

**Molycorp, Inc.**  
Molybdenum Group  
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March 16, 2001

Mr. Larry Camper, Chief  
Decommissioning Branch  
Us Nuclear Regulatory Commission  
One White Flint North  
11555 Rockville Pike  
Rockville, MD 28052

RE: Request for License Amendment,  
Alternate Decommissioning Schedule

Dear Mr. Camper:

Molycorp, Inc. formally withdrew its license amendment request for on site disposal as detailed in Part 2 of its Decommissioning Plan for the Washington, PA facility in a letter to you dated January 3, 2001. At that time Molycorp requested an alternate schedule for completion of decommissioning as approved by NRC in the Part 1 Decommissioning Plan.

Pursuant to this request, NRC has asked Molycorp to demonstrate that the alternate schedule request is in accordance with 10 CFR 40.42 h(2)(i). As you are know, the project will require multiple building demolitions, a large volume of material to be excavated and transported, final site surveys, and the safeguards to ensure protection of the community and workforce. After reviewing the complex nature of the project and the number and complexity of the tasks involved, we concluded that it is not realistically feasible to complete the project within 24 months. Our review of the regulation shows that the alternate schedule request is in accordance with 40.42 h(2)(i)(1) and 40.42h(2)(i)(5). In addition, interaction with the Commonwealth of Pennsylvania and required NRC approval of certain submittals makes 40.42h(2)(i)(5) applicable due to "regulatory requirements of other agencies" and "factors beyond the control of the licensee".

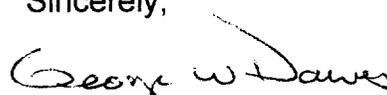
The specific conditions for this project at the Washington facility include:

- *Several license conditions (SMB-1393 – conditions 14 and 15) which must be completed prior to excavation, including additional characterization of bedrock and groundwater; final survey plans, obtaining U to Th ratios, and excavation below the water table.*
- Many buildings on the site must be removed in order to excavate subsurface material. These buildings are currently either full of equipment and / or are being used in the production of ferroalloys. These production operations must be terminated in an orderly fashion. Then, both the buildings and equipment will require surveying for contamination prior to demolition.
- The excavation of approximately 135,000 yards of contaminated soil and constraints associated with the subsequent transportation of this material will extend this project well beyond the 24-month time period.

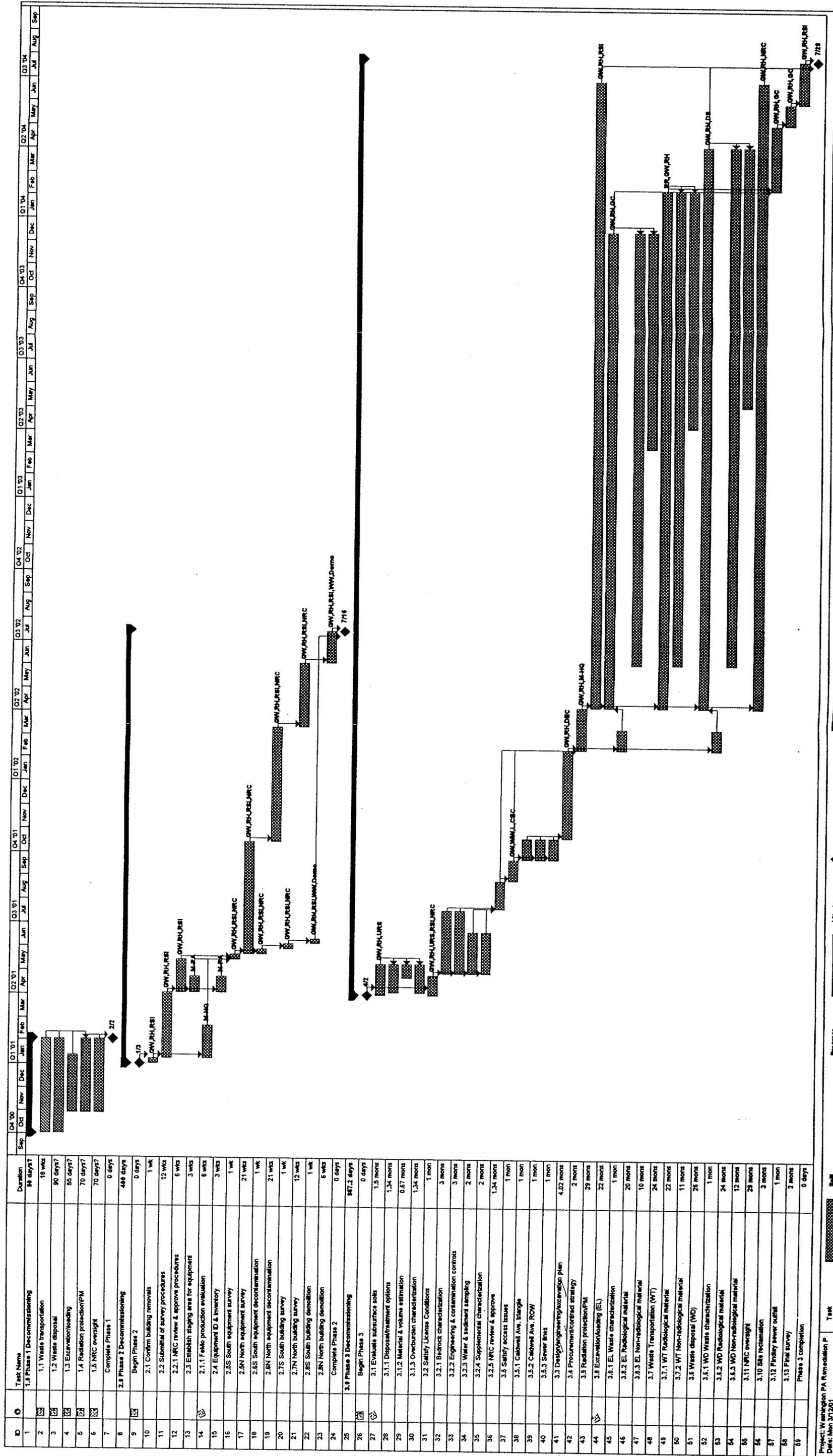
I have attached a proposed schedule showing all decommissioning activities being completed by the end of 2006. With this schedule, Molycorp feels it can complete all NRC license conditions and overburden characterization during the 2001 calendar year. Next year we plan to survey and remove the necessary buildings and equipment. Given favorable timing in completing these activities, we are confident that the project can be completed in according to the schedule shown.

