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MOLYCORP

April 20, 1999

John W. Hickey
Chief
United States Nuclear Regulatory
Commission
Low Level Waste and Decommissioning
Projects Branch
Division of Waste Management
Office of Nuclear Material Safety and
Safeguards
Washington, D.C. 20555

REVISION OF SDP AND ER
SMB-1393

Dear Mr. Hickey:

Molycorp is requesting a license amendment to license SMB-1393 to allow for the submission of a revised Site Decommissioning Plan and Environmental Report. The schedule for this submittal will be April 16, 2000. For the purpose of this schedule please consider start of time line (previously submitted on April 13) as April 16, 1999 and ending on April 16, 2000.

If you have any questions concerning this matter, please feel free to contact me at 724-222-5605 ext. 526.

Sincerely,



John C. Daniels
Project Manager

xc: J.J. Dean
LeRoy S. Person

U.S. NUCLEAR REGULATORY COMMISSION

DOCKET NO.: 040-8778

**NOTICE OF RECEIPT OF AN AMENDMENT REQUEST REGARDING THE SCHEDULE FOR
SUBMISSION OF A REVISED SITE DECOMMISSIONING PLAN AND ENVIRONMENTAL
REPORT FOR THE MOLYCORP, WASHINGTON, PENNSYLVANIA SITE
(LICENSE NO. SMB-1393) AND OPPORTUNITY FOR HEARING**

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an amendment to Source Materials License No. SMB-1393, to Molycorp, Incorporated (the licensee), to approve the schedule for submission of a revised Site Decommissioning Plan (SDP) and Environmental Report (ER) for the Molycorp Washington, Pennsylvania (PA) site (License No. SMB-1393).

BACKGROUND: The licensee submitted an SDP for its Washington, PA site on August 14, 1995. The agency's decommissioning criteria in effect at the time of the SDP submittal were contained in NRC's "Action Plan to Ensure Timely Cleanup of Site Decommissioning Management Plan Sites," (SDMP Action Plan) (57 FR 13389; April 16, 1992). Because the cleanup levels proposed in the SDP exceeded the SDMP Action Plan criteria, the NRC requested, on September 25, 1995, that Molycorp submit additional information in the form of an ER to supplement the SDP.

NRC published its license termination rule (LTR) in 10 CFR Part 20 Subpart E, "Radiological Criteria for License Termination," in July of 1997. Although this new rule supersedes the old SDMP Action Plan criteria, the LTR allows a "grandfathering" period for use of these criteria (10 CFR 20.1401(b)(3)). To be eligible for grandfathering, the SDP must have been submitted prior to August 20, 1998, and apply the criteria identified in the SDMP Action Plan. Because the proposed criteria in the licensee's SDP were not consistent with the SDMP

Action Plan criteria, the conditions of 10 CFR 20.1401(b)(3), that would permit remediation of certain areas of the licensee's site on a "grandfathered" basis, were not met. In a letter dated February 16, 1999, NRC staff informed the licensee of this finding and notified the licensee that the SDP and ER must be revised to reflect the requirements of the LTR. The licensee was requested to submit a schedule for submission of a revised SDP and ER in the form of a license amendment request.

DISCUSSION: In letters dated April 13 and 20, 1999, the licensee submitted an SDP development schedule and a request to amend its license to include a submittal date of April 16, 2000, for the revised SDP and ER. Prior to the issuance of the proposed amendment, NRC will have made findings required by the Atomic Energy Act of 1954, as amended, and NRC's regulations.

The NRC provides notice that this is a proceeding on an application for a license amendment falling within the scope of Subpart L, "Informal Hearing Procedures for Adjudication in Materials Licensing Proceedings," of NRC's rules and practice for domestic licensing proceedings in 10 CFR Part 2. Pursuant to §2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing in accordance with §2.1205(c). A request for a hearing must be filed within thirty (30) days of the date of publication of this Federal Register notice.

In addition to meeting other applicable requirements of 10 CFR Part 2 of the NRC's regulations, a request for a hearing filed by a person other than an applicant must describe in detail:

1. The interest of the requester in the proceeding;
2. How that interest may be affected by the results of the proceeding, including the

reasons why the requester should be permitted a hearing, with particular reference to the factors set out in §2.1205(h);

3. The requester's areas of concern about the licensing activity that is the subject matter of the proceeding; and
4. The circumstances establishing that the request for a hearing is timely in accordance with §2.1205(d).

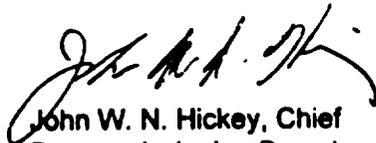
In accordance with 10 CFR §2.1205(f), each request for a hearing must also be served, by delivering it personally or by mail, to:

1. The applicant, Molycorp Incorporated, 300 Caldwell Avenue, Washington, Pennsylvania 15301, Attention Mr. John Daniels, and;
2. The NRC staff, by delivery to the Secretary, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, between 7:45 am and 4:15 pm Federal workdays, or by mail, addressed to Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff.

For further details with respect to this action, the application for amendment request is available for inspection at the NRC's Public Document Room, 2120 L Street NW., Washington, DC 20555.

Dated at Rockville, Maryland, this 19th day of May 1999.

FOR THE NUCLEAR REGULATORY COMMISSION



John W. N. Hickey, Chief
Decommissioning Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards