

APR 5 1979

Mr. Sheldon Meyers
Director
Office of Nuclear Waste Management
U.S. Department of Energy
Washington, D.C. 20545

Dear Mr. Meyers:

On March 8, 1979, the Nuclear Engineering Company, Inc. (NECO) notified us they were purportedly closing the Sheffield, Illinois commercial low-level radioactive waste (LLW) disposal site and was seeking to withdraw their application for renewal of their Nuclear Regulatory Commission (NRC) license and expansion of the site. NECO also notified Illinois State officials that they were seeking to terminate their lease with the State for use of the land. While we do not agree that NECO can unilaterally terminate their license, the company's intent is clear-- stop all waste management activities in Illinois and abandon the Sheffield site. We are not certain how events concerning Sheffield may impact NECO's plans for continued operation of their other two sites at Beatty, Nevada and Richland, Washington. We are aware the State of Illinois is seeking substantial damages from NECO in a related suit involving the Sheffield site which may jeopardize their financial ability to remain in business.

In view of these facts, we believe the Department of Energy should be prepared to take immediate, short-term contingency action for interim acceptance of commercial LLW in the event of closure of the Beatty and Richland sites and in the event such action is needed. No advance notice was provided to the State of Illinois or NRC that by a prescribed date, NECO would leave the site. In view of this, you might have only a day to respond to closure of the two western sites one of which is the only site accepting TRU wastes.

Your longer term actions to develop a detailed contingency plan for commercial wastes should be continued.

Sincerely,

Original Signed by
John B. Martin

John B. Martin, Director
Division of Waste Management

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