If you have any questions concerning this request please call me at the above number.

Sincerely,

  
George W. Dawes  
Facility Superintendent

XC: Dave Allard, PA DEP  
Ray Cherniske, Molycorp  
Dave Fauver, RSI



ID	Task Name	Duration
1	1.0 Phase 1 Decommissioning	88 days?
2	1.1 Waste transportation	18 wks
3	1.2 Waste disposal	90 days?
4	1.3 Excavation/loading	55 days?
5	1.4 Radiation protection/PM	70 days?
6	1.5 NRC oversight	70 days?
7	Complete Phase 1	0 days
8	2.0 Phase 2 Decommissioning	448 days
9	Begin Phase 2	0 days
10	2.1 Confirm building removals	1 wk
11	2.2 Submit all survey/procedures	12 wks
12	2.2.1 NRC review & approve procedures	6 wks
13	2.3 Establish staging area for equipment	3 wks
14	2.1.1 Fako production evaluation	6 wks
15	2.4 Equipment ID & Inventory	3 wks
16	2.5S South equipment survey	1 wk
17	2.6N North equipment survey	21 wks
18	2.6S South equipment decontamination	1 wk
19	2.6N North equipment decontamination	21 wks
20	2.7S South building survey	1 wk
21	2.7N North building survey	12 wks
22	2.8S South building demolition	1 wk
23	2.8N North building demolition	6 wks
24	Complete Phase 2	0 days
25	3.0 Phase 3 Decommissioning	887.2 days
26	Begin Phase 3	0 days
27	3.1 Evaluate subsurface soils	1.5 months
28	3.1.1 Disposal/treatment options	1.34 months
29	3.1.2 Material & volume estimation	0.67 months
30	3.1.3 Overburden characterization	1.34 months
31	3.2 Safety License Conditions	1 mon
32	3.2.1 Bedrock characterization	3 months
33	3.2.2 Engineering & contamination control	3 months
34	3.2.3 Water & sediment sampling	2 months
35	3.2.4 Supplemental characterization	2 months
36	3.2.5 NRC review & approve	1.34 months
37	3.5 Safety access issues	1 mon
38	3.5.1 Calhoun Ave. Bridge	1 mon
39	3.5.2 Calhoun Ave. ROW	1 mon
40	3.5.3 Sewer lines	1 mon
41	3.3 Design/Engineering/Investigation plan	4.02 months
42	3.4 Procurement/contract strategy	2 months
43	3.5 Radiation protection/PM	28 months
44	3.8 Excavation/loading (EL)	22 months
45	3.8.1 EL Waste characterization	1 mon
46	3.8.2 EL Radiological material	20 months
47	3.8.3 EL Non-radiological material	10 months
48	3.7 Waste Transportation (WT)	24 months
49	3.7.1 WT Radiologic II material	22 months
50	3.7.2 WT Non-radiological material	11 months
51	3.4 Waste disposal (WD)	25 months
52	3.4.1 WD Waste characterization	1 mon
53	3.4.2 WD Radiological material	24 months
54	3.4.3 WD Non-radiological material	12 months
55	3.11 NRC oversight	28 months
56	3.10 Site reclamation	3 months
57	3.12 Final survey	1 mon
58	3.13 Final survey	2 months
59	Phase 3 completion	0 days