



SHIELDALLOY METALLURGICAL CORPORATION

40-102 N
4/1/98

DAVID R. SMITH
ENVIRONMENTAL MANAGER
Aluminum Products & Powders Division

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March 25, 1998

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: Application to Amend Source Material License No. SMB-743 (TAC No. L21474)

Dear Mr. Weber:

Shieldalloy Metallurgical Corporation (SMC) is in receipt of the February 19, 1998 letter from Heather Astwood wherein changes to our November 25, 1997 license amendment application were requested. Pursuant to Ms. Astwood's request, a revised application that, with two exceptions, incorporates the changes exactly as requested, is being submitted under separate cover. The following are the exceptions:

- Comment 11 requested that section 4.5.5 of the SMC Radiation Protection Program Plan (RPPP) be deleted because it referred to the use of licensed material at off-site locations. SMC deleted the reference to the off-site locations, but retained the provision for temporary restricted areas at the Newfield facility only.
- Comment 13 requested that the frequency of instrument calibration referenced in our RPPP be in accordance to the manufacturer's specifications. For those cases when recommended calibration frequencies are not given by a manufacturer, or when a recommended frequency exceeds that specified in ANSI N323 (American National Standard Institute, "Radiation Protection Instrumentation Test and Calibration," N323-1978m, 1977), SMC wishes to retain the annual calibration requirement. We have, however, changed the wording to read as follows: " Calibration frequencies for instruments in the active inventory shall be at least once per year or more frequently if so recommended by the instrument vendor."

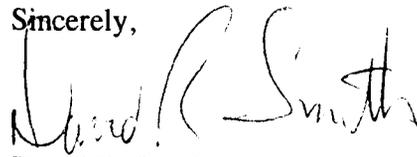
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Mr. Michael Weber
USNRC
March 25, 1998
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If you have any questions or if I can provide you with additional information, please call me at (609) 692-4200, extension 226.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Smith". The signature is written in a cursive style with a large, prominent "S" at the end.

David R. Smith
Radiation Safety Officer

cc: Nigel C. Morrison
Mary B. Higgins
James P. Valenti
Hugo L. Nieves
Lidia M. Stasiuk
Eric L. Schorndorf, Esq. - Metallurg
Carol D. Berger - IEM
Heather Astwood - USNRC Licensing Section 2
Penny Lanzisera - USNRC Region 1