

January 23, 2001

Mr. David J. Allard, Director
Bureau of Radiation Protection
Pennsylvania Department of Environmental Protection
Rachel Carson State Office Building
P.O. Box 8469
Harrisburg, PA 17105-8469

SUBJECT: REVIEW OF MOLYCORP'S PROPOSED INSTITUTIONAL CONTROLS AND
FINANCIAL ASSURANCE FOR THE MOLYCORP, WASHINGTON, PA
DECOMMISSIONING PLAN (PART 2)

Dear Mr. Allard:

I am responding to Mr. John Herman's letter of December 29, 2000, which provided the views of the Pennsylvania Department of Environmental Protection (PADEP) on the legal and practical efficacy of institutional controls (ICs) proposed by Molycorp, Inc., for decommissioning its site in Washington, PA. The proposed ICs were part of Molycorp's license amendment request dated July 14, 2000, for construction of an on-site disposal cell as detailed in Molycorp's Part 2 Decommissioning Plan (DP).

I appreciate your agency's timely and thorough review of Molycorp's proposed ICs. We will docket Mr. Herman's letter and its attached comments. This will add to the record of review for this licensing action and also make the letter publicly available.

In a letter dated January 3, 2001, Molycorp withdrew its license amendment request. As a result of this action, Molycorp will decommission its site in accordance with the unrestricted release criteria in the Part 1 DP that we approved on August 8, 2000. Molycorp will be required to dispose of all contaminated waste from the site in a licensed disposal facility. Because the site will be released for unrestricted use, the proposed ICs are no longer required. In response to the withdrawal, we have terminated our review of the Part 2 DP.

Thank you again for your comments and timely response.

D. Allard

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If you have any questions concerning this letter, please call Mr. LeRoy Person of my staff at (301) 415-6701.

Sincerely,

/RA/ R Nelson for

Larry W. Camper, Chief
Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Docket No.: 040-08778
License No.: SMB-1393

cc: J. Herman, PADEP
Molycorp, Washington Dist. List

D. Allard

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