June 25, 1998, in conjunction with the 11e.(2) byproduct material license and has cited the licensee for ten violations. None of the violations are related to concerns raised in the NRDC Petitions. All

violations were categorized in accordance with the guidance in NUREG-1600, "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy) at a Severity Level IV.² The most recent inspection, conducted June 22-25, 1998, resulted in the issuance of two citations. The first violation relates to failure to follow procedures; the second violation results from failure to perform confirmatory ground-water sampling. The results of the June 1998 inspection are documented in Inspection Report 40-8989/98-01 which was issued on July 24, 1998.

In addition to the routine, announced site inspections described above, the staff has, since January 1997, conducted many investigations, interviews, and telephone conversations with numerous individuals into aspects of Envirocare's operations, including matters relating to concerns raised in NRDC's 10 CFR 2.206 Petitions. The staff's investigations included interviews with former Envirocare employees.

III. Discussion

NRDC asserts two bases in support of its requested actions: (1) Envirocare's employment contract non-disclosure covenant threatens the financial well being of employees who want to provide information regarding Envirocare operations, and (2) current and former Envirocare employees fear for their lives and lives of their families. NRDC states that it is apparent from sworn affidavits, compiled in the State of Utah Legislative Auditor General Investigation of Envirocare, that current and former employees of Envirocare fear for their lives and for the lives of their families. NRDC further states that Envirocare has required employees to enter into an employment agreement with onerous provisions that impose significant monetary penalties for disclosing safety-related information. NRDC, furthermore, asserts that such threatening practices constitute a violation of Section 211 of the ERA, 10 CFR §§ 19.16, 19.20, and 40.7. The NRC has evaluated these matters and found no basis to take the requested actions.

As an initial matter, NRDC requests that the NRC immediately suspend Envirocare's NRC licenses. The NRC's Enforcement Policy describes the various enforcement sanctions available to the Commission once it determines

that a violation of its requirements has occurred. In accordance with the guidance of Section VI.C.2 of the Enforcement Policy, Suspension Orders may be used: (a) to remove a threat to the public health and safety, common defense and security, or the environment; (b) to stop facility construction when (i) further work could preclude or significantly hinder the identification or correction of an improperly constructed safety-related system or component or (ii) the licensee's quality assurance program implementation is not adequate to provide confidence that construction activities are being properly carried out; (c) when the licensee has not responded adequately to other enforcement action; (d) when the licensee interferes with the conduct of an inspection or investigation; or (e) for any reason not mentioned above for which license revocation is legally authorized. Furthermore, in accordance with the guidance in Section VI.C.3. of the Enforcement Policy, Revocation Orders may be used: (a) when a licensee is unable or unwilling to comply with NRC requirements; (b) when a licensee refuses to correct a violation; (c) when a licensee does not respond to a Notice of Violation where a response was required; (d) when a licensee refuses to pay an application fee under the Commission's regulations; or (e) for any other reason for which revocation is authorized under Section 186 of the Act (e.g., any condition that would warrant refusal of a license on an original application). Pursuant to 10 CFR 2.202(a)(5), the Commission may issue an immediately effective order to modify, suspend, or revoke a license if the Commission finds that the public health, safety, or interest so requires or that the violation or conduct causing the violation was willful.

In this case the NRDC has not provided the NRC with substantiated information supporting the existence of circumstances that would provide a basis for immediate suspension of the Envirocare license. Furthermore, neither the investigations conducted by the NRC nor by the FBI have revealed evidence providing a basis for suspension of the license.

Assertion 1

Envirocare's Employment Contract Non-disclosure Covenant Threatens Financial Well Being of Employees Who Want to Provide Information Regarding Envirocare Operations

Prior to the filing of NRDC's Petition dated December 12, 1997, the NRC reviewed Envirocare's Whistleblower

¹ In its Petition of May 6, 1998, NRDC requests the NRC to suspend all licenses Envirocare has with NRC. The only license that has been issued to Envirocare by the NRC is the NRC license to receive, store, and dispose of uranium and thorium byproduct material, issued November 19, 1993, pursuant to Section 11e.(2) of the Act.

