

October 9, 2001

Mr. David R. Smith,
Environmental Manager
Aluminum Products & Powders Division
Shieldalloy Metallurgical Corporation
P.O. Box 768
Newfield, NJ 08344-0768

SUBJECT: SHIELDALLOY METALLURGICAL CORPORATION REQUEST TO REMOVE
THE G-WAREHOUSE FROM THE LISTING OF PERMANENT RESTRICTED
AREAS AND UPDATE THE DESCRIPTION OF TWO OTHER RESTRICTED
AREAS (TAC NO. L31505)

Dear Mr. Smith:

In accordance with your application dated March 30, 2001, requesting that the G-warehouse be removed from the Listing of Permanent Restricted Areas and to update the description of two other restricted areas pursuant to Part 40 to Title 10 of the Code of Federal Regulations, Materials License SMB-743 is hereby amended to delete these areas. Accordingly, Section 10 of SMB-743 has been revised to include the dates of March 30, 2001 for the release of the G-Warehouse.

All other conditions of this license shall remain the same.

Enclosed are copies of the revised Materials License SMB-743 and the Safety Evaluation Report, which includes the Environmental Review.

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

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Sincerely,

Melvyn N. Leach, Chief
Fuel Cycle Licensing Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards

Docket 40-7102
License SMB-743
Amendment 7

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

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DISTRIBUTION: [CLOSED] Accession No.

Docket 40-7102 BSpitzberg, RIV FCLB r/f SHO PMDA EFlack MRaddatz

WBritz, RIV EGarcia, RIV PLohaus, OSTP NMSS r/f FCSS r/f

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NAME	MRaddatz		PShea		STreby		LRoché		MLeach	
DATE	10/ /2001		10/ /2001		10/ /2001		10/ /2001		10/ /2001	

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 7
2. Newfield, New Jersey		4. Expiration Date October 20, 2002
		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, May 2, May 22, 2000 and March 30, 2001.		
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

SMB-743

Docket or Reference Number

40-7102

Amendment No. 7

14. Deleted by Amendment 2, August 1999.
15. Deleted by Amendment 6, July, 2000.
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.
18. If SMC does not resume principal activities at the entire site or in any separate building or outdoor area by July 1, 2001, SMC must provide notification to the NRC in writing, within 60 days, and provide a decommissioning plan, within twelve months, in accordance with NRC requirements, and commence decommissioning upon approval of that plan by the NRC.



FOR THE NUCLEAR REGULATORY COMMISSION

Dated: _____

By: Melvyn Leach, 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: FOR RELEASE OF
THE G-WAREHOUSE FROM THE LISTING OF
PERMANENT RESTRICTED AREAS

BACKGROUND

In applications dated March 30, 2001, Shieldalloy Metallurgical Corporation (SMC) requested that their license be amended to remove G-Warehouse from their listing of permanently restricted areas, so that those land areas can be released for unrestricted use. SMC provided a report entitled, "Final Status Survey Report of the G-Warehouse," dated March 28, 2001, in support of this request. SMC has also notified the NRC of several proposed organizational changes that need to be noted in the license file

The NRC has reviewed the aforementioned documents and has found reasonable assurance that the applicant has met the requirements of Part 40 to Title 10 of the Code of Federal Regulations allowing the release of this portion of the facility.

DISCUSSION

SMC operates a facility located in Newfield, New Jersey. This facility manufactures or has manufactured speciality steel and alloy additives. SMC is licensed by the NRC to ship, receive, possess, use and store source material pursuant to License No. SMB-743. One area where source material was stored pending shipment or use is Building Number D203 (G), also known as the G-Warehouse. G-Warehouse is constructed of a concrete slab floor and sheet metal siding approximately 90 feet (27 meters) wide by 200 feet (61 meters) long and is listed as a permanent restricted area in License No. SMB-743. SMC performed a comprehensive survey of the facility entitled, "Final Status Survey Report of the G-Warehouse," dated March 28, 2001 and found it free of contamination and has requested that it be removed from License No. SMB-743.

ENVIRONMENTAL REVIEW

The G-Warehouse was only used to store containerized materials, the final surveys indicated that there was no residual contamination present and therefore, no radioactive material was to be dispositioned. Because no remediation was required the staff has determined that this request is eligible for a categorical exclusion as defined in 10 CFR Part 51.22 (c)(11). We have based this determination on the fact that: (1) the release of the G-Warehouse is administrative in nature; (2) there is no significant change in the types or significant increase in the amounts of any effluents that may be released offsite; (3) there is no significant increase in individual or cumulative occupational radiation exposure; (4) there is no significant construction impact; and (5) there is no significant increase in the potential for or consequences from radiological accidents.

CONCLUSION

The staff concludes that: (1) there is reasonable assurance that the proposed action will not adversely impact upon the health and safety of the public or the environment; and (2) the application for the removal of "G-Warehouse is accordance with Part 40 to Title 10 of the Code of Federal Regulations. Therefore, approval of the amendment application is recommended.

NRC Region I has no objection to this action.

PRINCIPAL CONTRIBUTOR:

Michael Raddatz