

July 3, 2000

Mr. David R. Smith
Radiation Safety Officer
Shieldalloy Metallurgical Corporation
P.O. Box 768
Newfield, New Jersey 08344

SUBJECT: AMENDMENT TO REFLECT ORGANIZATIONAL CHANGES (TAC NO. L31257)

Dear Mr. Smith:

In accordance with your application dated September 23, 1999, and supplemented May 22, 2000, and pursuant to Part 40 to Title 10 of the Code of Federal Regulations, Materials License SMB-743 is hereby amended to grant your request to reflect the current makeup of the Radiation Safety Committee. Accordingly, License Condition 10 has been revised to include the dates of September 23, 1999 and May 22, 2000.

All other conditions of this license shall remain the same. Enclosed are copies of the amended Materials License SMB-743 and the Safety Evaluation Report, which includes the Categorical Exclusion.

If you have any questions regarding this matter, please contact Ms. Julie Olivier of my staff at (301) 415-7292 or by e-mail at JAO@nrc.gov.

Sincerely,

/S/

Philip Ting, Chief
Fuel Cycle Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket 40-7102
License SMB-743
Amendment 5

Enclosures: 1. Materials License SMB-743
2. Safety Evaluation Report

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| OFC | FCLB | | FCLB | | FCLB | | FCLB | |
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| DATE | 6/30/00 | | 6/30/00 | | 6/30/00 | | 7/03/00 | |

MATERIALS LICENSE

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, 36, 39, 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. Shieldalloy Metallurgical Corporation West Boulevard | | 3. License Number SMB-743 Amendment 5 |
| 2. Newfield, New Jersey | | 4. Expiration Date October 20, 20002 |
| | | 5. Docket No. 40-7102 Reference No. |
| 6. Byproduct Source, and/or Special Nuclear Material | 7. Chemical and/or Physical Form | 8. Maximum amount that Licensee May Possess at Any One Time Under This License |
| A. Thorium | A. Any | A. 303,050 kilograms |
| B. Uranium | B. Any | B. 45,000 kilograms |
| 9. Authorized place of use: Licensed material shall be used only at the licensee's existing facilities at West Boulevard, Newfield, New Jersey. | | |
| 10. Authorized use: Research and development, processing, and storage of raw materials for the production of specialty alloys and slag fluidizers, and for distribution of raw materials, in accordance with statements, representations and procedures contained in application dated September 15, 1995 and supplements dated November 28, 1995, August 11, September 24, September 26, and November 25, 1997, March 25, 1998, January 28, March 10, March 18, June 1, September 9, September 23, 1999 and May 2, May 22, 2000. | | |
| 11. Deleted by Amendment 2, August 1999. | | |
| 12. Notwithstanding the Derived Air Concentration (DAC) and Annual Limit on Intake (ALI) listed in Appendix B to 10 CFR Part 20, the licensee may use adjusted DAC values for thorium of 1.9 E-11 microcuries (μCi) per milliliter and for uranium of 8.4 E-11 μCi per milliliter and adjusted ALI values for thorium of 0.047 μCi and for uranium of 0.2 μCi . | | |
| 13. Deleted by Amendment 2, August 1999. | | |

