

April 15, 2011

Ms. Sara Parker Pauley, Director
Missouri Department of Natural Resources
P.O. Box 176
Jefferson City, MO 65102-0176

SUBJECT: SOLICITATION OF MISSOURI DEPARTMENT OF NATURAL RESOURCES
COMMENTS ON DRAFT ENVIRONMENTAL ASSESSMENT WITH A FINDING
OF NO SIGNIFICANT IMPACT ASSOCIATED WITH THE APPROVAL OF THE
HEMATITE DECOMMISSIONING PLAN (Docket No. 70-00036)

Dear Ms. Pauley:

By letter dated August 12, 2009, the U.S. Nuclear Regulatory Commission (NRC) received a license amendment application from Westinghouse Electric Company LLC (WEC or the licensee), pertaining to its planned decommissioning of the Hematite Fuel Cycle Facility located near Festus, MO. WEC sought approval, pursuant to 10 CFR 20.2002 of proposed disposal procedures which are not otherwise authorized by NRC regulations. WEC holds NRC License No. SNM-00033, which authorizes the licensee to conduct decommissioning activities at its former fuel cycle facility located in Festus, Missouri. WEC submitted a Decommissioning Plan (DP) in accordance with Conditions 9.E and 15 of the SNM-00033 pursuant to 10 CFR 70.38.

An NRC administrative review of WEC's DP, completed November 2, 2009, found the application acceptable to begin a technical review. The NRC is completing that technical review and it appears that the NRC is moving towards granting WEC's request. If approved, this action would be documented in an amendment to Hematite's NRC License No. SNM-00033. However, before approving the proposed amendment, the NRC must make the findings required by the Atomic Energy Act of 1954, as amended, and the National Environmental Policy Act. These findings would be documented, respectively, by the NRC in a Safety Evaluation Report (SER), and in a separate environmental assessment (EA). The NRC staff has prepared, in accordance with 10 CFR 51.21, an EA of the effects of this action.

A copy of the NRC's draft EA is enclosed for your review. Should the Missouri Department of Natural Resources (MDNR) have any comments or suggestions on these drafts, please provide them to me within 30 days from the date of this letter. We will presume that you have no comments if none are received within the 30 days.

In transmitting the draft EA to you, the cover letter, by itself, may be made publicly available. However the draft EA document **should not** be made publicly available as the NRC considers the draft to be pre-decisional information. Accordingly, we have placed "Official Use Only – Pre-decisional Environmental Assessment" in the header/footer of the EA. Please limit distribution to staff within the Missouri Department of Natural Resources.

S. Pauley

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any further questions, please contact me at (301) 415-5928 or via email at John.Hayes@nrc.gov.

Sincerely,

/RA/

John J. Hayes, Senior Project Manager
Materials Decommissioning Branch
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Enclosures:
Draft Environmental Assessment

S. Pauley

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Enclosures:
Draft Environmental Assessment

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J. Tapp, RIII

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