



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

March 15, 2018

MEMORANDUM TO: Stephen Koenick, Chief
Materials Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

FROM: Christopher Grossman, Project Manager */RA/*
Materials Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
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SUBJECT: SUMMARY OF MEETING TO DISCUSS ISSUES WITH
COMPLETING THE U.S. NUCLEAR REGULATORY COMMISSION'S
REVIEW OF THE WATER REMEDIATION TECHNOLOGY LLC
LICENSE RENEWAL AND AMENDMENT APPLICATION

DATE OF MEETING: January 10, 2018

MEETING LOCATION: U.S. Nuclear Regulatory Commission Headquarters
11555 Rockville Pike
Rockville, MD 20852-2738

PURPOSE:

Discuss the enclosed draft license conditions and other issues pertaining to completing the U.S. Nuclear Regulatory Commission's (NRC's) review of Water Remediation Technology LLC (WRT) application to renew license number SUC-1591. License number SUC-1591 authorizes WRT to remove uranium source material from drinking water at community water systems. WRT is requesting NRC approval to amend SUC-1591 by expanding the scope of its authorized activities to include removal of uranium from non-drinking water resources.

ATTENDEES:

NRC – Reginald Augustus, Monika Coflin, Cinthya Roman-Cuevas, Christopher Grossman, Stephen Koenick, James Park, and Andrew Pessin.

WRT – Duane Bollig; Christopher Pugsley, Esq., Thompson & Pugsley, PLLC (WRT's counsel).

CONTACT: Christopher Grossman, DUWP/MDB
(301) 415-0140

SUMMARY:

NRC staff opened the meeting and presented the enclosed draft license conditions in redline-strikeout form to WRT. NRC staff explained the numbering of the draft license conditions is based on the existing license condition numbers to enable a crosswalk to the current license, SUC-1591. If the NRC staff's proposed amendments required new license conditions, the amended numbering is reflected in redline in the enclosed draft license conditions. NRC staff also stated that the enclosed draft license conditions were based on the status of NRC staff's review to date and are subject to change as the review proceeds. The attendees used the draft license conditions to guide discussions during the meeting. Several of the draft license conditions contain amendments that are editorial in nature whereas other draft changes update terminology to reflect WRT's requested expansion of scope beyond community water systems or make other substantive changes. While those changes were discussed briefly at the meeting, they are not described further in this summary.

WRT began discussion with draft license condition 4, which covers the term of the license. WRT informed NRC staff it intended to submit a written request to NRC to seek an extension of its license term from 10 years to 20 years based on recent direction from the Commission to the staff in the Staff Requirements Memorandum for Commission Paper SECY-17-0086 available in NRC's Agencywide Documents Access and Management System (ADAMS) at Accession Number ML17313B020. WRT also requested NRC to provide the cost associated with reviewing its intended 20-year term extension request.

NRC staff then discussed draft license condition 10, which under the current license requires WRT to lease back any uranium removal systems (URSS) that it sells to clients. In its December 2016 application, WRT requested that the lease-back requirement be removed. During the meeting, NRC staff informed WRT that it intended to amend the license condition to permit WRT flexibility to either continue the lease-back or to sell the URS so long as WRT's service contract ensures that WRT will own the source material as it loads onto the treatment media. WRT responded that leasing back the URS was no longer part of the WRT business model and again requested removal of the lease-back language. WRT also asked NRC to clarify the intent of the reference to disposal in draft subparagraph (f). WRT recommended that NRC consider using the term disposition rather than disposal so as not to preclude the reuse of the unloaded treatment media once the uranium source material has been removed and dispositioned according to WRT's Environmental Report [available in ADAMS at Accession Number ML16358A44]. Finally, WRT questioned whether the last sentence of the last paragraph of draft license condition 10 is appropriate since it would be the responsibility of WRT's client rather than WRT. The last sentence of the last paragraph of draft license condition 10 specifies the need for WRT's client to obtain an NRC license prior to operating a uranium removal system that will exceed the small quantity limits specified in 10 CFR 40.22 if either WRT does not lease back the system or enter into a long-term service agreement containing the required terms with its client.

NRC staff discussed proposed revisions in draft license condition 11 to meet its obligations under Executive Order 11988, "Floodplain Management." WRT asked NRC staff to clarify what is required of WRT to make its Safety and Environmental Review Panel's determination on impacts from building a uranium removal system in a 100-year floodplain available to the NRC.

NRC staff discussed proposed revisions in draft license condition 13. NRC staff noted that WRT's Environmental Report appears to inappropriately cite Appendix H of Volume 18 of NUREG-1556 and proposed the revision to this draft license condition to correctly cite Appendix D of NUREG-1556, Volume 18. WRT indicated that it would verify if Appendix H was intended rather than Appendix D.

