



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

July 3, 2018

Mr. Douglas Rhodd, Chairman
Ponca Tribe of Oklahoma
20 White Eagle Drive
Ponca City, OK 74601

SUBJECT: INVITATION FOR SECTION 106 CONSULTATION PURSUANT TO THE NATIONAL HISTORIC PRESERVATION ACT REGARDING HONEYWELL INTERNATIONAL, INC.'S REQUEST FOR RENEWAL OF ITS LICENSE FOR THE HONEYWELL METROPOLIS WORKS URANIUM CONVERSION FACILITY IN METROPOLIS, ILLINOIS (DOCKET NUMBER: 40-3392)

Dear Chairman Rhodd:

The U.S. Nuclear Regulatory Commission (NRC) is considering a request submitted by Honeywell International, Inc. (Honeywell) to renew its NRC source materials license SUB-526 for a period of 40 years. Honeywell submitted its request by letter dated February 8, 2017. The NRC notified Honeywell in a letter dated May 2, 2017, that the NRC staff had accepted the application for a detailed technical review. Under the conditions of its license, Honeywell operates a uranium processing plant, which converts uranium ore (yellowcake) to uranium hexafluoride (UF₆), at the Metropolis Works Facility (MTW) located about 1.6 kilometers (1.0 mile) west of Metropolis, Illinois. A map showing the location of the MTW is enclosed (Enclosure 1).

The MTW is located on approximately 405 hectares (1,000 acres) of land in a mostly undeveloped, rural region of forested and cultivated areas. The MTW is bordered on the north by U.S. Highway 45, on the south by the Ohio River, on the west by a coal blending plant, and on the east by privately developed land. The initial facility was constructed in 1958, with operations beginning in 1959 to produce UF₆ for the Atomic Energy Commission. Conversion operations for commercial purposes began in 1968, and since that time Honeywell has gradually increased the capacity of the plant. Honeywell is currently authorized to produce up to 15,000 metric tons (16,535 tons) of UF₆ per year.

Honeywell requests a 40-year license renewal period in its application. The current license authorizes Honeywell to receive, possess, store, use, and ship source material (that is, material containing uranium that is not enriched in the isotope of uranium-235). Honeywell proposes to continue conversion of yellowcake to gaseous fluorine and UF₆ at the authorized capacity of 15,000 metric tons (16,535 tons). The primary processing steps in the conversion process include feed ore sampling and preparation, triuranium octaoxide reduction, uranium oxide hydrofluorination, uranium tetrafluoride fluorination, and UF₆ distillation (product purification). In its license renewal request, Honeywell does not propose changes in uranium ore processing. Honeywell will continue to ship the UF₆ to enrichment facilities for processing into enriched uranium.

Honeywell has not proposed significant changes to its authorized operations during the proposed license renewal period. However, Honeywell proposes to install a rail spur to facilitate

the removal of sediments from four inactive settling ponds on the site. The rail project, which is planned for the near future, will require the clearing of approximately 11 acres of forested land adjacent to the west boundary of the MTW facility.

The NRC staff is currently conducting a detailed review of Honeywell's license renewal request. The NRC's review includes an environmental review, the identification and assessment of known historic properties and cultural resources, and a safety review. As part of the environmental review, the NRC staff is preparing an environmental assessment (EA) in accordance with the NRC's regulations in Title 10 of the *Code of Federal Regulations*, Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions." These regulations implement the requirements of the National Environmental Policy Act (NEPA), which requires federal agencies to consider the environmental impacts of their proposed actions during the decision-making process. The EA will include an analysis of potential impacts to historic and cultural resources.

Honeywell's license renewal proposal is the "proposed action" that the NRC staff will evaluate in the EA. The EA will evaluate the potential for impacts to historic properties at the MTW site, under 36 CFR Part 800.8, "Coordination with the National Environmental Policy Act." The NRC staff uses the NEPA process to coordinate its obligations under Section 106 of the National Historic Preservation Act of 1966, as amended (NHPA). The NRC's coordinated review is permissible under 36 CFR Part 800.8, in lieu of the procedures in 36 CFR 800.3 through 800.6. The NRC staff is identifying parties who may wish to consult with the NRC on the potential effects the proposed action may have on any historic properties.

The NRC staff invites your Tribe to participate as a consulting party in the NHPA Section 106 process. As a consulting party, you may assist in the identification and evaluation of historic properties that may be affected by the proposed action and, if applicable, in the development of alternatives and proposed measures to avoid, minimize, or mitigate any adverse effects on historic properties. The NRC welcomes your input on historic and cultural resources within and surrounding the MTW site. You may provide information on properties of religious or cultural significance that may be eligible for listing in the National Register of Historic Places under the NHPA to support the NRC's Section 106 determinations.

