

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

September 7, 2018

Mr. Bill Anoatubby, Governor Chickasaw Nation of Oklahoma P.O. Box 1548 Ada, Oklahoma 74821

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 Governor Anoatubby:

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 UF $_6$ 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 UF $_6$ 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 UF $_6$ 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 UF $_6$ distillation (product purification). In its license renewal request, Honeywell does not propose changes in uranium ore processing. Honeywell will continue to ship the UF $_6$ to offsite enrichment facilities for processing into enriched uranium.

The NRC staff is reviewing the proposed licensing action and its potential effects on the environment. The proposed renewal of Honeywell's license does not involve ground-disturbing activities on the facility property. No modifications to the site or its surroundings, such as construction or demolition of structures, are planned. Honeywell's NRC-licensed uranium conversion activities occur within the fenced, 24-hectare (59-acre) portion of the site, which was

heavily disturbed during construction of the facility over 50 years ago. In addition, no changes in the operations of the facility are planned during the license renewal period.

Therefore, in consultation with the Advisory Council on Historic Preservation, the NRC has made a preliminary determination under Section 800.3(a)(1) of Title 36 of the *Code of Federal Regulations* on potential effects. The preliminary determination is that the proposed license renewal would not cause effects on historic or cultural resources on the Honeywell property, because the proposed license renewal action is not the type of activity that would affect cultural and historic properties, or places of potential tribal, cultural, or religious significance. Additionally, because ground-disturbing impacts are not anticipated, the NRC staff considers that historic and cultural resource surveys are not needed for in support of the staff's preparation of its environmental assessment (EA) of the proposed action.

The NRC invited seven Tribes to consult on this action on July 3, 2018.¹ The NRC recently identified the Chickasaw Nation of Oklahoma as a Tribe with historical connections to the region surrounding the project area and we invite you to participate as a consulting party. Please indicate whether you wish to participate as a consulting party by completing the enclosed form (Enclosure 2). The NRC requests that the form be returned within 30 days of your receipt of this letter.

The NRC would appreciate any information the Chickasaw Nation has and is willing to share regarding places of potential tribal, cultural, or religious significance on the Honeywell property or in the immediate vicinity. The NRC seeks this information to assist the staff in the development of the EA for the current action. Please let us know if the Chickasaw Nation has any questions about our preliminary determination concerning effects on historic and cultural resources.

The NRC is enclosing information on past archaeological research and cultural resources assessments of portions of the MTW site in Enclosure 3. The enclosure contains confidential information, specifically the locations of prehistoric archaeological sites. Public disclosure of this information is limited under the National Historic Preservation Act at Section 304(a), "Confidentiality of the location of sensitive historic resources" and Illinois state law.

In the July 3, 2018, letter to the other seven Tribes, the NRC mentioned Honeywell's proposed construction of a rail spur outside the fenced area, along the western side of the facility. This activity is not related to the proposed license renewal action. The proposed spur would facilitate the removal of wastes from four settling ponds within the fenced area and shipment of these wastes to an offsite facility. The pond waste removal project is presently under the jurisdiction of the Illinois Environmental Protection Agency. The NRC is reviewing information related to this project to determine whether the NRC should have a regulatory role regarding waste removal and pond closure activities.

If, in the future, Honeywell seeks modifications to its NRC-licensed operations that involve ground disturbance on the site, these changes would be subject to the appropriate State and/or Federal reviews and approvals. The NRC would make safety and environment determinations as part of any license amendment review, prior to making a regulatory decision. An assessment of potential impacts on cultural and historic properties, or places of potential tribal, cultural, or religious significance would be part of the NRC's environmental review. The NRC would initiate

¹ The July 3, 2018 letters can be accessed through the NRC's Agencywide Documents Access and Management System (ADAMS) at Accession Number ML18134A139 or at the following link: https://www.nrc.gov/docs/ML1813/ML18134A139.html. We continued our consultation by letters dated August 23, 2018, and the letters can be accessed starting August 31, 2018, through ADAMS at Accession Number ML18227A094 or at https://www.nrc.gov/docs/ML1822/ML18227A094.html.

communication with the Chickasaw Nation and other interested Tribes, regarding potential effects on resources of significance to Tribes.

Please note NRC policy classifies correspondence with the NRC as publicly available information, including personal e-mail addresses or personal contact information. If the Chickasaw Nation of Oklahoma wants sensitive tribal information that it provides to the NRC to be withheld from public disclosure, please advise the NRC staff. If tribal officials do not want personal contact information to be made public, please use an alternate e-mail 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 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 Environmental Assessment, at (301) 415-6789 or via e-mail at Christine.Pineda@nrc.gov.

Sincerely,

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Brian W. Smith, Deputy Director Division of Fuel Cycle Safety, Safeguards,