



Westinghouse Electric Company
Hematite Former Fuel Cycle Facility
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USA

U.S. Nuclear Regulatory Commission
Document Control Administrator
Washington, DC 20555

Date: October 9, 2006

Our ref: HEM-06-75

Subject: Clarification of Amendment No. 52 to Materials License No. SNM-00033

Reference: 1) Westinghouse letter to NRC dated October 5, 2004, "Request for Amendment to Chapter 1 of SNM-33"

2) NRC letter to Westinghouse received June 30, 2006, "Amendment No. 52 to Materials License No. SNM-00033 Authorizing Building Demolition at the Hematite Facility into the License (TAC NO. L52641)"

Dear Mr. Glenn:

In Reference 1, Westinghouse Electric Company, LLC (WEC) submitted a License Amendment Request (LAR) for the Hematite SNM-00033 to allow building demolition. In Reference 2, NRC provided Amendment 52 of the License approving the request. The License Amendment, however, added restrictions under Section 9.E, previously not imposed.

WEC believes the new restrictions may not be necessary or may conflict with other activities allowed under the License. The following provides a discussion of each restriction to clarify WEC's understanding of the concern and activities permitted under the License.

Therefore, WEC requests that these restrictions be removed or further clarification be provided.

Section 9.E states: "The licensee shall not perform the following activities until they are approved by specific license amendment or a NRC-approved Decommissioning Plan:

1. Soil and groundwater remediation
2. Final status surveys for NRC approval
3. Subsurface disturbance to include trenching
4. Waste treatment on-site
5. Staging of Material or Equipment in the Burial Pit Area except existing pads and roadways."

N/MSSO1

The following is the WEC understanding of each restriction;

Sections 9 E. 1. - Soil and groundwater remediation

The Proposed Decommissioning Plan submitted to the NRC provides descriptions of these tasks. WEC understands that these tasks shall not be initiated without prior NRC approval of the Decommissioning Plan.

WEC requests this restriction be removed based on the understanding provided above.

Section 9 E. 2. - Final status surveys for NRC approval

The Proposed Decommissioning Plan submitted to the NRC provides descriptions of these tasks. WEC understands that these tasks shall not be initiated without prior NRC approval of the Decommissioning Plan.

WEC requests this restriction be removed based on the understanding provided above.

Section 9 E. 3. - Subsurface disturbance to include trenching

This restriction could be interpreted that Hematite may no longer perform any future soil or groundwater characterization and would prevent the site from proceeding with planned isolation of underground utilities without prior NRC approval.

This restriction appears to conflict with activities permitted under Section 9.B. of the License which states: "Activities necessary to plan for the decommissioning of the site including, but not limited to, such activities as site characterization."

The Hematite Project intends to perform additional site characterization, as previously allowed under the license. WEC understands that any work requiring excavation of soil in buried waste areas would not be performed without prior notice and approval by the NRC.

WEC requests this restriction be removed based on the understanding provided above or provide further clarification.

Section 9 E. 4. - Waste treatment on-site

The site has performed waste treatment activities as allowed under the NRC License and the State NPDES Permit. For example, the existing Investigative Derived Waste (IDW) system allows WEC to treat by filtration and discharge water generated from routine sampling and characterization activities. Hematite needs the flexibility to operate the IDW system.

WEC requests this restriction be removed based on the understanding provided above or provide clarification of the prohibited waste treatment activities.

Section 9 E. 5. - Staging of Material or Equipment in the Burial Pit Area except existing pads and roadways

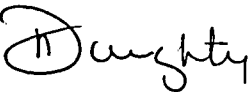
It is WEC's interpretation that the intent of this requirement is to prevent staging of items over buried waste, as related to building demolition activities. It does not restrict this area for other activities that are either permitted under the License or required to support site operations, maintenance, characterization and decommissioning.

WEC requests this restriction be removed based on the understanding provided above or provide further clarification.

In conclusion, based on the WEC's understanding of the NRC concerns and the clarifications made above, WEC believes these restrictions are not necessary or may be overly restrictive. Please consider deletion of section 9.E or provide further clarification.

Should you have any questions concerning this submittal please contact Tracy Chance at 314-810-3329.

Sincerely,

 FOR E.K. HACKMANN

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