The NRC is reviewing prior archaeological research to identify whether historic properties and cultural resources are present on the MTW site and in nearby areas. No historic or cultural properties have been identified on the developed portion of the MTW site or on the land where Honeywell proposes to install the new rail spur. A survey conducted in 2010 identified archaeological sites on a portion of the MTW site that will not be disturbed by the license renewal activities. Additionally, this area is not part of the rail spur project or the proposed settling pond activities. The NRC staff does not anticipate that the known sites will be affected by continued operations at the MTW facility.

To support the EA, the NRC staff is requesting any information you may have regarding historic or cultural resources that could be affected by the proposed license renewal. The NRC is interested in knowing if you have specific knowledge of any sites that you believe have traditional religious and cultural significance.

The NRC is providing information on past archaeological research and cultural resources assessments of the MTW site in Enclosures 2 and 3. Enclosure 2 contains *Archaeological Literature Review, Honeywell Metropolis Pond Closure, Massac County, Illinois*, prepared by CH2M, dated February 16, 2018 (pages 1-3 of Enclosure 2). The 2018 literature review summarizes two previous archaeological surveys or reviews conducted on the MTW property,

and identifies six archaeological sites and ten undetermined rural properties that are located within approximately 1 mile of the MTW active facility (page 2 of Enclosure 2). The report also lists four additional cultural resources surveys undertaken in the surrounding region (page 2 of Enclosure 2). Enclosure 3 contains the Illinois State Historic Preservation Office (SHPO) determination that no historic properties would be affected by the construction of the new rail spur that is part of the proposed pond closure.

Enclosure 2 also includes three other documents. The first is a 2014 letter requesting IL SHPO concurrence that no properties would be affected by a proposed storage tank installation (pages 12-16 of Enclosure 2). To support its conclusion, the 2014 letter attached the Archaeology Survey Short Report – *Phase I Cultural Resources Survey Report and Assessment for a 50 Acre Parcel at Honeywell International, Massac County, Illinois*, prepared by American Resources Group in 2010 (pages 17-27 of Enclosure 2). This 2010 survey report states that no cultural resources were recorded during the survey and recommends no further work (page 27 of Enclosure 2). Finally, Enclosure 2 contains a response letter from the IL SHPO in 2014 concluding that no significant historic, architectural or archaeological resources are located on a small plot adjacent to the MTW property that would be affected by the storage tank project (page 28 of Enclosure 2).

Please note that Enclosure 2 contains confidential information, specifically the locations of prehistoric archaeological sites. Public disclosure of this information is limited under the NHPA at Section 304(a), “Confidentiality of the location of sensitive historic resources” and Illinois state law.

Please indicate whether or not you wish to participate as a consulting party by completing the enclosed form (Enclosure 4). The NRC requests that the form be returned within 30 days of your receipt of this letter. Please advise the NRC staff if you have concerns about the confidentiality of information provided to the NRC.

Please note that under NRC policy, correspondence provided to the NRC, including email, is made publicly available. The NRC recommends that the Miami Tribe avoid including information in its submissions that tribal officials do not want to be disclosed publicly, such as personal email addresses or personal contact information. If tribal officials do not want personal contact information to be made public, please use an alternate email address or alternate contact information when corresponding with the NRC.

Honeywell’s application for the license renewal 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 ML17048A263. You may also access the application at <https://www.nrc.gov/docs/ML1700/ML17048A263.pdf>. The NRC’s letter accepting the Honeywell application for technical review is available at ADAMS Accession Number ML17111A740. You may access the document directly at <https://www.nrc.gov/docs/ML1711/ML17111A740.pdf>. A copy of this letter will be available electronically for public inspection in the NRC Public Document Room and ADAMS.

If you have any questions or need additional information about the proposed licensing action or the environmental review process, please contact Ms. Christine Pineda, Project Manager for the EA, at (301) 415-6789 or via e-mail at Christine.Pineda@nrc.gov.

Sincerely,

\RA

Craig G. Erlanger, Director
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

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

Enclosures:

1. Regional Location of the Metropolis Works Facility
2. Archaeological Literature Review,
Honeywell Metropolis Pond Closure,
Massac County, Illinois (non-publicly available)
3. Illinois SHPO Determination of No
Effect for MTW Pond Closure
4. Response Form – Cultural Resource
Considerations

cc: Ms. Halona Cabe, THPO

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DATED: July 3, 2018

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