² As explained in Section IV. of the Enforcement Policy, violations are normally categorized in terms of four levels of severity (Severity Level I being the most significant). A Severity Level IV violation is defined as a violation of more than minor concern which, if left uncorrected, could lead to a more serious concern.

Protection Policy; its Environmental Compliance Program; and its Employment Agreement. By letter dated December 8, 1997 (the letter referenced by NRDC in support of its May 6, 1998, Petition), the NRC notified Envirocare that its written company policies were inconsistent with Section 211 of the ERA, 42 U.S.C. 5851, and 10 CFR 40.7. More specifically, the NRC staff found that while Envirocare's Whistleblower Protection Policy and Environmental Compliance Program encouraged employees to report suspected legal violations of state or federal environmental laws and violations of the ERA and the Act, they did not incorporate all of the protections afforded in Section 211 of the ERA and 10 CFR 40.7. Further, the policies established an incorrect standard with respect to the nature of safety hazards that would trigger employees' reports to appropriate governmental authorities. In addition, the NRC notified Envirocare that its Employment Agreement could be interpreted to preclude the disclosure to the NRC or another government agency of data in support of a nuclear safety concern.

As a result of its review, the NRC requested Envirocare to modify its Whistleblower Protection Policy, Environmental Compliance Program, and Employment Agreement to ensure compliance with NRC requirements. By correspondence dated January 21, 1998, Envirocare responded to the NRC's December 8, 1997, letter. Among other things, Envirocare amended its Whistleblower Protection Policy, Environmental Compliance Program, and Employment Agreement in an effort to bring those documents into compliance with NRC requirements. NRC reviewed Envirocare's modifications to its corporate policies and employment agreement and concluded that they satisfied NRC requirements. By letter dated February 9, 1998, the NRC staff informed Envirocare that it found the modifications acceptable.

Moreover, by letter dated December 31, 1997, the NRC required Envirocare to respond to the allegations raised in the December 12, 1997, Petition. That letter requested Envirocare to indicate whether it intended to enforce its Employment Agreement against current and former employees who have engaged, or do engage, in protected activities cognizable under Section 211 of the ERA and 10 CFR 40.7. It also requested that Envirocare indicate what actions it would take to notify current and former employees that the Employment Agreement will not be applied to protected activities. In its

January 21, 1998, response, Envirocare asserted that it has not in the past, nor does it intend to claim or assert in the future, that any current or former employee who has engaged in protected activities is in violation of Envirocare's Employment Agreement. Additionally, Envirocare has made reasonable efforts to notify by letter all current and former employees that the Employment Agreement in effect at the time of their employment does not prevent them from raising nuclear safety concerns or otherwise discourage them from engaging in protected activities.

With respect to asserted violations by Envirocare of Section 211 of the ERA and 10 CFR 40.7 against its employees, the NRC has investigated these and other Envirocare-related matters extensively over a period of approximately 19 months (January 1997 through August 1998). These investigations included: (1) conversations and interviews (both in person and telephonically), (2) acquisition of and evaluation of many documents acquired from several sources during the course of the investigation, and (3) frequent contact with the FBI. The conversations and interviews were conducted with many individuals, including many present and former employees of Envirocare as well as present employees of the State of Utah.

