



SHIELDALLOY METALLURGICAL CORPORATION

40-7102

10/2/97
via Certified Mail
9/29

DAVID R. SMITH
Environmental Manager
NEWFIELD OPERATIONS

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September 29, 1997

Mr. Michael Weber
Chief, Licensing Branch
Division of Fuel Cycle Safety and Safeguards, NMSS
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

**Re: Supplemental Information for Application for Renewal of Source Material License No. SMB-743
(TAC No. L21474)**

Dear Mr. Weber:

In a September 29, 1997 telephone call between representatives of Shieldalloy Metallurgical Corporation (SMC) and representatives of the USNRC (Ms. Melanie Galloway and Ms. Heather Astwood), SMC agreed to provide you with a listing of the key steps involved in the sale of CANAL to either foreign or domestic customers. The following is the listing of those steps:

- (1) Identify target customer(s)
- (2) Determine state/federal/country licensing requirements (if any) for performing a trial run using a limited quantity of CANAL.
- (3) Prepare and submit licensing package to applicable agency(ies).
- (4) Receive agency approval to proceed with trial run.
- (5) Package and ship limited quantity of CANAL to target customer(s) and monitor trial run(s).
- (6) Evaluate data/information from trial run and determine customer interest in purchase of CANAL.
- (7) Determine state/federal/country licensing requirements for sale of CANAL to customer(s).
- (8) Submit licensing package to applicable agency(ies).
- (9) Receive agency approval to sell and transport CANAL to customer(s).
- (10) Receive purchase order from customer(s) for CANAL.
- (11) Package/ship CANAL to customer(s) and debit SMC source material inventory accordingly.

If you have any questions or if I can provide you with additional information, please contact me at (609) 692-4200.

Sincerely,

David R. Smith
David R. Smith
Radiation Safety Officer

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NFOI 1/0

cc: Nigel C. Morrison
Mary B. Higgins
James P. Valenti
Carol Berger - IEM
Heather Astwood - USNRC Licensing Section 2
Penny Lanzisera - USNRC Region 1

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