

April 17, 2006

Ms. Anne E. Haaker
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1512

SUBJECT: CLARIFICATION OF PROPOSED ACTION ASSESSED IN THE U.S. NUCLEAR REGULATORY COMMISSION (NRC) ENVIRONMENTAL ASSESSMENT FOR THE PROPOSED LICENSE RENEWAL OF THE HONEYWELL METROPOLIS WORKS FACILITY (IHPA LOG #027121905)

Dear Ms. Haaker:

By letter dated January 30, 2006 (Enclosure 1), we submitted a letter to you initiating the Section 106 process for the proposed license renewal of the Honeywell Metropolis Works (MTW) facility near Metropolis, Illinois. We subsequently received a copy of your letter, dated January 18, 2006 (Enclosure 2), to the MTW facility plant manager, stating that a Phase I archaeological reconnaissance survey to locate, identify, and record all archaeological resources within the project area will be required prior to proceeding with the license renewal process. The basis for this decision was an understanding that the proposed action (i.e., renewal of the facility's source material license) would involve reforestation of previously undisturbed portions of the plant site. The purpose of this letter is to clarify the activities that are, and are not, included within the scope of the proposed action and to request concurrence with our determination that the proposed action does not adversely affect any historic properties. This letter is a follow-up to a March 14, 2006, discussion between David J. Halpin, a staff archaeologist with your office, and Neil Haggerty, of my staff.

We do not agree that a Phase I archaeological reconnaissance survey should be required prior to approval of a renewed source material license for the Honeywell MTW facility. The basis for this position is twofold: 1) the proposed action is of an administrative nature only, and does not involve modification of the site or its environs, and 2) the licensed activities performed under the proposed action will occur almost entirely with the portion of the site that has been heavily disturbed throughout the past 40 to 50 years of facility operation. Consequently, the reforestation activities associated with IHPA log number 027121905, as described in your January 18, 2006, letter, are separate from the license renewal action discussed in our January 30, 2006, letter and should not delay the consultation process for this action.

The proposed action under review by the NRC in the subject environmental assessment is the renewal of the Honeywell Source Material License, SUB-526, for an additional 10 years of operation. With this renewal, the MTW facility will continue to convert natural uranium ore concentrates into uranium hexafluoride (UF₆) for the commercial nuclear power industry. Our environmental assessment for renewal of the MTW license did not address issues that were outside the scope of the proposed action. The proposed action involves neither the

construction or demolition of any buildings, structures, or facilities nor any ground surface disturbing activities within or outside the plant site. If we approve the proposed action and renew the facility's license, Honeywell may propose future modifications to the plant site; however, any such modifications would continue to be subject to the appropriate State and/or Federal reviews and approvals. Section 4.1.1.1 of the environmental assessment supports the requirement to consider potential impacts on cultural resources by requiring that archaeological surveys must be undertaken prior to initiation of new construction projects planned for areas that are outside of the current development footprint or that would take place in a previously undeveloped area. Consequently, any future proposed activities with potential cultural resources impacts, such as the reforestation activity discussed in your January 18, 2006, letter should be reviewed by your agency when they are proposed by Honeywell.

Additionally, as discussed in our January 30, 2006, letter, the MTW facility is located on a 405-hectare (1000-acre) plant site approximately 1.6 kilometers (1 mile) northwest of the Metropolis city limits, along the northern bank of the Ohio River in Massac County, Illinois. Before being purchased by AlliedSignal over 45 years ago, much of the site was used for agriculture. The flood plain within the MTW site was cultivated in the past, but is no longer farmed and is returning to a more natural vegetation stand. However, although the area of potential effect (APE) for this license renewal action includes the entire 405-hectare (1000-acre) facility site and the immediate environs, plant operations associated with the NRC-licensed activity are conducted primarily in a fenced restricted area covering approximately 22 hectares (54 acres) in the north-central portion of the site. Virtually the entire 22-hectare (54-acre) restricted area has been heavily disturbed by industrial construction activities throughout the past 48 years of plant operation. Currently, this restricted area includes:

- buildings and facilities in which the chemical processing and administrative activities are conducted;
- parking lots;
- storage areas for uranium ore concentrates received from uranium mills and UF₆ product cylinders awaiting transfer to enrichment facilities;
- a bulk storage area for process chemicals;
- treatment systems and waste water storage ponds for liquid wastes; and
- other structures and facilities required for the industrial processes conducted at this facility.

After a review of the potential impacts of the proposed action; i.e., renewal of Source Material License SUB-526 for the MTW facility, we have determined that this proposed action will not adversely affect any historic and cultural resources that may be present on the facility site. The supporting basis for this conclusion is provided above. We request your concurrence with this determination that the proposed action does not adversely affect any historic properties. To support a timely review of the Honeywell license renewal application, we request that this concurrence be provided within 30 days.

In accordance with 10 CFR 2.390 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 Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

A.E. Haaker

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If you have any questions, please contact Mr. Neil Haggerty of my staff by telephone at (301) 415-5196, or by e-mail at nxh3@nrc.gov. Written response can be provided to: B. Jennifer Davis, c/o Document Control Desk, U.S. Nuclear Regulatory Commission, Mailstop T-7J08, Washington DC, 20555-0001. Thank you for your assistance.

Sincerely,

/RA/

B. Jennifer Davis, Chief
Environmental Review Section
Division of Waste Management
and Environmental Protection
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-3392
License No.: SUB-526

Enclosures: 1) Letter from B. Jennifer Davis, NRC, to William L. Wheeler, Illinois Historic Preservation Agency, "Initiation of Section 106 Process for the Proposed License Renewal of Honeywell's Metropolis Works Facility, Metropolis, Illinois," dated January 30, 2006 **[ML060230203]**
2) Letter from Anne E. Haaker, Illinois Historic Preservation Agency, to David Edwards, Honeywell Specialty Materials, "License Renewal of UF6 Conversion Facility (SUB-526)," dated January 18, 2006 **[ML060760213]**

A.E. Haaker

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Sincerely,

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Environmental Review Section
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Docket No.: 40-3392
License No.: SUB-526

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DATE	03/10/06	04/17/06	