

March 6, 2002

Mr. Timothy Knapp
Radiation Safety Officer
Cabot Corporation
County Line Road
P.O. Box 1608
Boyertown, PA 19512-1608

SUBJECT: CABOT CORPORATION - AMENDMENT 5 - AMENDMENT REQUEST DATED
OCTOBER 29, 2001, TO AUTHORIZE THE USE OF ELECTRONIC
INFORMATION EXCHANGE (EIE) (TAC NO. L31563)

Dear Mr. Knapp:

In accordance with your application dated October 29, 2001, and pursuant to Part 40 to Title 10 of the Code of Federal Regulations, Materials License SMB-920 is hereby amended to grant an exemption to 10 CFR 40.5, "Communications" to authorize the use of electronic filing. In granting the exemption to 10 CFR 40.5, we have determined, in accordance with 10 CFR 40.14(a), that the exemption is authorized by law, will not endanger life or property or the common defense and security and is otherwise in the public interest. License Condition 10 has been revised to include the date of October 29, 2001. Accordingly, License Condition 16 has been added and reads as follows:

Condition 16: In accordance with the provisions of 10 CFR 40.14, "Specific Exemptions" and notwithstanding the requirements of 10 CFR 40.5, "Communications," the licensee is hereby authorized to submit electronically any communication or report concerning the regulations in Part 40 and any application filed under these regulations.

All other conditions of this license shall remain the same.

Enclosed are copies of the amended Materials License SMB-920, the Safety Evaluation Report, and the Environmental Assessment.

If you have any questions regarding this matter, please contact Michael Lamastra of my staff at (301) 415-8139 or by e-mail at MXL2@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

T. Knapp

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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,

/RA/

Michael F. Weber, Director
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket 40-6940
License SMB-920
Amendment 5

Enclosures: 1. Materials License SMB-920
2. Safety Evaluation Report
3. Environmental Assessment

T. Knapp

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Docket 40-6940
License SMB-920
Amendment 5

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| OFC | FCLB | FCLB | OGC | FCLB | FCLB | FCSS |
| NAME | LFields* | PShea | STreby* | MBailey for LRoché* | MLeach* | MWeber |
| DATE | 1/25/02 | 3/04/02 | 2/28/02 | 2/28/02 | 3/05/02 | 3/06/02 |

*See previous concurrences

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.

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| Licensee | |
| 1. Cabot Corporation | 3. License Number SMB-920, Amendment 5 |
| 2. County Line Road Boyertown, PA 19512 | 4. Expiration Date March 29, 2002 |
| | 5. Docket No. 40-6940 Reference No. |

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|--|----------------------------------|--|
| 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 |
| Natural uranium and thorium | Any | 400 tons as elemental uranium and thorium |
9. Authorized place of use: The licensee's facility at County Line Road, Boyertown, Pennsylvania.
 10. Authorized use: Receipt, possession, and processing at the Boyertown, Pennsylvania, facility in accordance with the statements, representations, and conditions specified in the licensee's revised application dated March 16, 1994; and supplements dated May 24, August 17, and October 31, 1995; February 26, March 13, April 10, and November 26, 1996; February 13, 1997; August 11 and September 21, 1999.
 11. The licensee shall document all ALARA Committee's recommendations for achieving ALARA in radiation protection, proposed in each meeting. A copy of the recommendations shall be provided to the General Manager.
 12. Deleted by Amendment 1, June 1997.
 13. Release of equipment, facilities, or packages to the unrestricted area or to uncontrolled areas onsite shall be in accordance with the "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of Licenses for Byproduct, Source, or Special Nuclear Material," dated April 1993.
 14. The licensee shall collect the following samples at the Boyertown site and analyze for radioactivity at least quarterly:
 - a. Composite samples from a continuously collected sample of the effluent at Outfall 001 when effluent is discharged.
 - b. Upstream and downstream water samples (relative to Outfall 001) of West Swamp Creek.
 - c. Groundwater samples from Monitoring Wells 1a, 2, 3, and 4 identified in Figure 4.1 of NUREG-1027.

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

SMB-920

Docket or Reference Number

40-6940

Amendment No. 5

If the concentration of any radionuclide in a representative groundwater sample from any of the monitoring wells exceeds 5 percent of the value given in 10 CFR Part 20, Appendix B, Table II, an investigation shall be made to determine the possible cause and appropriate action shall be taken.

