

August 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-MLA
)
(Licensing Amendment Request for)
Decommissioning of the)
Newfield, New Jersey Facility))

NRC STAFF'S SECOND 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 Corporation's plan for decommissioning its Newfield, New Jersey facility.¹ Pursuant to the Board's Order, the Staff submits its Second Status Report.

By letter dated July 5, 2007, the staff transmitted 73 safety-related requests for additional information (RAIs) to Shieldalloy. Although the staff typically requests responses to RAIs within 30 days, the staff recognized that, in the present case, certain RAIs may require Shieldalloy to conduct environmental sampling and perform laboratory work that cannot be completed within 30 days. Therefore, the staff requested that Shieldalloy provide its responses within 120 days. The staff anticipates holding several teleconferences with Shieldalloy to ensure that it has a clear understanding of the RAIs.

¹ "Memorandum and Order (Directing the Filing of Status Reports), May 8, 2007 (ADAMS ML071280297). The Board directed the Staff to file its first report no later than June 8, 2007 and subsequent reports no later than the end of the first full week of the month when due under the bimonthly schedule. *Id.* 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." *Id.*

The staff also continues to progress in its environmental review of the DP. The staff has received early draft versions of several chapters of the Environmental Impact Statement (EIS) from its contractor, Ecology & Environment, and the staff has been reviewing those drafts.

Also, on July 24, 2007, in connection with a regularly scheduled inspection of Shieldalloy's Newfield site, NRC staff and staff from the New Jersey Department of Environmental Protection (NJDEP) observed Shieldalloy take samples from groundwater wells at the Newfield site. Shieldalloy provided NRC staff and NJDEP staff with split samples so that each staff can conduct an independent analysis of groundwater at the site.

The staff anticipates holding a public meeting on its draft EIS in Newfield, New Jersey, no later than April 2008. The staff will place notice of this meeting in the Federal Register and contact local media as the staff nears completion of its draft EIS.

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. Each estimate is one month later than the estimate given in the staff's First Status Report.

- Shieldalloy's Response to Safety RAIs Due (120-day Response Period)
November 2007
- Staff Completes Final Safety Evaluation Report
February 2008
- Staff Publishes Draft EIS (45-day Public Comment Period Begins)
April 2008
- Staff Holds Public Meeting on Draft EIS
April 2008
- 45-day Public Comment Period on Draft EIS Ends
May 2008
- Staff Issues Final EIS
November 2008

The staff will provide the Board and the parties with updated estimates of these dates no later than October 10, 2007, the next date set by the Board's May 8, 2007 Order.

Respectfully submitted,

/RA by Michael J. Clark/

Michael J. Clark
Counsel for the NRC Staff

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

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CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF'S SECOND 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 August, 2007.

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