ATLAS CORPORATION

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RICHARD E. BLUBAUGH
Executive Vice President

May 14, 1999

King Stablein, Acting Chief
U.S. Nuclear Regulatory Commission
High-Level Waste and Uranium Recovery
Projects Branch (MS-T7J9)
Division of Waste Management
Office of Nuclear Material Safety and Safeguards
Washington, D.C. 20555-0001

Re: Docket No. 40-3453, Request to Amend License No. SUA-917 to Permit the Installation of a New Gas Pipeline within the Restricted Area

Dear Mr. Stablein:

This letter responds to your May 3, 1999 letter and request for additional information concerning Atlas Corporation's April 20, 1999 request to amend Source Material License No. SUA-917. As requested, the proposed amendment would permit Mid-Atlantic Pipeline Company (MAPCO) to install a new gas pipeline in its existing easement across Atlas' property and within the restricted area of the Atlas mill and tailings site.

According to your letter, NRC's review of the plan "Installation of New Gas Pipeline within Restrictred Area of the Atlas Mill Tailings Site" and accompanying material resulted in a need for additional information in order for NRC to complete its review. The "Request for Additional Information, Atlas Corporation New Gas Pipe Line Installation" enclosed with your letter contained six items. These six items are repeated in order below and Atlas' response immediately follows each item.

NRC –1. Please provide a map showing the location of the pipeline relative to the rest of the Atlas site. The maps provided do not show this information.

Atlas –1. Enclosed is a reduced version of Sheet 4 of 10, Drawing No. 88-067-E95, previously submitted in Atlas Corporation's Final Reclamation Plan, Volume 1, October 1996. The MAPCO easement centerline is depicted on the drawing as a solid line occasionally broken by the word "oil". The legend incorrectly identifies this as the approximate location of the 10" diameter "MIDAMERICAN Pipe Company Liquid Line." Please incorporate herein by reference the figure identified as Sheet 4 of 10 contained in Atlas' October 1996, Final Reclamation Plan, Volume 1.

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NRC –2. The highway designation on the drawing is U.S. 163. Is this the correct highway or should it be U.S. Highway 191?

Atlas –2. The highway designation is incorrectly shown on the drawing. The correct designation is U.S. Highway 191. The highway designation is correctly marked on several figures in the recently published "Final Environmental Impact Statement Related to Reclamation of the Uranium Mill Tailings at the Atlas Site, Moab, Utah." It is first shown correctly designated on Figure 1.1-1 of NUREG-1531 (p. 1-3).

NRC –3. Where will the contaminated materials be placed after their removal during right-of-way decontamination?

The plan indicates that the contaminated material will be transported to a central location within the site and then covered or sealed. Is this the tailings pile? If so, please provide more details on where, in the tailings pile, the material will be placed and whether it will be covered in a manner similar to the temporary cover currently on the pile. If the proposed location of the material is outside the pile, please identify the location and address the requirements in Criterion 6 of 10 CFR Part 40, Appendix A.

Atlas –3. The contaminated soil removed from the project area due to surface cleaning and excavation will be placed, temporarily, in the area identified on the enclosed drawing marked Sheet 3 of 10, which is a modification of the drawing identified as Sheet 3 of 10 in Atlas' October 1996, Final Reclamation Plan, Volume 1. This is a central location relative to the project area most likely to yield contaminated soil. Additionally, this location was selected because; 1) historically, the area was used as an ore storage area and already has some contaminated soils, 2) this area is hydrologically downgradient from the project area, thus would not be a potential source for recontamination of the cleaned soil placed in the pipeline trench, 3) the area is identified in Atlas' Final Reclamation Plan as a mill area requiring removal of surface decontamination, consequently, as part of final reclamation, the soil stockpiled as result of the pipeline project will be removed and placed on the tailings pile as part of the affected soil layer, and, 4) access to the area is convenient and no additional surface disturbance for road construction will be necessary.

Atlas and MAPCO anticipate that the amount of contaminated soil will be small, less than 5,000 cubic yards, and that the level of contamination will be very low since any contaminated soil will be substantially diluted with clean soil removed by the construction equipment used for the pipeline project. Further, as stated above, the storage of this soil will be temporary. This soil will be excavated and placed on the tailings pile later as part of the surface decontamination of the mill site, in accordance with the Final Reclamation Plan. In the interim, as stated in Section 4.0 Restoration of the submitted plan, "Installation of New Gas Pipeline within Restricted Area of the Atlas Mill Tailings Site":

> All contaminated material will be consolidated in a low profile pile and stabilized with a chemical stabilizer, soil cover, or synthetic cover.

With regard to the requirements contained in Criterion 6 of 10 CFR Part 40, Appendix A, Atlas believes the small amount of slightly contaminated soil that will be temporarily stockpiled will be either byproduct contaminated material or it may simply be soil, due to the dilution with uncontaminated soil. In any event, Atlas believes that this small volume of material will not present a risk to human health or the environment incremental to the soil upon which it will be placed. Therefore, compliance with the reclamation requirements and deadlines set forth in License No. SUA-917 with regard to final reclamation will likewise address final reclamation concerns for the soil resulting from the MAPCO Pipeline Project.