If the concentration of a radionuclide exceeds 10 percent of the value in Table II, the licensee shall report the incident to the Administrator, Region I, U.S. Nuclear Regulatory Commission, within 30 days after the analysis is received by the licensee.

- d. Sediment samples from upstream and downstream locations in West Swamp Creek and immediately downstream of Outfall 001. If gross alpha concentrations exceed 100 pCi/g, an investigation shall be made to determine the cause.

The licensee shall maintain a record of all monitoring results obtained in accordance with this license condition.

15. At intervals not to exceed 24 months, from September 30, 1998, the licensee shall evaluate the decommissioning funding plan and the financial surety arrangements, including the potential cost to dispose of the stored filter cake, to assure that funds will be available for decommissioning. If the licensee determines that the decommissioning cost exceeds the financial surety by 10%, amended financial surety arrangements incorporating the new decommissioning cost shall be provided to NRC within 60 days.
16. In accordance with the provisions of 10 CFR 40.14, "Specific Exemptions" and notwithstanding the requirements of 10 CFR 40.5, "Communications," the licensee is hereby authorized to submit electronically any communication or report concerning the regulations in Part 40 and any application filed under these regulations.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Date: _____

By: Michael F. Weber, Director
Fuel Cycle Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS
Washington, DC 20555

DOCKET: 40-6940

LICENSEE: Cabot Corporation
Boyertown, PA

SUBJECT: SAFETY EVALUATION REPORT: APPLICATION DATED OCTOBER 29, 2001 -
AMENDMENT 5

BACKGROUND

Since the Summer of 1999, the Nuclear Regulatory Commission has operated a pilot program for electronic submission of official documents to the agency. The Electronic Information Exchange (EIE) system was officially implemented with the issuance of Regulatory Issue Summary (RIS) 2001-05 on January 25, 2001. The RIS addresses all Part 50 submittals and allows for EIE and CD-ROM submittals in lieu of hardcopy on a voluntary basis. The NRC is now planning to expand the pilot program to include Fuel Cycle Facilities.

DISCUSSION

By letter dated August 6, 2001, the NRC invited Cabot Corporation (Cabot) to participate in the EIE pilot program and gave them the option to submit official documents to the agency in an electronic form only, which would require an exemption to 10 CFR 40.5. By letter dated October 29, 2001, Cabot requested the electronic form only option and provided the exemption request. This program has been undertaken for the convenience of the NRC and Cabot Corporation; therefore, we have determined, in accordance with 10 CFR 40.14(a), that the exemption is authorized by law, will not endanger life or property or the common defense and security and is otherwise in the public interest.

CONCLUSION

The NRC staff has reviewed the proposed amendment and has determined that the proposed changes will have no adverse effect on the public health and safety or the environment. Therefore, the amendment application is approved.

PRINCIPAL CONTRIBUTOR

Leslie Fields

DOCKET: 40-6940

LICENSEE: Cabot Corporation
Boyertown, PA

SUBJECT: ENVIRONMENTAL ASSESSMENT FOR CABOT LICENSE AMENDMENT
REQUEST DATED OCTOBER 29, 2001

1.0 INTRODUCTION

1.1 Background

The purpose of this document is to assess the environmental consequences of a proposed license amendment for the Cabot Corporation (Cabot or licensee). The regulations in 10 CFR 40.5 "Communications" require communications or reports concerning the regulations in 10 CFR Part 40 as well as any applications filed under these regulations to be submitted to the Commission by mail or personal delivery. The amendment would allow the licensee to submit these licensing documents electronically.

The Cabot facility in Boyertown, PA, is authorized to possess natural uranium and thorium in any chemical or physical form in any amount that will not exceed 400 tons. The facility processes tin slags, tantalite, and columbite ores to extract tantalum and niobium. Cabot has requested an administrative change to the procedure for submitting documents. The current procedure for submitting licensing documents includes sending the paper form of the original document and 6 additional copies via US mail.

1.2 Review Scope

This Environmental Assessment (EA) serves to (1) present information and analysis for determining whether to issue a Finding of No Significant Impact (FONSI) or prepare an Environmental Impact Statement (EIS); (2) fulfill the NRC's compliance with the National Environmental Policy Act (NEPA) when no EIS is necessary; and (3) facilitate preparation of an EIS if one is necessary. Should the NRC issue a FONSI, an EIS is not necessary; therefore, a license amendment could be granted without preparation of an EIS.

1.3 Proposed Action

The proposed action is to amend NRC Materials License SMB-920 to include an exemption to 40.5, "Communications," to allow the electronic submittal of any communication or report concerning the regulations in Part 40 and any application filed under these regulations.

