



March 16, 2011

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US Nuclear Regulatory Commission
Washington, D.C. 20555-0001

References:

1. Letter BWXT (Schilthelm) to NRC dated September 9, 2010, regarding proposed path forward for managing materials outside the scope of USACE. ML103020437
2. Memorandum of Understanding Between the U.S. Nuclear regulatory Commission and the U.S. Army Corps of Engineers for Coordination (USACE) of Cleanup & Decommissioning of the Formerly Utilized Sites Remedial Action Program (FUSRAP) Sites with NRC Licensed Facilities, July 5, 2001.

In our letter of September 9, 2010, (Reference 1) BWXT proposed a path forward for managing materials that USACE had determined were outside their scope. Specifically this included excavated material that was below soil cleanup Derived Concentration Guideline Levels (DCGLs) for radioactive materials and was also determined to be unacceptable for use as backfill at the site due to its non-radioactive constituents.

After further review of remediation options, BWXT has concluded that a modified approach will be more efficient from a project execution and regulatory execution standpoint. Therefore, BWXT is finalizing the following approach and requests NRC concurrence:

1. Cabrera Services, Inc. will be contracted to manage excavated materials that are below the USACE DCGL limits and cannot be used for backfill at the site. Cabrera will also manage the transportation and disposal of this material;
2. All activities executed by Cabrera will be performed under the contract and their NRC license number 06-30556;
3. Given that all activities with radioactive materials that are not executed by USACE will be executed under the Cabrera license, the BWXT license (SNM-2001) may be placed into abeyance in its entirety according to Reference 2. There will be no need for any of the BWXT license to remain in effect as was previously proposed;
4. The site access agreements between BWXT and USACE and the contract with Cabrera will assure that Cabrera and BWXT have appropriate access to the site to execute the work activities;
5. The contract with Cabrera will specify that all activities performed will be in accordance with their NRC license and will be in accordance with all state and local requirements for handling and shipping excavated material, including requirements if the material is determined to be a hazardous waste.

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Alternate disposal options are still under consideration. Given the current schedule for USACE excavation, alternate disposal will not be pursued for material generated in 2011. However, we request that our ability to make a request under 10CFR20.2002 be preserved for subsequent years as a part of the license abeyance process for SNM-2001. Absent an alternative, waste containing radioactive material would be disposed at an appropriately licensed disposal facility.

If you have questions or need additional information, please contact me at 434-522-6243 or the SLDA Project Manager, Terry Chalker, at 434-522-5531.

Sincerely,

A handwritten signature in cursive script, appearing to read "S.W. Schilthelm".

S.W. Schilthelm
SLDA License Manager
BWV Technologies, Inc.

cc via email:

Yolande Norman, USNRC SLDA Project Manager
William Lenart, USACE SLDA Program Manager
Michael Forbeck, PADEP Waste Program Manager
Paul Taylor, ARCO SLDA Project manager
Terry Chalker, BWV Technologies, SLDA Project Manager