

November 9, 2006

Mr. E. K. Hackmann
Director, Hematite Decommissioning Project
Westinghouse Electric Company
Hematite Former Fuel Cycle Facility
3300 State Road P
Festus, MO. 63028

SUBJECT: INTENT OF AUTHORIZED USE 9.E CONTAINED IN AMENDMENT 52 OF
SNM-00033

Dear Mr. Hackmann:

On June 30, 2006 the U.S. Nuclear Regulatory Commission (NRC) issued Amendment 52 to SNM-00033. This license amendment incorporated into Authorized Use 9.E additional activities which Westinghouse Electric Company, LLC (WEC) would not be allowed to perform without a specific license amendment or a NRC-approved Decommission Plan. The prohibited activities added in Amendment 52 [bolded] were the following:

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 or Waste in the Burial Pit Area except existing pads and roadways.**

In the WEC letter of October 9, 2006, WEC indicated that the restrictions added to 9.E might be unnecessary or need clarification as to their intent. The letter provided WEC's understanding of the NRC's concern and the activities permitted under the licensee with respect to Authorized Use Items 9.E.1 - 9.E.5. The letter requested that the NRC either remove these restrictions or provide clarifications. We have reviewed WEC's understandings and provide the following in response.

Amendment 52 was issued with its focus being building demolition at the Hematite site. Amendment 52 permitted the demolition or dismantling of buildings excluding foundations or slabs. The intent of the restrictions incorporated in 9.E was to ensure that during the building demolition and dismantlement process, subsurface material was not disturbed and that site characterization activities were not initiated under the guise of demolition work. This letter is intended to address the prohibited actions contained in Authorized Use 9.E.

Authorized Use 9.E.1 and 9.E.2

It is our understanding that the demolition activities have not begun. Since the WEC letter of October 9th indicates that soil and groundwater remediation and final status surveys will not occur until the Decommissioning Plan is approved for the site, there is no disagreement

between WEC and the staff. We believe that these two prohibitions do not present any impairment with respect to either building demolition and dismantlement or to site characterization work. Therefore, the staff sees no necessity in removing the restrictions of Authorized Uses 9.E.1 and 9.E.2 since WEC will not be performing any such activities until the Decommissioning Plan is approved.

Authorized Use 9.E.3

Authorized Use 9.E.3 was intended to limit the activities associated with demolition and dismantlement of the buildings so that there would be no disturbance of subsurface material and no trenching. While Authorized Use 9.B permits site characterization activities associated with the decommissioning of the site, the staff believed it was necessary to specifically state that trenching was an activity which the staff would find unacceptable. WEC's October 9th letter clearly indicates your understanding that any site characterization work, which would involve the excavation of soil in the buried waste areas, would require NRC staff approval. The staff believes that WEC's understanding did not encompass sufficient limitations. As noted above, amendment 52 addressed building demolition and dismantlement. Therefore, subsurface excavation should not occur in either the buried waste areas or in the areas of the buildings to be demolished or dismantled.

Authorized Use 9.E.4

It was not the NRC's intent that Authorized Use 9.E.4 would prevent waste water treatment activities associated with the NRC's License for Hematite or involving Hematite's State NPDES Permit. Authorized Use 9.4 was added with Amendment 52 to ensure activities associated with building demolition and dismantlement involved no waste treatment prior to the approval of a decommissioning plan. Activities, such as those associated with your Investigative Derived Waste system, may continue without being considered in conflict with the restrictions of 9.E.4.

Authorized Use 9.E.5

As written, Authorized Use 9.E.5 limits the staging of material and equipment only to existing pads and roadways. The staff's intent was to ensure that the staging of material and equipment for building demolition activities was limited to existing roadways and pads. For characterization activities, staging is not restricted to existing pads and roadways.

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We hope this clarifies any confusion associated with Amendment 52. If you have any questions, please contact Jack Hayes of my staff at: (301) 415-3167 or via e-mail: jjh@nrc.gov.

Sincerely,

/RA/

Rebecca Tadesse, Branch Chief
Materials Decommissioning Section
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

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and Environmental Management Programs

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OFFICE	DWMEP	OGC	DWMEP
NAME	JHayes	JHull	RTadesse
DATE	11/9/06	11/3/06	11/9/06

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