

**U.S. NUCLEAR REGULATORY COMMISSION
CIMARRON CORPORATION, CRESCENT, OK
DOCKET: 70-0925
SAFETY EVALUATION REPORT
AMENDMENT 20 OF CIMARRON CORPORATION'S LICENSE (SNM-928)
REGARDING LICENSE CONDITION 24 AND 27(e)(3)**

BACKGROUND

By letter dated August 6, 2008, The licensee, "Cimarron Corporation", submitted a request for the U.S. Nuclear Regulatory Commission (NRC) to amend License Condition 27(e)(3) of License SNM-928 for the Cimarron site in Crescent, Oklahoma. The current license condition requires an ALARA Committee consisting of at least three individuals employed by the licensee. However, as stated in the request, the proposed changes are necessary because, due to organizational changes, the licensee has no employees. The licensee therefore proposes that only the designee with managerial and financial responsibility for the decommissioning of the site be an employee of the licensee or the licensee's parent company. The Radiation Safety Officer (RSO) or equivalent and the designee with expertise in decommissioning will be retained by the licensee or the licensee's parent company.

In addition, the NRC staff notes that in License Condition 24, Ms. Karen Morgan is named as the RSO for the site. By letter dated August 22, 2007, Cimarron notified the NRC that Ms. Morgan is no longer associated with the site and that Mr. Rick Callahan has been serving as the manager of health physics personnel at the site for the past several years and will be serving as the RSO for the site. The staff therefore proposes deleting License Condition 24 and inserting a sentence in License Condition 27(e)(3) stating that "The Radiation Safety Officer (RSO) will be named in the licensee's Radiation Protection Plan (RPP)"

DISCUSSION

License Condition 24

By letter dated August 22, 2007, Cimarron notified the NRC that Ms. Morgan is no longer associated with the site and that Mr. Rick Callahan will be serving as the RSO for the site. The licensee included a description of Mr. Callahan's background, education and areas of expertise. The NRC staff reviewed these qualifications against the RSO evaluation criteria of Section 17.2.3.1 of its Consolidated Decommissioning Guidance (NUREG-1757) and determined that Mr. Callahan is qualified to serve as RSO on the basis of relevant experience and specialized knowledge.

The staff also determined that there was no need to list the RSO on the license as long as the RSO is named in the licensee's RPP for the site. Consequently, the license was not amended at that time, but the NRC Project Manger for the site noted that this condition would be revised when the license is amended for other purposes.

Now that the license is being amended for License Condition 27(e)(3) and the licensee has demonstrated in its December 5, 2007 submittal of its RPP that Mr. Callahan is named as the RSO, License Condition 23, stating that "Ms Karen Morgan is the Radiation Safety Officer for

the Cimarron Corporation Uranium Plant” will be deleted from the license. To ensure that a qualified RSO is always designated, and to enable the licensee to replace the RSO without a license amendment, the RSO will no longer be designated in the license, but will instead be designated in the RPP. Therefore, a sentence will be inserted in License Condition 27(e)(3) stating that “The Radiation Safety Officer (RSO) will be named in the licensee’s Radiation Protection Plan (RPP)” Moving this condition from License Condition 24 to License Condition 27(e)(3) enhances the clarity of the license by putting the reference to the RSO and the role of the RSO in the ALARA Committee under the same license condition. The licensee has agreed to this revision.

License Condition 27e

License Condition 27(e)(3) currently states:

The ALARA Committee shall consist of a minimum of three individuals employed by the licensee, and one of these shall be designated as the ALARA Committee chairman. One member of the ALARA Committee shall have expertise in management and shall be responsible for approval of managerial and financial changes; one member shall have expertise in decommissioning and shall have responsibility for implementing any decommissioning changes; and one member shall be the site Corporate Radiation Safety Officer or equivalent, with the responsibility for assuring changes conform to radiation safety and environmental requirements. Additional members may be included in the ALARA Committee as appropriate, to address technical aspects such as health physics, groundwater hydrology, surface-water hydrology, specific earth sciences, and other technical disciplines. Temporary members or permanent members, other than the three above-specified individuals; may be consultants.

However, as noted by the licensee in its August 6, 2008 license amendment request, as a result of organizational changes, Cimarron Corporation no longer has any employees and is therefore unable to meet the License Condition 27(e)(3) requirement that “The ALARA Committee shall consist of a minimum of three individuals employed by the licensee...”

The licensee proposed that the license condition be revised as follows

The ALARA Committee shall consist of a minimum of three individuals, one of whom shall be designated as the ALARA Committee chairman. Of these three designees, one shall have expertise in management and shall have managerial and financial responsibility for the decommissioning of the site; one shall have expertise in decommissioning and shall be responsible for site decommissioning, and one shall be the site Radiation Safety Officer or equivalent, and shall ensure conformance to radiation safety and environmental requirements. The designee with managerial and financial responsibility shall be employed by the licensee or the licensee’s parent company. Additional members may be included in the ALARA Committee as appropriate, to address technical aspects such as health physics, hydrogeology, and/or other technical disciplines. Except for the

representative of management, ALARA Committee members may be consultants.

The NRC staff has no objection to this revision in view of the current organization of the licensee and in recognition that most of the site has been decommissioned and released for unrestricted use, greatly reducing the potential for adverse effect on public health and safety, and the environment from the time when this license condition was first implemented.

However, to ensure that the licensee or the licensee's parent company retains responsibility for the ALARA Committee, the NRC staff has revised the proposed license condition by inserting the fourth sentence in the paragraph "The designees for decommissioning of the site and the Radiation Safety Officer or equivalent, shall be retained by the licensee or the licensee's parent company." The licensee has agreed to this revision and the revised license condition now reads as follows:

The ALARA Committee shall consist of a minimum of three individuals, one of whom shall be designated as the ALARA Committee chairman. Of these three designees, one shall have expertise in management and shall have managerial and financial responsibility for the decommissioning of the site; one shall have expertise in decommissioning and shall be responsible for site decommissioning, and one shall be the site Radiation Safety Officer or equivalent, and shall ensure conformance to radiation safety and environmental requirements. The designee with managerial and financial responsibility shall be employed by the licensee or the licensee's parent company. The designees for decommissioning of the site and the Radiation Safety Officer or equivalent, shall be retained by the licensee or the licensee's parent company. Additional members may be included in the ALARA Committee as appropriate, to address technical aspects such as health physics, hydrogeology, and/or other technical disciplines. Except for the representative of management, ALARA Committee members may be consultants.

CONCLUSION

The NRC staff has determined that the proposed license amendment, as modified by the NRC staff, and discussed in this SER, is in accordance with the Commission's approved decommissioning plan for the Cimarron site and meets the regulatory requirements. Therefore, the staff concludes that there is reasonable assurance that the proposed action will not adversely impact upon the health and safety of the public or the environment.