



U.S. Department
of Transportation

**Maritime
Administration**

1200 New Jersey Ave., SE
Washington, DC 20590

April 20, 2018

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555

SUBJECT: Docket No. 50-238; License No. NS-1; N.S. SAVANNAH

Section 106 Consultation for the National Historic Landmark Nuclear Ship *SAVANNAH*
Decommissioning Project

The Maritime Administration (MARAD) has received funding and proposes to commence the decommissioning and license termination of the nuclear production facilities located onboard the National Historic Landmark (NHL) vessel N.S. *SAVANNAH* (NSS). Following license termination, MARAD will not be required to maintain the NSS, and the vessel will be made available for disposal. Based on preliminary discussions among MARAD, the Nuclear Regulatory Commission (NRC), and the Advisory Council on Historic Preservation (ACHP) in 2013, the proposed undertaking includes both the decommissioning project and the vessel disposal. At this conceptual stage, MARAD understands that this undertaking may have an adverse effect on the NHL. We also believe that the area of potential effect is limited to the vessel itself. This letter invites the NRC to participate in consultation under Section 106 of the National Historic Preservation Act (NHPA).

N.S. *SAVANNAH* is the world's first nuclear-powered merchant vessel. It was constructed as a joint project of the former Atomic Energy Commission, and MARAD when that agency was located in the Department of Commerce. *SAVANNAH* was conceived, built and operated under the aegis of President Eisenhower's *Atoms for Peace* program. After successfully completing its developmental goals and objectives, NSS was removed from service and permanently shutdown in 1970. NPS designated the ship as an NHL in 1991. Since 1976, the ship's substantially-intact first-generation nuclear production facilities (reactor, primary system components and equipment, etc.) have been maintained in a condition of protective storage under the provisions of a possession-only license issued by the NRC. The decommissioning of the ship's nuclear facilities, and termination of the license will be performed in accordance with NRC regulations and requirements. The subsequent disposal of NSS will follow MARAD's standard ship disposal methods; however, MARAD intends to actively seek organizations to donate the vessel before exercising any other available disposal method.

MARAD has been planning for NSS's decommissioning for many years, but did not advance due to lack of funding. In 2008, MARAD published an Environmental Assessment (EA) that addressed certain aspects of decommissioning under NRC requirements. MARAD

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primarily developed the EA to meet an NRC requirement to support its Post Shutdown Decommissioning Activities Report (PSDAR). As such, the EA was generic from a technical standpoint; the more substantive content that incorporates specific methods, among other things, was reserved for a future EA supplement. Since Congress appropriated funding, MARAD can proceed with more detailed planning, and prepare the supplemental EA. To that end, MARAD issued a solicitation for contractor support on March 15, 2018. We expect to award a contract in April 2018, and begin work on the EA soon thereafter. Unlike the prospective undertaking, the NEPA action is confined to decommissioning and license termination; the disposal action is covered under an existing EA developed and published to support MARAD's ongoing ship disposal activities.

SAVANNAH is a signature, if not the signature remnant of the *Atoms for Peace* program. As such, NSS contributes not just to the maritime heritage of the United States, but also to its nuclear heritage – including a direct nexus to the enduring and complex Cold War themes of nuclear non-proliferation and peaceful uses of nuclear technology; themes that resonate today and are reflected in the NSS' listing in the National Register of Historic Places in 1983, and 1991 designation as an NHL. MARAD has long-recognized its historic stewardship responsibilities, and the necessity to conduct a robust and comprehensive Section 106 consultation. When considering the future of NSS, MARAD is bound by two seemingly contradictory requirements; the NRC decommissioning and license termination requirements must be balanced and conformed with the NHPA protections for federally-owned NHLs – with specific reference to carrying out the Section 110(f) requirement to undertake such planning and actions as are necessary to minimize harm to the landmark. In consideration of this requirement, MARAD's guiding decommissioning principle has been that preservation of the vessel is the preferred outcome after decommissioning and license termination. MARAD will incorporate this principle in the undertaking, and will seek to preserve the NSS before any other disposal method is exercised.

Despite resource constraints since 2008, we have performed several preliminary 106-scoping activities such as the discussion cited in the first paragraph. At this stage of the project, MARAD has not made any formal determination about the effect of the project / undertaking on either the NSS itself, or any surrounding historic properties. We do not reasonably foresee an external effect; however, we will include a screening analysis into the site-selection process for the industrial dismantlement phase of the project, as that effort begins after the EA is complete.

MARAD hopes to coordinate the Section 106 consultation with our EA development. To the extent that public meetings and outreach are conducted in the EA development, MARAD will leverage those activities to coordinate similar requirements for Section 106. Our objective is to complete the EA and FONSI in approximately 180 days after contract award. MARAD recognizes that this may be an aggressive schedule for the 106 consultation. Our hope is to complete a draft Programmatic Agreement that may be cited in the EA.

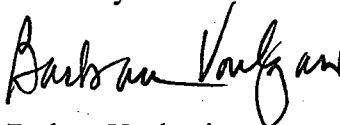
MARAD proposes to act as the lead federal agency for the consultation and, by identical letters, is inviting the ACHP, the NRC, the National Park Service (NPS), and the Maryland

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Historical Trust (MHT) to consult. Once each party has responded, MARAD will schedule an initial consultation meeting to be held onboard the NSS at its layberth in Baltimore, MD.

The primary MARAD point of contact for the consultation is Erhard W. Koehler, Manager, N.S. SAVANNAH Programs, and licensee to the NRC. If you have questions or comments, please feel to direct them to Erhard at (202) 680-2066, or erhard.koehler@dot.gov. You may also contact me directly at (202) 366-0866, or barbara.voulgaris@dot.gov. When responding to this letter, please identify your agency point of contact. We appreciate your consideration, and look forward both to hearing from you, and working with you.

Sincerely,



Barbara Voulgaris
Federal Preservation Officer

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cc:

Electronic copy
NSS ESC
NSS SRC

MAR 610, 612, 615

USNRC (John Hickman, Mark C. Roberts).
USNRC Regional Administrator - NRC Region I
MD Department of the Environment (Eva Nair)

Hardcopy, cover letter only
MAR-600, 640, 640.2

Hardcopy with all enclosures
MAR-100, 640.2 (rf)