

June 8, 2007

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)
)
SHIELDALLOY METALLURGICAL CORP.) Docket No. 40-7102
)
(Licensing Amendment Request for)
Decommissioning the)
Newfield, New Jersey Facility))

NRC STAFF'S FIRST STATUS REPORT

In its Memorandum and Order dated May 8, 2007, the Board directed the NRC Staff to file bimonthly reports regarding its review of Shieldalloy Metallurgical Corp.'s decommissioning plan (DP).¹ The reports are to contain "(1) a brief statement regarding the then status of the technical review; and (2) the Staff's then best estimate as to the completion date of the review and the release of the documents associated with it."² The first report is to be filed and served no later than today, June 8, 2007, and subsequent reports shall be filed and served no later than the end of the first full week of the month when due under the bimonthly schedule. Pursuant to the Board's Order, the Staff hereby submits its first status report.

Since late October 2006, the Staff has been conducting its technical review of both the environmental and safety-related aspects of the DP. The Staff formed an Environmental Review Team last October, which will prepare the environmental impact statement (EIS) related to the DP. This team is comprised of staff from the NRC and its contractor, Ecology & Environment. The Staff also formed a Safety Review Team last October to prepare the

¹ *Shieldalloy Metallurgical Corp.* (Licensing Amendment Request for Decommissioning of the Newfield, New Jersey Facility), LBP-07-05, 65 NRC __ (May 8, 2007) (slip op.).

² *Id.* (slip op. at 2).

safety evaluation report (SER). This team is comprised entirely of NRC staff. The Environmental and Safety Review Teams have been working together closely and have been holding weekly interface meetings to discuss mutual issues, share information, and provide technical support where needed.

By letter dated March 19, 2007, the Environmental Review Team transmitted its Request for Additional Information (RAI) to Shieldalloy.³ On April 26, 2007, the Staff received Shieldalloy's response to the environmental RAIs. The Staff is currently in the process of reviewing those responses.

The Safety Review Team plans to transmit RAIs to Shieldalloy later this month. These RAIs will be based in part on the responses Shieldalloy provided to the environmental RAIs. These RAIs will also encompass certain issues related to the DP that the New Jersey Department of Environmental Protection raised in comments submitted on March 16, 2007.⁴

Absent factors requiring the Staff to revise its schedule for completing the technical review, the staff anticipates holding a public meeting on its draft EIS in Newfield, New Jersey, in March 2008.

The following schedule provides the Staff's current best estimates as to when its review will be completed and when associated documents will be released. All estimates are predictated on Shieldalloy's submittal of documents and other information that meet the needs of the Staff's reviewers.

- Staff Transmits Safety RAIs to Shieldalloy
June 2007
- Shieldalloy's Response to Safety RAIs Due (120-day Response Period)
October 2007

³ "Request for Additional Information for Environmental Review of Proposed Decommissioning Plan for Shieldalloy Metallurgical Corporation, Newfield, New Jersey" (March 19, 2007) (ADAMS ML070780139.)

⁴ "New Jersey Department of Environmental Protection Comments Re: Shieldalloy Metallurgical Corporation (SMC) Decommissioning Plan, Rev. Ia" (March 16, 2007) (ADAMS ML070920158).

- Staff Completes Final SER
January 2008
- Staff Publishes Draft EIS (45-day Public Comment Period Begins)
March 2008
- Staff Holds Public Meeting on Draft EIS
March 2008
- 45-day Public Comment Period on Draft EIS Ends
April 2008
- Staff Issues Final EIS
October 2008

The Staff continues to progress in its review, and we will be prepared to provide the Board and the parties with updated estimates of these dates no later than August 10, 2007, the date set by the Board's Order.

Respectfully submitted,

/RA by Michael J. Clark/

Michael J. Clark
Counsel for the NRC Staff

Dated at Rockville, Maryland
this 8th day of June, 2007

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CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF'S FIRST STATUS REPORT" in the above captioned proceeding have been served on the following persons by deposit in the United States Mail; through deposit in the Nuclear Regulatory Commission internal mail system as indicated by an asterisk(*); and by electronic mail as indicated by a double asterisk (**) on this 8th day of June, 2007.

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