

October 24, 2017

Mr. Mitchell Zoll
Indiana Department
of Natural Resources
Department of Historic Preservation
and Archaeology
402 W. Washington Street, W274
Indianapolis, Indiana 46204

SUBJECT: PROPOSED AMENDMENT AND EXEMPTION TO ARMY LICENSE FOR
POSSESSION OF DEPLETED URANIUM AT JEFFERSON PROVING
GROUND (DOCKET NUMBER: 40-8838)

Dear Mr. Zoll:

By letter dated December 21, 2016, the U.S. Department of the Army (Army) submitted to the U.S. Nuclear Regulatory Commission (NRC) a request for an amendment to NRC source material license SUB-1435. License SUB-1435 is for possession of depleted uranium at the Jefferson Proving Ground (JPG) ordnance testing facility in Southeast Indiana near Madison, Indiana. Specifically, the Army is requesting an amendment that would modify License Condition 9 to change the authorized use of licensed material from "possession only for decommissioning" to "possession only." The Army has also requested an exemption from the NRC's "decommissioning timeliness" requirement in Title 10 of the *Code of Federal Regulations* (10 CFR) Section 40.42, "Expiration and termination of licenses and decommissioning of sites and separate buildings or outdoor areas," subparagraph (d). This amendment request follows the Army's November 25, 2015, letter to the NRC formally withdrawing its Decommissioning Plan and request for license termination and release of the site under restricted conditions.

As established in 10 CFR Part 51, the NRC regulations that implement the National Environmental Policy Act of 1969, as amended (NEPA), the NRC is preparing an environmental assessment (EA) for the proposed action. The purpose of the EA is to assess potential environmental impacts that may significantly affect the human environment. In accordance with 36 CFR Section 800.8, "Coordination with the National Environmental Policy Act," the NRC staff is coordinating compliance of the Section 106 of the National Historic Preservation Act of 1966, as amended, with its NEPA review process.

In its license amendment request, the Army proposes to maintain a possession-only license for the residual radioactive material on the site (i.e., all DU material remaining in the restricted area at JPG known as the DU Impact Area). Because unexploded ordnance is present in the DU Impact Area, the Army has concluded that removal of DU would be hazardous and prohibitively expensive. Thus, the Army does not plan to conduct any demolition, construction, or land-disturbing activities and would continue to maintain institutional control and land use restrictions. Consequently, the NRC staff has determined that the undertaking (i.e., the license amendment and exemption) is not a type of activity that has the potential to affect historic properties, and no further consultation is required under Section 106 of the National Historic Preservation Act. The EA will include a discussion of the plans and agreements in place to protect any historic and

cultural resources that may be identified at the JPG site, though none have been identified to date. The EA will also provide additional detail concerning the site activities associated with this undertaking (i.e., institutional controls, land use restrictions, and monitoring).

The Army's application for the license amendment is publicly available in the NRC Public Document Room located at One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852, or electronically from the NRC's Agencywide Documents Access and Management System (ADAMS). The ADAMS Public Electronic Reading Room is accessible at <http://www.nrc.gov/reading-rm/adams.html>. The ADAMS Accession Number for the application is ML17004A186. You may also access the application at <https://www.nrc.gov/docs/ML1700/ML17004A186.pdf>. The ADAMS Accession Number for the NRC's February 4, 2014 letter to you concerning the previously planned decommissioning action is ML14029A079, or you can access the document directly at <https://www.nrc.gov/docs/ML1402/ML14029A079.pdf>. The ADAMS Accession Number for your March 11, 2014 response to the NRC's letter is ML14085A402, or you can access this document directly at <https://www.nrc.gov/docs/ML1408/ML14085A402.pdf>.

A copy of this letter will be available electronically for public inspection in the NRC Public Document Room and ADAMS. If you require additional information or have any concerns about the NRC staff's determination as reflected in this letter, please contact Ms. Christine Pineda, NRC project manager for the environmental assessment, at (301) 415-6789 or via e-mail at Christine.Pineda@nrc.gov.

Sincerely,

\RA\

Cinthya Román, Chief
Environmental Review Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-8838
License No. SUB-1435

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