Additionally, NRC's investigations included interviews and meetings with individuals including representatives of the organizations (law firms and the State of Utah, Office of Legislative Research and General Counsel) identified in NRDC's letter of January 21, 1998.³ It was suggested by NRDC that the individuals identified in its January 21, 1998, letter may possess information relating to the asserted violations of NRC's whistleblower regulations by Envirocare. The FBI, although focusing on alleged criminal activities (bribery and extortion) associated with Envirocare's then-President Khosrow Semnani, did, in the course of these investigations, also acquire information bearing on the above NRC-related matters. This information was investigated by the NRC and revealed no evidence that any current or former Envirocare employee has received threats of financial harm or

³ In its acknowledgment letter dated January 16, 1998, the NRC requested the NRDC to provide the NRC the names of "unidentified individuals (and attendant background information) referenced in the Petition," indicating that confidentiality consistent with the NRC allegation program would be provided. The NRDC's letter of January 21, 1998, responded to that request.

has felt threatened by Envirocare's employment non-disclosure covenant.

Assertion 2

Current and Former Envirocare Employees Fear For Their Lives and Lives of Their Families

Allegations of possible criminal violations of the Act had been referred to the FBI as indicated in my letter of January 16, 1998. Nonetheless, in the course of its various investigations, the NRC staff acquired information bearing on the matter of death threats. The scope of NRC's investigations conducted for Assertion 2 was identical to that conducted for Assertion 1 and is described above.

In addition, the Utah Attorney General's Office had initiated a criminal investigation in early 1997 into the matter of the relationship (alleged bribery/extortion) between Mr. Larry F. Anderson, former Director of the Utah Division of Radiation Control and Mr. Khosrow B. Semnani, former President of Envirocare. This alleged bribery/extortion investigation was later assumed by the FBI. The FBI's investigation into this matter has resulted in a July 22, 1998, filing of a Cooperation Agreement between Mr. Semnani and the U.S. Attorney's Office. No information surfaced during the FBI investigation indicating that death threats had been made against either present or former employees by Mr. Semnani or other officers of Envirocare.

Based on the investigations of Envirocare that have been conducted by the NRC and the FBI, there has been no evidence uncovered indicating that any current or former Envirocare employee: (1) has received threats of financial harm or has felt threatened by Envirocare's employment contract non-disclosure covenant, or (2) fears for his/her life or the lives of his/her family as a result of threats received, either directly or indirectly, from any officer of Envirocare.

IV. Conclusion

On the basis of the above assessment, I have concluded that no substantial health and safety issues have been raised regarding Envirocare that would require initiation of the action requested by the NRDC. As explained above, the NRDC has not provided any specific information that would provide a basis, for suspension of the Envirocare license. Furthermore, neither the investigations conducted independently by the NRC nor by the FBI have revealed the existence of circumstances that would warrant immediate suspension of the

Envirocare license. Accordingly, the Petitioner's request for action is denied.

Dated at Rockville, Maryland this 14th day of September 1998.

For the Nuclear Regulatory Commission.

Carl J. Paperiello,

Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98-25177 Filed 9-18-98; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 070-00133 (terminated)]

Notice of Removal from the Site Decommissioning Management Plan for the former Clevite Corporation site (Clevite)

This notice is to inform the public that the Nuclear Regulatory Commission (NRC) is removing the former Clevite Corporation (Clevite) site in Cleveland, Ohio from the Site Decommissioning Management Plan (SDMP). Clevite manufactured nuclear fuel for the Atomic Energy Commission (AEC), including high-enriched uranium fuel for the U.S. Navy and AEC research reactors, as well as thorium products. The AEC issued several licenses to Clevite in the late 1950s. Licensed activities at the site ceased in 1962.

NRC surveys conducted in 1993 showed uranium contamination at several locations in the facility. Gould, Electronics, Inc. (formerly Gould, Inc.), which merged with the Clevite Corporation in 1969, accepted responsibility for remediation of the site. Gould, Electronics, Inc. began the remediation process in 1993 and completed remediation in May 1998. Based on: (1) remedial actions taken by Gould, Electronics, Inc. and documented in the Final Status Survey Report, and (2) the results of NRC's confirmatory surveys, NRC concludes that the facility has been adequately remediated and is suitable for unrestricted use. Removal from the SDMP will be reopened only if additional contamination, or noncompliance with remediation commitments is found indicating a significant threat to public health and safety.