1.4 Need for Proposed Action

The proposed action would allow the licensee to send licensing documents electronically via the internet as outlined in the RIS 2001-05 "Guidance On Submitting Documents to the NRC by Electronic Information Exchange or on CD-ROM."

10 CFR 40.5 states that any communication or report concerning the regulations in this part must be sent by mail or delivered in person. The opportunity to submit electronically is not addressed in the regulation. Cabot believes that the electronic submittals are authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest.

Financial savings should be realized based on a decrease in supplies and storage, increased efficiency, reduction in staff, increased safety and security, and insurance against loss of valuable information due to disasters such as fire or flood. This amendment also offers a significant alternative to slow mail processing from US postal service. In addition, electronic submittals cut the costs associated with printed business forms and postage, shortens order-to-payment cycles and leaves fewer documents to file away. Electronic materials eliminate paperwork, minimize errors and improves inventory management. Finally, electronic materials can be searched electronically saving time.

1.5 Alternatives

The alternatives available to the NRC are:

1. Approve the license amendment request as submitted; or
2. Deny the amendment request

2.0 EFFLUENT RELEASES AND MONITORING

For Alternatives 1 and 2, no changes to the effluents and monitoring program are expected as a result of approving or denying this amendment request

3.0 ENVIRONMENTAL IMPACTS OF PROPOSED ACTION AND ALTERNATIVES

3.1 Public Health, Occupational Health, Water Resources, Geology, Soils, Air Quality, Demography, Biota, Cultural, and Historic Resources

The NRC staff has determined that approval or denial of the proposed amendment request will not impact the quality of water resources, public health, occupational health, water resources, geology, soils, air quality, demography, biota, cultural and historic resources at or near the Cabot site.

3.2 Natural Resources

Alternative 1

There will be a reduction in the amount of paper printed, stored, copied, and mailed.

Alternative 2

There will be an increase in the amount of paper printed, stored, copied, and mailed.

3.3 Alternatives

The action that the NRC is considering is approval of an amendment request to Materials License issued pursuant to 10 CFR Part 40. The proposed action is to amend NRC Materials License SMB-920 to exempt the licensee from sending paper document by mail or delivering in person as specified in 40.5 "Communications." The alternatives available to the NRC are:

1. Approve the license amendment request as submitted; or
2. Deny the amendment request.

Based on its review, the NRC staff has concluded that there are no negative environmental impacts associated with the granting of the amendment request. In fact, the staff finds that granting the request would benefit the environment by reducing the amount of printed paper the licensee would be required to use otherwise. Therefore, the staff supports the selection of Alternative 1.

4.0 AGENCIES AND PERSONS CONTACTED

The NRC determined that no agencies or persons needed to be consulted during the preparation of this document.

5.0 REFERENCES:

Dodd, Jeff; Smart Computing How the Internet Works, Part 1, www.smartcomputing.com

6.0 CONCLUSIONS

Pursuant to the National Environmental Policy Act of 1969 (NEPA) and the Commission's regulations in 10 CFR Part 51, the Commission has determined that there will not be a significant effect on the quality of the human environment resulting from the electronic submittal of the licensing documents concerning the regulations in 10 CFR Part 40. Accordingly, the preparation of an Environmental Impact Statement is not required for the proposed amendment to the Cabot Corporation's license, which will allow this electronic transmittal in lieu of a paper copy. This determination is based on the foregoing Environmental Assessment performed in accordance with the procedures and criteria in 10 CFR Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions."

The Cabot Corporation's amendment request and related documents are available for inspection and copying for a fee at Headquarters Public Document located in One White Flint North, 11555 Rockville, Maryland 20852-2758. The documents may also be viewed in the Agency -wide Documents Access and Management System (ADAMS) located on the NRC website at www.nrc.gov

7.0 PRINCIPAL CONTRIBUTOR

Leslie C. Fields

1. Approve the license amendment request as submitted; or
2. Deny the amendment request.

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7.0 PRINCIPAL CONTRIBUTOR

Leslie C. Fields

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| OFC | FCLB | | FCLB | | OGC | | FCLB | | FCLB | | FCSS | |
| NAME | Lfields* | | Pshea* | | MSchwartz* | | LRoché* | | MLeach* | | MWeber | |
| DATE | 01/25/02 | | 02/27/02 | | 02/28/02 | | 02/28/02 | | 03/05/02 | | 3/06/02 | |

*See Previous Concurrence