

January 5, 2006

Mr. Henry A. Sepp  
Site Manager  
Westinghouse Electric Company LLC  
3300 State Road P  
Festus, MO 63028

SUBJECT: STATUS OF THE DECOMMISSIONING PLAN (TAC NO. L52624)

Dear Mr. Sepp:

By letter dated September 12, 2005 (ML053550335), supplemented by letters dated October 4, 2005 (ML053350330) and December 5, 2005 (ML053420416), Westinghouse Electric Company LLC (Westinghouse) submitted the Hematite Decommissioning Plan (DP), Rev. 2, with supporting documents. On October 5, 2005, the U.S. Nuclear Regulatory Commission (NRC) began its 90 day expanded acceptance review of the DP in accordance with NUREG-1757 (Consolidated NMSS Decommissioning Guidance), Vol. 1, Section 5.3<sup>1</sup>. The purpose of an expanded acceptance review is to determine if there is enough information in the DP and if the level of detail appears to be adequate for the NRC staff to perform a detailed technical review.

In addition, the expanded acceptance review includes a limited technical review. This technical review focused on those areas which experience has shown there to be the potential for significant technical deficiencies (i.e., site characterization, dose modeling, final radiation survey and cost estimate). The staff used the guidance in NUREG-1757 for conducting the review to identify technical deficiencies that could significantly impact the progress of the detailed technical review.

Staff has completed its review and has determined that the DP does not contain sufficient information as required by regulations and the guidance provided in NUREG-1757 and the level of detail is inadequate for the staff to perform a detailed technical review. The basis for this conclusion is outlined below.

Site Characterization - The site characterization was incomplete for burial pits and soils under the process building and for groundwater. Westinghouse did not provide its strategy for safely obtaining such information and evaluating the expected results against assumptions and conclusions made in the DP. This may impact dose modeling and formulation of the Derived Concentration Guideline Levels (DCGLs). Remedial Investigation Documents under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) were referenced in the text of the DP.

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<sup>1</sup>By letter dated October 31, 2005, Westinghouse submitted supplemental documentation, but requested that NRC not make these documents available to the public. By letter dated December 5, 2005, Westinghouse requested that NRC return these documents. Disposition of the October 31, 2005 submittal is being addressed separately and the documents were not included as part of the expanded acceptance review.

However, these documents were not submitted as part of the DP, nor was the specific information included as part of the DP.

Dose Modeling - Justification for the selected land-use scenarios and methods used for developing the sensitivity analysis are inadequate.

Final Radiation Survey- Neither the DP nor the Soil Survey Plan contain sufficient detail. Numerous technical basis documents (TBDs) are not available and are to be developed at a later date. Technical details on final status survey performance instrumentation and related quality measurements, such as background determination, surrogate nuclide use, scan Minimum Detectable Concentrations (MDCs) and static MDC are lacking.

Cost Estimate - In addition to the DP, the staff reviewed Westinghouse's increased decommissioning cost estimate for the Hematite facility submitted to NRC, dated May 11, 2005. This submittal was related to the first submittal of the DP in April 2004. At the time, the NRC project manager decided to request additional information on financial elements of the DP. The submission was supplemented on June 28, 2005, with amendments to the financial instruments to cover the increased cost estimate. The staff reviewed the cost estimate and amendments to the financial instruments for compliance with Title 10 of the U.S. Code of Federal Regulations (10 CFR) 70.25 and conformance to NUREG-1757, Vol. 3. The staff concluded that the amendments to the financial instruments are acceptable to cover the May 11, 2005 cost estimate. However, the staff concluded that the licensee must submit additional detail for the cost estimate and therefore at least one request for additional information (RAI) would be needed. If additional detail increases the cost estimate, the financial assurances would need to be increased accordingly.

In addition to the technical deficiencies described above, the Environmental Report was reviewed by the staff and it was found to contain insufficient information to allow staff to complete an Environmental Assessment. The following deficiencies were noted: the impact analysis was focused primarily on the 10 acre tract; the information for evaluation of the potential impacts to residences on site and beyond the fence line of the site were not clearly defined; there is insufficient information to assess chemical, ecological, cumulative and other potential impacts; and information is insufficient about both the onsite burial pits and planned treatment of mixed waste on site.

NRC is not accepting Westinghouse's DP for the Hematite Project at this time due to these deficiencies. Acceptance at this time would likely require multiple rounds of RAIs from the NRC staff, and possibly require significantly more inspections. Additionally, Westinghouse has not yet developed certain TBDs which will need to be reviewed as part of the DP review.

Based on the above, we believe that Westinghouse management should meet with NRC management to discuss the path forward for the Hematite Project, to include the schedule for initiation of decommissioning at the Hematite Facility. Please contact Amy Snyder, of my staff, at (301) 415-8580, to arrange this meeting.

Please direct any questions concerning your request to me at (301) 415-7295.

Sincerely,

**/RA/**

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

Docket No.: 070-00036  
License No: SNM-00033

cc: G. M. Vytlačil, Manager, Licensing and Quality Assurance  
A. J. Nardi, Chairman, Project Oversight  
R. A. Kucera, Deputy Department Director for Policy  
Missouri Department of Natural Resources  
B. Moore, Project Manager, Missouri Department of Natural Resources

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