For further information, contact John Buckley, Office of Nuclear Material Safety and Safeguards, Washington, DC 20555, telephone: (301) 415-6607.

Dated at Rockville, Maryland, this day of September, 1998.

For the Nuclear Regulatory Commission

John W. N. Hickey,

Chief, LLW and Projects Decommissioning Projects Branch, Division of Waste Management, Office of Nuclear Materials Safety and Safeguards.

[FR Doc. 98-25178 Filed 9-18-98; 8:45 am]

BILLING CODE 7590-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23435; 812-11300]

Crabbe Huson Funds, et al.; Notice of Application

September 14, 1998.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for exemption under section 6(c) of the Investment Company Act of 1940 (the "Act") from section 15(a) of the Act.

SUMMARY OF APPLICATION: The requested order would permit the implementation, without prior shareholder approval, of new investment advisory agreements ("New Agreements") for a period of up to 120 days following the later of the date of the acquisition of the assets of The Crabbe Huson Group, Inc. (the "Advisor") by LFC Acquisition Corp. (the "New Advisor") or the date on which the requested order is issued (but in no event later than February 28, 1999) (the "Interim Period"). The order also would permit the New Advisor to receive all fees earned under the New Agreements during the Interim Period following shareholder approval.

APPLICANTS: Crabbe Huson Funds (the "Trust"), The Crabbe Huson Special Fund, Inc. (the "Special Fund"), Advisor, and New Advisor.

FILING DATES: The application was filed on September 11, 1998.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on October 8, 1998, and should be accompanied by proof of service on applicants in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants: Mr. Charlie Davidson, c/o The Crabbe Huson Group, 121 S.W. Morrison, Suite 1425, Portland, OR 97204, and Ms. Lindsay Cook, c/o Liberty Financial Companies, Inc., 600 Atlantic Ave., Boston, MA 02210.

FOR FURTHER INFORMATION CONTACT: John K. Forst, Attorney Advisor, at (202) 942-0569, or Mary Kay Frech, Branch Chief, at (202) 942-0564 (Office of Investment Company Regulation, Division of Investment Management).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth Street, N.W., Washington, D.C. 20549 (tel. 202-942-8090).

Applicants' Representations

1. The Trust, a Delaware business trust, and the Special Fund, an Oregon corporation, are registered under the Act as open-end management investment companies. The Trust currently offers eight portfolios¹ and the Special Fund constitutes a single portfolio (each portfolio and the Special Fund are a "Fund"). The Advisor, an investment adviser registered under the Investment Advisers Act of 1940 (the "Advisers Act"), serves as investment adviser for the Funds pursuant to existing investment advisory agreements (the "Existing Agreements"). The New Advisor is a subsidiary of Liberty Financial Companies, Inc. ("Liberty"). The New Advisor will be registered as an investment adviser under the Advisers Act by the closing date of the Acquisition, as defined below, and will serve as investment adviser for the Funds pursuant to new investment advisory agreements (the "New Agreements").

2. On June 10, 1998, the Advisor, the New Advisor, Liberty, and certain shareholders of the Advisor entered into an agreement under which the New Advisor will purchase substantially all of the assets of the Advisor (the "Acquisition"). Applicants state that the Acquisition may be deemed to result in an indirect transfer of the Existing Agreements to the New Advisor. Applicants expect closing of the Acquisition (the "Closing Date") to occur on September 30, 1998.

3. Applicants believe that the Acquisition will result in an assignment

¹ The Trust is comprised of six portfolios for purposes of this application: Crabbe Huson Income Fund, Crabbe Huson Asset Allocation Fund, Crabbe Huson Small Cap Fund, Crabbe Huson Equity Fund, Crabbe Huson Oregon Tax-Free Fund and Crabbe Huson Real Estate Investment Fund.