



March 8, 2005

Mr. David Smith
Environmental Manager
Shieldalloy Metallurgical Corporation
Aluminum Products & Powders Division
14 West Boulevard
P.O. Box 768
Newfield, NJ 08344-0768

Re: Shieldalloy Material and Envirocare Prices/Practices

Dear Mr. Smith:

Recent discussions regarding the decommissioning plan for Shieldalloy Metallurgical Corporation (Shieldalloy) and the license application for Long-Term Control (LTC) have included some statements about Envirocare's disposal prices and waste management practices.

I would simply like to state for the record that any independent representation of disposal cost at Envirocare is unfounded as we have not priced the material. In order for Shieldalloy to accurately assert off-site disposal costs, we request the opportunity to discuss the material with you.

Also, there is no reason to be concerned about the possibility of waste material from a project such as Shieldalloy being returned. Envirocare meets or exceeds all applicable regulatory requirements and operates in a location that is remote from residences and surface water and is naturally suitable for low-level radioactive waste disposal.

In addition to disposing of low-level radioactive waste, Envirocare provides services such as waste packaging, transportation, and waste characterization. These services aid in ensuring that material is properly managed and secured once and for all.

If we could be of assistance with your project or if you have any questions, please contact me at (801) 649-2000.

Very truly yours,

Bryan A. Melchior
Director, Business Development

c: Ken Kalman, NRC
Trevor Anderson, EPA Region 2
Jill Lipoti, Ph.D., NJDEP