

PROPOSED CONDITIONS FOR LICENSE SMB-920
CABOT SUPERMETALS, MARCH 27, 2003

Condition 9. Authorized place of use: The licensee's facility at County Line Road, Boyertown, Pennsylvania.

Condition 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 renewal application dated March 29, 2002; and supplements dated September 27, 2002; March 27, 2003; and _____.

Condition 11. The licensee shall document all ALARA Committee recommendations proposed in each meeting for achieving ALARA in radiation protection. A copy of the recommendations shall be provided to the General Manager.

Condition 12. Deleted by Amendment 1, June 1997.

Condition 13. Release of equipment, facilities, or packages to the unrestricted area or to uncontrolled areas on-site shall be in accordance with applicable NRC guidance, which may include 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.

Condition 14. The licensee shall collect the following samples at the Boyertown site on a quarterly frequency and analyze for relevant uranium and thorium decay series isotopes as specified in the licensee's monitoring plans:

- Composite samples from a continuously collected sample of the effluent at Outfall 001 when effluent is discharged.
- Upstream and downstream water samples (relative to Outfall 001) of West Swamp Creek.
- Groundwater samples from Monitoring Wells MW-3, 4, 95-01, 95-03, 95-04, 97-06, and Production Well 2 identified in Figure 1 of the submittal dated March 26, 2003.
- If the concentration of a radionuclide specified in the licensee's monitoring plans exceeds 10 percent of the corresponding value in Table II, the licensee shall report the incident to the Administrator, Region I, of the U.S. Nuclear Regulatory Commission, within 30 days after the analysis is received by the licensee.
- Sediment samples from upstream and downstream of Outfall 001 in West Swamp Creek.

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

Condition 15. At intervals not to exceed 24 months, from March 30, 2003, the licensee shall evaluate the decommissioning cost estimate and the financial surety arrangements, including the potential cost to dispose of the stored ore residues, to assure that funds will be available for decommissioning. If the licensee determines that the decommissioning cost exceeds the financial surety amount by more than 5%, or that the decommissioning cost is less than the financial surety amount such that the licensee prefers a reduced amount, amended financial surety arrangements shall be submitted for NRC approval and the revised surety instrument incorporating the new decommissioning cost shall be provided to the NRC within 60 days of the NRC's approval of the new surety amount. The surety instrument shall not be changed without NRC approval. The required signed documents will be sent to:

c/o Document Control Desk, Chief, Fuel Cycle Facilities Branch, Division
of Fuel Cycle Safety and Safeguards, Mail stop T8-A33, U.S. Nuclear
Regulatory Commission, 11545 Rockville Pike, Rockville, MD 20852-2738.

Condition 16. The licensee may, subject to conditions specified in this condition and without obtaining a license amendment, make changes in the facility, make changes in the procedures, and conduct test or experiments not described in the license application. Such changes, tests, or experiments may not result in the following:

- Any foreseeable and appreciable increase in the frequency of occurrence of an accident;
- Any foreseeable and appreciable increase in the consequences of an accident;
- Any foreseeable and appreciable increase in the likelihood of occurrence of a malfunction of a structure, system, or component (SSC) important to safety;
- Any foreseeable and appreciable increase in the consequences of a malfunction of an SSC; or
- A significant departure from the method of operation described in the license application (as updated).

The licensee's Safety and Environmental Review Panel (SERP) shall make determinations concerning the above considerations. The SERP shall consist of the following individuals, at a minimum: one member with expertise in management (e.g., the Plant Manager) who is responsible for financial approval for changes; one member with expertise in operations and/or construction (e.g., the Chemicals Area Supervisor) who is responsible for implementing any operational changes; and the radiation safety officer (RSO) or equivalent, who is responsible for assuring changes conform to radiation safety and environmental requirements. Additional members may be included in the SERP as appropriate, to address technical aspects such as groundwater, hydrology, surface-water hydrology, specific earth sciences, and other technical disciplines. Temporary members or permanent members, other than the three above-specified individuals, may be consultants.

The SERP shall maintain records of any changes made pursuant to this condition. These records shall include written safety and environmental evaluations made by the SERP that provide the bases for determining changes are in compliance with the requirements of this condition. Such records will be available for review by the NRC upon inspection.

Condition 17. 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.

Condition 18. All written notices and reports to NRC required under this license shall be addressed: c/o Document Control Desk, Fuel Cycle Licensing Branch Chief, Mail Stop T8-A33, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Materials Safety and Safeguards, U. S. Nuclear Regulatory Commission, 11545 Rockville Pike, Two White Flint North, Rockville, MD 20852-2738.

Incident and event notifications, which require telephone notification under 10 CFR 20.2202 and 10 CFR 40.60, shall be made to the NRC Operations Center at (301) 816-5100.

Condition 19. The licensee shall submit a Final Decommissioning Plan to the NRC no more than 6 months prior to the planned commencement of decommissioning of the processing facility.

Condition 20. The licensee shall ensure that the duties of the Radiation Safety Officer (RSO) are assigned to and carried out by a responsible, qualified individual at all times during plant operation. The licensee may define and implement a system to provide back-up, on-call support for the RSO to ensure that lapses in coverage do not occur.

Condition 21. The licensee will document unplanned releases of source or 11e.(2) by product materials. Documented information shall include, but not be limited to: date, radiological survey results, corrective actions, results of post remediation surveys (if taken), and a map showing the spill location and the impacted area. Documentation will be retained by the RSO for review by the NRC upon inspection.

The licensee will evaluate the consequences of the spill or incident/event against 10 CFR 20, Subpart "M," and 10 CFR 40.60 reporting criteria and report to the NRC Operations Center as required. If the licensee is required to report any incident, spill, or leak of source, 11e.(2) by product material, or process chemical that has a significant radiological impact on the environment to State or Federal Agencies other than the NRC, a notification shall be made to the NRC Headquarters Project Manager (PM) by telephone or electronic mail (e-mail) within 48 hours of the determination of reportability. A follow-up written report will be provided if required by the NRC Headquarters PM.