



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

December 15, 1992

Docket No. 40-7102

Shieldalloy Metallurgical Corporation
ATTN: Mr. Craig R. Rieman
Radiological Safety Manager
West Boulevard
P.O. Box 768
Newfield, New Jersey 08344

Gentlemen:

Please revise your source material license renewal and amendment application, dated June 2, 1992, such that the license conditions are clearly distinguished from the descriptive information. Your application is laid out in the order of items 5 through 11 of Form 313 entitled "Application for Material License." Consequently, it does not clearly separate the license conditions from the descriptive information. It will be less costly for Shieldalloy Metallurgical Corporation (SMC) if it proposes license conditions to the Nuclear Regulatory Commission staff as opposed to the NRC staff developing and issuing them without consulting SMC.

Be advised that license conditions contained in your application will be reviewed by NRC staff in accordance with chapters one through six of the draft regulatory guide entitled "Guide for the Preparation of License Renewal Applications for Processors of Source Material for Elements Other than Uranium or Thorium" dated June, 1988, and the new 10 CFR Part 20. However, you are not required to adhere to the format recommended in the draft guide. It should be noted that certain sections of information, recommended by the draft guide, were either entirely absent from your submittal, such as a Decommissioning Plan, or fell short in terms of the level of detail. Please provide missing or incomplete information so that NRC can assure that safety to the workers, members of the public and the environment is maintained. It would be to your benefit to provide all information outlined by the draft guide, so that NRC does not have to delay renewal of your license with further requests for information.

I am enclosing a summary of our meeting of November 18, 1992. Please consider NRC suggestions contained in the summary in revising your application.

We also recommend that you separately request the NRC to amend your license to include any administrative changes, should they be required by you, prior to the processing of your license renewal application.

To facilitate our environmental review of your application, we request that you submit copies of permits granted by federal, state or local agencies, that allow routine releases of radioactivity to the environment. We also request that you submit any related analyses, such as the atmospheric radioactivity release source term calculations.

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Mr. Craig R. Rieman

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December 15, 1992

Please inform the NRC of your plan in this regard within two weeks of receiving this letter. I may be reached at (301) 504-2669.

Sincerely,

/S/

Yawar H. Faraz, Project Manager
Advanced Fuel and Special
Facilities section
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety
Office of Nuclear Material Safety
and Safeguards

Enclosure:
As stated

cc: D. Gaffigan, NJDEPE
J. Silberg, Esq.
M. Finn, Metallurg, Inc.

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