

April 10, 2013

Ms. Amy Martin, Director
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1512

SUBJECT: INITIATION OF SECTION 106 PROCESS FOR THE PROPOSED AMENDMENT
TO SUB-526 FOR HONEYWELL METROPOLIS WORKS, METROPOLIS, ILLINOIS

Dear Ms. Martin:

By letter dated December 2, 2010, the Honeywell International, Inc. (Honeywell) submitted a license amendment request to the U. S. Nuclear Regulatory Commission (NRC) to close retention ponds B, C, D, and E at their Metropolis Works (MTW) facility near Metropolis, Illinois. Instructions for accessing the license amendment request and supporting documents are provided below.

Honeywell's license amendment application contained an Environmental Report (ER) that was used to support the development of a draft Environmental Assessment (EA) for the license amendment. The NRC staff has developed the draft EA in conjunction with the review of this license amendment request. The proposed action is amendment of the Honeywell Source Material License SUB-526 to authorize Honeywell to close four calcium fluoride ponds located on the MTW site. Honeywell proposed to stabilize the ponds' contents in place and install a cover system, with the expectation that the ponds area of the site can be released from SUB-526 for unrestricted use. With this amendment, the rest of the MTW facility will continue to convert natural uranium ore concentrates into uranium hexafluoride (UF₆) for the commercial nuclear power industry. The production of UF₆ is one phase in the fuel cycle resulting in production of fuel elements for nuclear reactors.

The 405-hectare (1,000-acre) MTW site is located approximately 1.6 kilometers (1 mile) northwest of the Metropolis city limits, along the northern bank of the Ohio River in Massac County, Illinois. The primary site perimeter is formed by the U.S. Highway 45 to the north, the Ohio River to the south, an industrial coal blending plant to the west and privately-owned, developed land to the east. Honeywell also owns approximately 40.5 hectares (100 acres) of land directly across the U.S. Highway 45, north-northeast of the plant. Plant operations are conducted in a fenced restricted area covering approximately 22 hectares (54 acres) in the north-central portion of the site. The area of potential effect (APE) for this license amendment action is the ponds area of the site and the immediate environs that may be impacted by ponds contents stabilization and cover system installation. The proposed action will not expand the facility beyond the existing 22-hectare (54-acre), fenced, restricted area within the 405-hectare (1,000-acre) site.

The licensee's ER (Section 7.7.8 of the license amendment request report) states that there are no known records of archeological or cultural surveys available for the previous development at the site. No registered Federal or State archeological sites were identified within the boundaries of the site. There are no anticipated impacts to historical or cultural resources due to the proposed pond closure action, which will take place in a previously-disturbed area. The NRC staff verified, via www.illinoishistory.gov, that the nearest historical site to Metropolis is the Kincaid Mounds, which will not be affected by the license amendment.

The NRC's evaluation of cultural resources impacts of the proposed action, as provided in the proposed EA, still in the draft form, follows:

Historic and Cultural Resources:

The ponds closure activities belong to a type of activity that has the potential to affect historic properties in that it is an NRC licensing action that is not solely administrative or procedural. The area of potential effects of the ponds closure activities is the geographical area within which pond closures may directly or indirectly cause alterations in the character or use of historic properties, if any such properties exist within the area (NUREG-1748, Appendix D). As discussed in Section D of the Environmental Assessment, Description of the Affected Environment, no registered Federal or State archaeological sites were identified within the boundaries of the site. There are no anticipated impacts to historical and cultural resources due to the proposed ponds closure action, because no historic or cultural sites exist within the area of potential effects.

As required by Title 36 of the *Code of Federal Regulations* (36 CFR) 800.4(a), the NRC is requesting the views of the State Historic Preservation Officer on further actions to identify cultural and historic properties that may be affected by the NRC's proposed action to amend the license to allow pond contents stabilization and cover system installation at the MTW facility. To support a timely review of the Honeywell license amendment application, the NRC staff is requesting that any additional information regarding cultural and historic properties near the MTW site be provided to us within 30 days. After assessing the information you will provide, we will determine if any additional actions are necessary to comply with Section 106 of the National Historic Preservation Act.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," 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 document system (Agencywide Documents Access and Management System [ADAMS]). ADAMS is accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). The ADAMS accession numbers for the license amendment request and supporting documentation are the following:

1. Surface Impoundment Decommissioning Plan, Letter from Larry A. Smith, Honeywell Specialty Materials, to NRC, December 2, 2010, ADAMS accession number ML103400456.
2. License Amendment Request Report, Closure of Ponds B, C, D, and E, November 22, 2010, ML103420434.
3. Additional information provided by Honeywell, February 13, 2012 (ML12060A115).
4. Responses to Additional NRC Requests, September 7, 2012 (ML12255A043).

If you have any questions, please contact Ms. Mary Adams of my staff by telephone at (301) 492-3113, or by e-mail at Mary.Adams@nrc.gov. Written response can be provided to: Mary Adams, c/o Document Control Desk, U.S. Nuclear Regulatory Commission, Mailstop E-2-C40M, Washington, DC, 20555-0001. Thank you for your assistance.

Sincerely,

/RA/

Patricia A. Silva, Chief
Conversion, Deconversion and
MOX Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-3392
License No. SUB-526

If you have any questions, please contact Ms. Mary Adams of my staff by telephone at (301) 492-3113, or by e-mail at Mary.Adams@nrc.gov. Written response can be provided to: Mary Adams, c/o Document Control Desk, U.S. Nuclear Regulatory Commission, Mailstop E-2-C40M, Washington, DC, 20555-0001. Thank you for your assistance.

Sincerely,

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Docket No. 40-3392
License No. SUB-526

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