



SHIELDALLOY METALLURGICAL CORPORATION

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August 28, 2009

10 C.F.R. § 40.42

40-7102

Document Control Desk
Director, Office of Federal and State Materials
and Environmental Management Programs
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Shieldalloy Metallurgical Corporation, Source Material License No. SMB-743
Revised Decommissioning Plan for the Newfield Facility, Newfield, New Jersey

Gentlemen:

Pursuant to 10 C.F.R. §§ 40.42(d) and (g)(2), Shieldalloy Metallurgical Corporation ("SMC"), holder of the above referenced license, submits its revised "Decommissioning Plan for the Newfield Facility," Rev. 1b ("DP Rev. 1b") for the decommissioning of SMC's Newfield, New Jersey licensed facility. Although incorporating significant portions of earlier revisions, DP Rev. 1b replaces in their entirety all previous versions of SMC's proposed decommissioning plan for the facility.

DP Rev. 1b is based on, and implements, the restricted release approach set forth in 10 C.F.R. §20.1403 and the guidance in "Consolidated Decommissioning Guidance: Decommissioning Process for Materials Licensees" (NUREG-1757, Volume 1, Revision 2) (September 2006) ("NUREG-1757"). After decommissioning is complete, it envisions the issuance of a Long Term Control ("LTC") license for the facility in accordance with the guidance in Appendix M of NUREG-1757.

The enclosed DP Rev. 1b incorporates the results of nearly three years of technical discussions between SMC and the Nuclear Regulatory Commission Staff ("Staff"), significant additional research and investigations to support the assumptions made in earlier revisions of the plan, and the responses to four formal rounds of Staff requests for additional information ("RAIs") plus two sets of follow-up RAIs, encompassing a total of well over two hundred RAIs. All of these interactions have been open to all interested parties. SMC hopes and expects that such an extensive exchange with the Staff will result in the expeditious docketing and review of DP Rev. 1b.

Once DP Rev. 1b has been docketed, SMC looks forward to continuing its productive and open dialogue with the Staff on the decommissioning of the Newfield facility so as to fully protect the public health and safety, while at the same time carrying out the decommissioning process in the most efficient and cost-effective manner. In accordance

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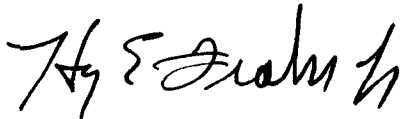
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with 10 C.F.R. § 40.42(d), SMC stands ready to promptly begin the decommissioning process for the Newfield facility upon the approval of the DP.

If you have any questions concerning DP Rev. 1b, please feel free to contact me (740-435-4646) or SMC's Technical Director David White (614 599-9582).

Sincerely,



Hoy E. Frakes, Jr.
President

Enclosure

cc (with enclosure):

John J. Hayes, USNRC-FSME-DWMEP-DURLD - 1
John Kinneman, Division of Nuclear Materials Safety, USNRC Region 1 - CD
David White, SMC -CD
Barbara Flowers, SMC - 4 and CD
David Smith, SMC - CD
Jean Oliva, TRC - 1 and CD
Carol D. Berger, IEM - 1 and CD
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Stuart Rabner, Esq., Attorney General of New Jersey - CD
Michael J. Clark, Esq., Counsel for the NRC Staff - CD
Nancy Wittenberg, Assistant Commissioner, NJDEP - CD
Mark Roberts, USNRC Region I - CD
~~Allen Fetter~~, USNRC HQ - CD *Christianne Ridge*
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cc (without enclosure):

Hon. Gregory B. Jaczko, Chairman, USNRC

Hon. Dale E. Klein, Commissioner, USNRC

Hon. Kristine L. Svinicki, Commissioner, USNRC