NRC – 4. After the surface areas have been cleaned, how will the pipeline trench material be verified as clean or within the required limits, and who will do this verification?

The information indicates that the right-of-way for the pipeline is going to be approximately 150 feet wide and approximately 1400 feet long. This should be enough room in which to work and keep clean material. It was not clearly indicated who would verify that the trench material is clean. Please identify who will perform that function.

Atlas – 4. By way of clarification, the right-of-way, or easement, is 30 feet wide, as stated in the introduction of the plan, and the area described as 150 feet wide by 1400 feet long is a corridor that will only be used during the installation of the pipeline.

The procedure for verifying soil excavated from the trench as clean or within the required limits is found in Section 3.0 Trenching and Backfill of the plan submitted April 20, 1999, for your review. Since soil identified as contaminated will be removed after excavation, only clean soil will be used as fill over the pipeline. As stated in the plan on page 3, the procedure is:

> Prior to placement of the clean trench material as backfill, a gamma survey of the pile [clean soil] will be conducted. Any anomaly above the gamma action level will be investigated via soil sampling and on-site gamma spectral analysis. Only soils with Ra-226 concentrations less than 5 pCi/g plus background will be used for backfill."

Atlas and MAPCO contemplate that the verification procedure would be performed by the Environmental Restoration Group, Inc.(ERG) of Albuquerque, New Mexico; and that the licensee's Radiation Control Coordinator would oversee the work to assure compliance with the license amendment permitting the project to proceed. If, for whatever reason, it is necessary to use personnel other than ERG, the licensee will ensure that they are competent and that they meet the qualifications required by NRC.

NRC – 5. Who is providing the radiation safety and contamination control coverage, Atlas or Mid-Atlantic Pipeline Company? What are the qualifications of the individual(s) involved, if it is not the Atlas radiation safety officer? What procedures will be used?

The cover letter dated April 20, 1999, indicates that the Atlas Site personnel monitoring procedure will be used. Since the work is being performed in the Atlas Site restricted area, Atlas radiation safety staff would provide the coverage and use their procedures. However, this is not clearly stated as such.

Atlas – 5. The responsibility for radiation safety and contamination control within the restricted area clearly resides with the licensee, at least that is Atlas' understanding. The licensee's radiation safety officer will assure that the activities and personnel of MAPCO and its subcontractors, agents or any other individual within the restricted area are in compliance with the license requirements for radiation safety and contamination control. The existing approved procedures under License SUA-917 will be used, as stated in the cover letter and the plan.

NRC – 6. The licensee needs to provide a map or drawing showing where the samples, whose analyses were reported in the accompanying report from Barringer Laboratories, were taken.

Atlas – 6. See the enclosed drawing identified as Sheet 3 of 10.

Finally, in response to your request that Atlas provide an environmental report (ER), a supplement to an existing ER, or justification that an ER is not required, Atlas believes that an ER is not required for the following reasons:

- The soil under consideration herein, contaminated or not, is defined as "affected soil" in Atlas' Final Reclamation Plan and, as such, its use and potential environmental impacts are fully considered in NUREG – 1531, Final Environmental Impact Statement Related to Reclamation of the Uranium Mill Tailings at the Atlas Site, Moab, Utah, March 1999.

- The estimated volume of approximately 4,000 to 5,000 cubic yards of soil that is only slightly contaminated will be covered to preclude any significant emissions and will be stockpiled temporarily, until final reclamation is implemented. The temporary storage area will be graded and bermed to minimize precipitation run-on and run-off. Removal and placement of affected soil is performed early in the reclamation schedule.

- Issuance of the amendment will not result in an expansion of the site, significant change in types or amounts of effluents.

- The proposed amendment will not result in a significant increase in individual or cumulative occupational radiation exposure, or an increase in the potential for or consequences from radiological accidents.

- Issuance of the amendment will result in positive societal and economic benefits as discussed in MAPCO's Plan of Development for its Rocky Mountain Loop Project, October 1998. (This document can provided at your request.)

Atlas Corporation reiterates its request that NRC amend License SUA-917 to permit MAPCO to install the new 16-inch pipeline and to lower the existing 10-inch pipeline, both within the restricted area, in accordance with the plan submitted April 20, 1999, the existing radiation safety and contamination control procedures, and the information contained in this response to NRC's May 3, 1999 request for additional information.

Further, as MAPCO is progressing rapidly in its project to the point where it needs to begin final planning for the installation across Atlas' property, Atlas again requests that NRC act on this license amendment request as expeditiously as possible.

We look forward to hearing from you soon. Please contact the undersigned if you have any further questions concerning this request.

Sincerely,

Richard E. Blubaugh

Enclosures
cc: G. B. Shafter
D. L. Edwards
Gary Harkey, MAPCO