

January 15, 2007

Mr. Amir Kouhestani
U.S. Nuclear Regulatory Commission
Two White Flint North Building
11545 Rockville Pike
Rockville, MD 20852-2738

**Re: Mallinckrodt CT Phase II D&D, NRC License STB-401
Clarification of Path Forward**

Dear Mr. Kouhestani:

As requested at the November 15, 2006 meeting with the NRC staff, I am submitting this letter to respond to your request to provide clarification about Mallinckrodt's position on the St. Louis Plant CT decommissioning path forward. As discussed, the NRC provided guidance on the four possible options for moving forward with the CT Phase II D&D plan. The options identified by the NRC are as follows:

1. Withdrawal of the Decommissioning Plan.
2. Decommission under a restricted release.
3. Prepare a Total Site Dose Assessment (<25 mrem/yr) including FUSRAP areas.
4. Delineation of the entire site.

Historically, Mallinckrodt has remained clear and consistent regarding its basis for planning a phased decommissioning at the St. Louis Plant including a geographical delineation between FUSRAP and non-FUSRAP areas at the plant. Mallinckrodt remains committed to this approach to CT Decommissioning. We have not modified our position or our approach to delineation at the St. Louis plant site. In March 2006, Mallinckrodt received a letter dated March 23, 2006 from Deputy Director Daniel Gillen asking Mallinckrodt to select one of the license termination rule strategy options. The two options given to Mallinckrodt were either:

- Settle delineation of MED-AEC versus CT areas and areas to be remediated by the FUSRAP program versus areas to be decommissioned by Mallinckrodt; or

- Demonstrate radiological dose compliance with 25 mrem/yr for the entire site, including portions of the site remediated by the FUSRAP and portions decommissioned by Mallinckrodt.

Mallinckrodt responded to Mr. Gillen's request in a letter dated April 21, 2006 reiterating Mallinckrodt's position to settle delineation of areas affected by CT geographically and distinguish them from MED/AEC areas to be remediated by the U.S. Army Corps of Engineers (USACE) under FUSRAP. The Record of Decision¹ (ROD) for the St. Louis Downtown Site (SLDS) which was a result of the RI/FS process outlines the selected remedy for accessible soils at SLDS. Mallinckrodt understands that the USACE is currently drafting an Inaccessible Soils Record of Decision for SLDS to govern future investigation and remediation of inaccessible MED-AEC soils at SLDS.

The following list summarizes the FUSRAP versus CT remediation responsibilities across the St. Louis Plant.

Plants 3, 8, 9, 10, 11

Plants 3, 8, 9, 10, and 11 have been addressed in accordance with the SLDS ROD by the USACE under FUSRAP. A Post Remedial Action Plan (PRAR) is currently being drafted for this area.

Plant 1 & 2

Plants 1 and 2 have been remediated in accordance with the SLDS ROD by the USACE under FUSRAP. A PRAR for Plant 1² and for Plant 2³ were issued by the USACE. The reports document conclusions of the post remediation status.

Plant 5

As outlined in the CT Phase II D&D Plan, CT process operations were performed in Plant 5. Mallinckrodt has accepted characterization and remediation responsibilities within Plant 5. A drawing in the CT Phase II D&D Plan outlines the area included in the scope of CT decommissioning. This area was recently expanded (refer to letter from Mallinckrodt to NRC dated December 14, 2006) to include a small area of land along the west side of Building 250.

Plant 6

The area east and south of Building 101 has been addressed by the USACE of Engineers under FUSRAP. Remediation has been completed and the areas have been restored. Analytical data has been collected for inclusion in a Post

¹ USACE, *Record of Decision*, dated

² USACE, *Post-Remedial Action Report for the Accessible Soils Within the St. Louis Downtown Site Plant 1 Property*, dated September 10, 2004.

³ USACE, *Post-Remedial Action Report for the Accessible Soils Within the St. Louis Downtown Site Plant 2 Property*, dated January 2002.

Remedial Action Plan (PRAR) to be finalized once the area west of Building 101 (Plant 6W) has been addressed.

Mallinckrodt has reached an agreement with USACE regarding the Plant 6W area and the removal of the URO burial trenches (Trench nos. I through IX). A letter and drawing documenting the extent of Mallinckrodt responsibilities and FUSRAP responsibilities is currently being prepared and will be forwarded to the NRC. The letter will document Mallinckrodt's responsibilities inside the URO burial footprint and USACE's responsibilities outside of the URO burial footprint. Mallinckrodt will be handling the removal of the URO burial trenches as a source removal. An addendum to the CT Phase II D&D Plan will be prepared and submitted to the NRC. Mallinckrodt proposes to leave the URO burial trench number X underneath Building 101 for the interim. Intrusive remediation within the Building 101 footprint will cause significant business interruption for a key activity at the St. Louis Plant.

Plant 7

The entire Plant 7 area has been divided into two areas by the USACE referred to as Plant 7 North and South (7N&S) and Plant 7 West (7W). The Plant 7N&S area is being addressed by the USACE under FUSRAP. The Post Remedial Action Plan is currently being drafted for this area.

Mallinckrodt and the USACE agree that the Plant 7W area is an area where remediation responsibilities need to be delineated. As documented in the CT Phase II DP, Mallinckrodt proposed to decommission the exposed surface of the wastewater basins in Plant 7W in the event it was contaminated by wastewater from Plant 5. If soil beneath the concrete basins were radioactively contaminated, it was presumed to be MED-AEC residue. This remains subject to an agreement with the USACE. To date the USACE has not communicated an official position on the Plant 7W area to Mallinckrodt. Mallinckrodt understands that the USACE is currently working on a position paper for the Plant 7W area.

Although Mallinckrodt wishes to continue to decontaminate to remove NRC-licensed material from its site, we understand that the following unresolved issues may be dissuading the NRC staff from approving the CT Phase II Decommissioning Plan for the purpose of license termination.

1. Delineation of Plant 7W subsurface;
2. USACE ROD for inaccessible MED-AEC material on the SLDS
3. Leaving URO Burial Trench number X beneath B101.

We would like the opportunity to discuss continuing to decommission the St. Louis site by modifying the CT Phase II D&D plan to perform a source removal of the URO burials I through IX in addition to decommissioning Plant 5 and consider a Long Term Control License for the St Louis Plant site unless the unresolved issues get resolved prior to completion of the URO burials and Plant 5 areas. Once the

Mr. Kouhestani

1/15/07

Page 4 of 4

FUSRAP activities have been completed and the USACE ROD for inaccessible MED-AEC material has been issued for the St. Louis Plant Mallinckrodt would propose evaluating the site for license termination.

If you require any additional information, please let me know. I may be reached at 314-654-5838.

Sincerely,

A handwritten signature in cursive script that reads "Karen M. Burke".

Karen M. Burke

Cc: Patricia Duft
Henry Morton
File