NRC staff discussed issues with draft license condition 19, which permits WRT to register and install new uranium removal systems at community water systems that will operate within the scope of the performance requirements delineated in WRT's Environmental Report, without seeking prior NRC approval (e.g., by filing a license amendment request) each time WRT decided to install a new uranium removal system. NRC staff indicated that in order to continue permitting WRT to register and implement new uranium removal systems without a corresponding license amendment, NRC would need to grant an exemption from the regulations specified in 10 CFR 40.32(c) and 40.41(c), which require licensees to identify the sites of their proposed licensed activities and to confine their use of source material to locations authorized in the license, respectively. WRT raised concerns about the additional cost to WRT for NRC to review and approve an exemption from the requirements of 10 CFR 40.32(c) and 40.41(c). NRC staff agreed to provide WRT an estimate of the resources needed to review and approve an exemption from those requirements.

During the discussion on draft license condition 19, NRC staff indicated that during its review it identified concerns with license conditions 10 and 12 in WRT's license amendment No. 1 (available in ADAMS at Accession Number. ML090270210), which purport to delegate NRC's responsibilities for consultations under Section 106 of the National Historic Preservation Act and the Endangered Species Act, respectively. NRC staff explained that it determined that it could not lawfully delegate those responsibilities and would need to remove license conditions 10 and 12. Further, NRC staff indicated that in order to make the required findings under those statutes, NRC staff would need to amend draft license condition 19 in order to set limits on and otherwise bound the types of sites that WRT would be permitted to register and install uranium removal systems without prior NRC approval. WRT questioned NRC staff's determination that the statutory consultation responsibilities under the National Historic Preservation Act could not be delegated and agreed to provide NRC staff citations from the Act supporting their claim.

NRC staff went on to describe the types of general parameters that may be required to allow WRT to register and install uranium removal systems at new sites without prior NRC approval. If the uranium removal system required a new structure or supporting infrastructure, NRC staff indicated that construction would need to be limited to lands that had previously been disturbed during the construction of WRT's client's facility. WRT stated that it was its client's responsibility to construct any structure to support the uranium removal system, and indicated that it was not opposed to NRC's general approach, but raised concerns about potential specific provisions. WRT asked NRC staff to propose draft language for the amended license condition. NRC staff agreed to develop proposed amendments to draft license condition 19 that would allow it to complete its environmental review of the December 2016 WRT license amendment application.

Draft license condition 23 would require WRT to seek a license amendment when making alterations to the radiation safety program that are outside the scope of WRT's commitments, as set forth in its Environmental Report, the requirements of draft license conditions 15-18, or actions of the Safety and Environmental Review Panel that are authorized by license conditions. WRT asked NRC staff for clarity on when it would need to seek amendments for changes to its activities. WRT discussed NRC's adoption of license conditions for in-situ uranium recovery facilities that mirror the requirements specified in 10 CFR 50.59 for changes, experiments, and tests at licensed nuclear reactors.

Finally, NRC staff discussed draft license condition 38, which specifies the frequency with which decommissioning cost estimates need to be updated. NRC staff indicated that WRT could be granted a three-year frequency according to the regulations specified in 10 CFR 40.36(d)(2), but would need a basis from WRT to support extending the frequency to once every five years as requested by WRT in its renewal and amendment application. WRT indicated that a frequency of every three years was acceptable.

At the close of the meeting, WRT and NRC staff identified the following specific actions:

- WRT agreed to provide a written request to NRC for approval to extend the term of its license from 10 to 20 years.
- WRT agreed to provide NRC staff citations from the National Historic Preservation Act supporting WRT's assertion that the statutory consultation responsibilities under the Act could be delegated.
- NRC staff agreed to provide estimates of the resources needed to review and approve the cost associated with reviewing:
 - WRT's intended 20-year term extension
 - an exemption from the regulations specified in 10 CFR 40.32(c) and 40.41(c), which require licensees to identify the sites of their proposed licensed activities and to confine their use of source material to locations authorized in the license, respectively
- NRC staff agreed to develop proposed amendments to draft license condition 19 that would allow it to complete its environmental review of the December 2016 WRT license amendment application.
- WRT asked NRC staff to clarify what is required of WRT in draft license condition 11 to make its Safety and Environmental Review Panel's determination on impacts from building a uranium removal system in a 100-year floodplain available to the NRC.

Enclosure: As stated

Docket No.: 40-4059

License No.: SUC-1591

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WATER REMEDIATION TECHNOLOGY LLC LICENSE RENEWAL AND
AMENDMENT APPLICATION **DATE March 15, 2018**

DATED: January 10, 2018

DISTRIBUTION: NMSS r/f DUWP r/f PMNS NRC Attendees
JTappert, DUWP MSampson, DUWP

ADAMS Package Accession Number: ML18031B211

OFFICE	DUWP/MDB	DUWP/MDB	OGC	DUWP/MDB
NAME	CGrossman	CHolston	APessin	SKoenick
DATE	1/31/18	2/1/18	2/16/18	3/15/18

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