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

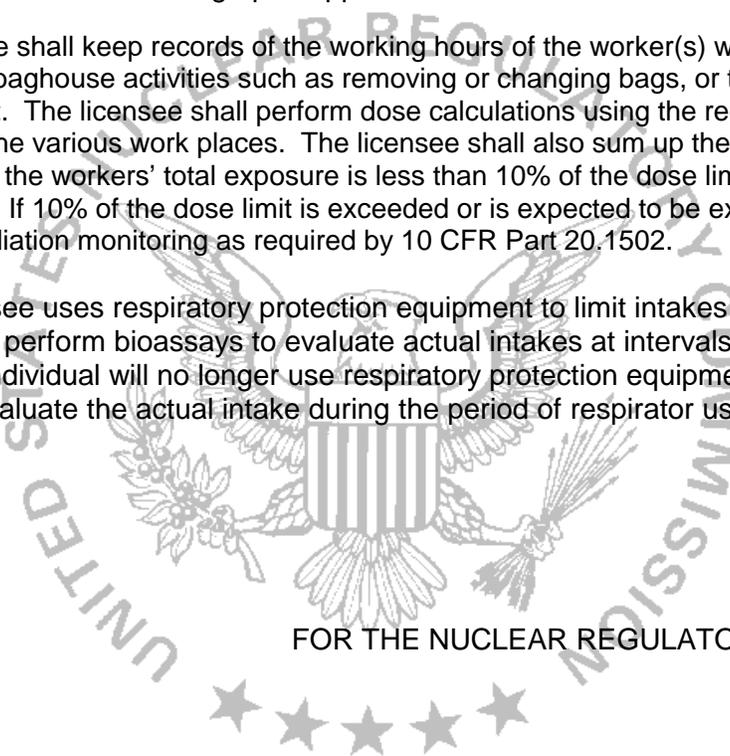
SNM-1513

Docket or Reference Number

70-1703

Amendment No. 1

14. Deleted by Amendment 2, August 1999.
15. By October 20, 1999, SMC shall either (1) provide an alternate decommissioning funding plan in accordance with 40.36(d) to cover the entire cost of decommissioning to the site, including all slag and baghouse dust, in accordance with NRC requirements or (2) immediately cease operations involving source material, submit a decommissioning plan in accordance with 40.42(g) by April 20, 2000, and commence decommissioning upon approval of the NRC.
16. The licensee shall keep records of the working hours of the worker(s) working in the baghouse area performing baghouse activities such as removing or changing bags, or transferring baghouse dust to trucks for transport. The licensee shall perform dose calculations using the records of the working hours of the workers in the various work places. The licensee shall also sum up the total external and internal doses to determine if the workers' total exposure is less than 10% of the dose limits as specified in 10 CFR Part 20.1201(a). If 10% of the dose limit is exceeded or is expected to be exceeded, the licensee shall conduct worker's radiation monitoring as required by 10 CFR Part 20.1502.
17. If the licensee uses respiratory protection equipment to limit intakes pursuant to 10 CFR 20.1702 the licensee shall perform bioassays to evaluate actual intakes at intervals not to exceed twelve months. Whenever an individual will no longer use respiratory protection equipment, the licensee shall perform a bioassay to evaluate the actual intake during the period of respirator use.



FOR THE NUCLEAR REGULATORY COMMISSION

Date: _____

By: Philip Ting, Branch Chief
Division of Fuel Cycle Safety
and Safeguards, NMSS
Washington, DC 20555

DOCKET: 40-7102

LICENSEE: Shieldalloy Metallurgical Corporation
Newfield, NJ

SUBJECT: SAFETY EVALUATION REPORT: APPLICATION DATED
SEPTEMBER 23, 1999

BACKGROUND

By application dated September 23, 1999, Shieldalloy Metallurgical Corporation (SMC) requested Material License SMB-743 be amended to reflect organizational changes.

DISCUSSION

Two changes have been proposed for the Radiation and Safety Committee (RSC):

- 1) The Senior Corporate Official has been changed to Senior Vice President and General Manager, and
- 2) The Safety Manager has been changed to Production Manager.

The licensee has proposed that the permanent members of the SMC Radiation and Safety Committee (RSC) include the Senior Vice President and General Manager of Newfield (Chair), the Radiation Safety Officer, the Alternate Radiation and Safety Officer, the Operations Manager, and the Production Manager, and the Administrative Assistant (Secretary).

The NRC staff has reviewed the changes and has found them acceptable.

ENVIRONMENTAL REVIEW

These changes are considered organizational in nature. The staff has determined that the proposed changes do not adversely affect public health and safety or the environment and are categorically excluded from the requirement to prepare a site-specific environmental assessment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an environmental assessment nor an environmental impact statement is warranted for this action.

CONCLUSION

Based on the discussion, the staff concludes that the licensee's request is warranted and that its approval will have no adverse effect on the public health and safety, or the environment. Therefore, the licensee's request for organizational changes is recommended.

The Region I staff has no objection to this proposed action.

PRINCIPAL CONTRIBUTOR:
Julie A. Olivier