

February 18, 2005

MEMORANDUM TO: Michael T. Lesar, Chief
Rules and Directives Branch
Division of Administration
Office of Administration

FROM: Daniel M. Gillen, Deputy Director **/RA/**
Decommissioning Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

SUBJECT: NOTICE OF LICENSE AMENDMENT REQUEST OF MOLYCORP, INC., FOR ITS
WASHINGTON, PENNSYLVANIA, SITE

Attached please find one signed original, four copies, and an electronic version on a 3.5-inch diskette of the subject *Federal Register* Notice for transmittal to the Office of the *Federal Register* for publication.

ADM/DAS/RDB has been given owner's rights to the Notice in Agency wide Documents Access and Management System (ADAMS) ML050030165. Publicly available Nuclear Regulatory Commission (NRC) documents referenced in the Notice have been finalized in ADAMS and profiled for public release. ADAMS accession numbers for all such documents are provided in the text under Further Information.

Copies of this Notice and the document being made available for public comment have been forwarded to the Office of the Chief Information Officer (OCIO) staff at WEBWORK@nrc.gov for posting to the NRC public Web site.

Docket No. 040-08778

Staff Contact: Thomas McLaughlin

License No. SMB-1393

Phone No. (301) 415-5869

Attachments:

1. One original and four copies
2. One 3.5-inch diskette (electronic version)

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ML050030165 *See previous concurrence

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|-------------|--------------|--|---------|--|----------|--|----------|--|
| OFC | DWMEP | | DWMEP | | OGC | | DWMEP | |
| NAME | TMcLaughlin* | | KGruss* | | BSmith* | | DGillen | |
| DATE | 02/2/05 | | 2/14/05 | | 02/14/05 | | 02/18/05 | |

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NUCLEAR REGULATORY COMMISSION

DOCKET NO. 040-08778

**NOTICE OF AVAILABILITY OF ENVIRONMENTAL ASSESSMENT AND FINDING OF NO
SIGNIFICANT IMPACT FOR LICENSE AMENDMENT FOR
MOLYCORP, INC.'S FACILITY IN WASHINGTON, PENNSYLVANIA**

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of Availability.

FOR FURTHER INFORMATION CONTACT: Tom McLaughlin, Project Manager,
Decommissioning Directorate, Division of Waste Management and Environmental Protection,
Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission,
Washington, D.C. 20555-0001; Telephone: (301) 415-5869; fax number: (301) 415-5398;
e-mail: tgm@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is considering issuance of a license amendment to Molycorp, Inc. (Molycorp or licensee) for Materials License No. SMB-1393, to authorize an alternate decommissioning schedule for its facility in Washington, Pennsylvania. NRC has prepared an Environmental Assessment (EA) in support of this action in accordance with the requirements of 10 CFR Part 51. Based on the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate. The amendment will be issued following the publication of this Notice.

Attachment

II. EA Summary

The purpose of this proposed action is to allow the licensee to decommission its facility in a phased approach which will take longer than the two year period identified in the approved decommissioning plan (DP). Following an extensive supplemental characterization study, Molycorp found that there is a large volume of contaminated material in the subsurface. Molycorp will excavate the contaminated soils and transport them off-site to an NRC approved facility. Molycorp's proposed alternate decommissioning schedule shows that all decommissioning activities will be completed by the end of 2007. Molycorp's request is contained in a letter to NRC dated October 22, 2004.

An earlier, and more extensive, Environmental Assessment (EA) was prepared for License Amendment No. 5, in support of the NRC staff evaluation of Molycorp's final DP. The NRC staff determined that all steps in the proposed decommissioning could be accomplished in compliance with the NRC public and occupational dose limits, effluent release limits, and residual radioactive material limits. In addition, the staff concluded that approval of the decommissioning of the Molycorp Washington, PA, facility in accordance with the commitments in NRC license SMB-1393 and the final DP would not result in a significant adverse impact on the environment. The proposed action does not change the impacts analyzed in detail in the EA prepared for License Amendment No. 5.

If the NRC approves the license amendment, the authorization will be documented in an amendment to NRC License No. SMB-1393. However, before approving the proposed amendment, the NRC will need to make the findings required by the Atomic Energy Act of 1954, as amended, and NRC's regulations. These findings will be documented in a Safety Evaluation Report in addition to the EA.

III. Finding of No Significant Impact

The staff has prepared the EA (summarized above) in support of Molycorp's proposed alternate decommissioning schedule. The NRC staff has concluded that there will be no adverse environmental impacts associated with granting Molycorp an alternate decommissioning schedule. The impacts associated with this proposed action do not differ significantly from the impacts evaluated in the EA for approval of the DP in License Amendment No. 5. On the basis of the EA, the NRC has concluded that the environmental impacts from the action are expected to be insignificant and has determined not to prepare an environmental impact statement for the action.

IV. Further Information

Documents related to this action, including the application for amendment and supporting documentation, are available electronically at the NRC's Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. From this site, you can access the NRC's Agency-wide Document Access and Management System (ADAMS), which provides text and image files of NRC's public documents. The ADAMS accession number for the documents related to this notice are: Molycorp's letter to NRC dated October 22, 2004, ML043090063; EA prepared for License Amendment No. 5, ML003735909; EA prepared for this action, ML050330004; Molycorp's final DP, ML010540178; Federal Register Notice for Amendment No. 7, ML050030165. If you do not have access to ADAMS or if there are problems in accessing the documents located in ADAMS, contact the NRC Public Document Room (PDR) Reference staff at 1-800-397-4209, 301-415-4737, or by email to pdr@nrc.gov.

Any questions should be referred to Thomas McLaughlin, Division of Waste Management and Environmental Protection, U.S. Nuclear Regulatory Commission, Washington DC 20555, Mailstop T-7E18, telephone (301) 415-5869, fax (301) 415-5397.

Dated at Rockville, Maryland, this 18th day of February, 2005.

For the Nuclear Regulatory Commission.

/RA/

Daniel M. Gillen, Deputy Director
Decommissioning Directorate
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
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