

License File

AUG 20 1985

MEMORANDUM FOR: Region III Files

THRU: D. J. Sreniawski, Chief, Nuclear Materials Safety
Section No. 2

FROM: W. J. Slawinski, Radiation Specialist

SUBJECT: INSPECTION OF CHEMETRON CORPORATION DECONTAMINATION
ACTIVITIES, CLEVELAND OHIO
DOCKET NO. 040-08724; LICENSE NO. SUB-1357

On July 30, 1985, W. J. Slawinski performed a site inspection of the Chemetron Corporation, McGean-Rohco facilities located at 2910 Harvard Avenue, Cleveland, Ohio. This also included a brief visit to the associated dump site located between 28th and 29th Streets at Bert Avenue in Newburgh Heights, Ohio.

The purpose of this inspection was to observe decontamination activities being conducted by Radiation Management Corporation (RMC) for the licensee and assure that the licensee is in compliance with their "Decontamination Plan for the McGean-Rohco, Inc. Facilities" dated October 5, 1983.

The following personnel were contacted:

John Lusher - Health Physicist/Decontamination Project Coordinator,
Radiation Management Corporation

Bart Lago - Health Physics Technician, Radiation Management Corporation

The "hot spots" previously identified at the dump site, as noted in a memorandum to the Region III files dated April 23, 1985, have been cleaned. Most of the "hot spots" were excavated, placed in 55-gallon drums, and shipped to Richland, Washington for ultimate disposal.

The large pile of broken up concrete from the floor of building 21 containing contaminated spots exceeding 45 pCi/gm (memo to Region III files dated November 5, 1984) was crushed in approximately 3/4 inch pieces and analyzed. From this pile, ten 55-gallon drums of radioactive waste was obtained and shipped to Richland, Washington. The remainder of the crushed concrete was determined to be within the allowed release criteria in License Condition Nos. 11 and 12 and was mixed into the site's soil.

Nearly 50 percent of the 600 55-gallon "old" drums of contaminated waste (memo dated November 5, 1984) consisting primarily of sand, soil and other miscellaneous solid waste, was repackaged and also shipped to Richland. The bulk of the material in these drums was found not to be contaminated above the release criteria and was also spread over the site's soil.

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During this inspection, the following aspects of the October 5, 1983 decontamination plan were reviewed:

I Access Control/Posting/Security

Building 21 was completed demolished in late 1984. A chain link barbed wire top fence surrounds the entire dump site and main facility. Access is controlled by 24-hour security guards as described in previous memos. Fences are posted as restricted areas.

II Air Sampling

The remaining two air samplers were removed in late November 1984. All work which could potentially create airborne particulates was completed prior to RMC's winter absence in late November. No significant activity was detected on previous samples.

III Bioassays

Baseline and final urine samples are taken of all individuals involved in the decontamination operations. No positive results obtained to date.

IV Contamination Surveys

Remains as noted in previous memos. Survey records are maintained but were not reviewed during this inspection.

V Portable Survey Instrumentation

The following instruments were available during this inspection:

- (2) Eberline Model E-120 with pancake probes
- (1) John ratemeter with NaI probe
- (1) Eberline Rascal with a 2"x2" NaI probe
- (1) Eberline ESP-1 Smart with NaI probe

All portable instruments were checked daily using various check sources and/or NBS traceable standards. All instruments are calibrated by RMC every 6 months.

VI Soil Sampling

Soil samples are placed in 200 ml containers weighing approximately 230 grams and analyzed via gamma spectroscopy using as Tracer Northern Multichannel Analyzer with GeLi detector.

Confirmatory survey surface scans are now employed to coincide with techniques used by Oak Ridge National Laboratories (ORNL).

AUG 20 1985

VII Waste Shipments

Twenty-one total shipments made to either Barnwell, South Carolina or Richland, Washington.

Initial eight shipments are described in memo dated November 5, 1984. Remaining shipments are described below:

<u>Shipment Date</u>	<u>No. of 55-Gallon Drums</u>	<u>Total Activity of Depleted Uranium (Millcuries)</u>
11/16/84	65	35.7
11/16/84	63	14.7
11/20/84	65	23.7
11/12/84	65	22.5
12/11/84	62	16.8
6/13/85	65	16.5
6/05/85	65	19.9
6/19/85	65	17.8
*	*	*
6/24/85	65	16.7
6/26/85	65	16.5
7/10/85	65	16.9
7/16/85	66	16.9

All shipped as radioactive Material, NOS, LSA, UN #2912

VIII Status

Confirmatory surveys of the dump site were recently completed by RMC. The dump is determined to be satisfactorily decontaminated.

Leveling of main site is currently underway and is expected to be completed by August 3, 1985. RMC confirmatory surveys of this site to commence week of August 5. ORNL is contracted by the NRC to perform independent confirmatory surveys shortly thereafter. Entire project expected to be completed by September 1985.

W. J. Slawinski

W. J. Slawinski
Radiation Specialist

cc: W. L. Axelson

*Record for this shipment could not be located. Number of drums and total activity similar to previous shipments.

RIII

RIII

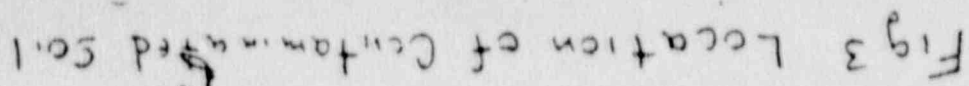
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8/12/85

QJB 8/19

W. J. Slawinski



CHEMETRON, HISTORICAL HIGHLIGHTS OF LICENSE
SUB-1357 Docket No. 40-8724

1. License No. SUB-1357 dated 6/12/79 reads as follows:
 - Item 1. Chemetron Corporation
 - Item 4. Expiration date 7/31/80
 - Item 6. Depleted Uranium
 - Item 7. Contamination
 - Item 9A. For possession only of depleted uranium contamination in the facility located at 2910 Harvard Avenue, Cleveland, Ohio.
 - Item 10. Licensed material shall be possessed only at 2910 Harvard Avenue, Cleveland, Ohio.
 - Item 11. The licensee shall comply with the provisions of Title 10, Chapter 1, Parts 19 and 20.
2. N.L. Industries Decon Project dated 8/20/79, provides Health Physics Operating Procedures.
3. SUB-1357 Amendment 1 dated 10/12/79 reads as follows:
 - Item 9A: For storage and/or possession of depleted uranium contamination incident to the conducting of radiation survey and decontamination activities of the facility, equipment, and plant areas at 2910 Harvard Avenue, Cleveland, Ohio, including the packaging of waste.

Item 13. The licensee may transport licensed material or deliver licensed material to a carrier for transport in accordance with provisions of Title 10 Part 71.

Item 14. Except as specifically provided otherwise by this license, the licensee shall possess and use licensed material described in Items 6, 7, and 8 of this license in accordance with statements, representations, and procedures contained in letters dated May 1, 1979, May 30, 1979, July 12, 1979, and October 8, 1979; the documents entitled DECONTAMINATION PLAN, dated March 1979; and N.L. INDUSTRIES DECON PROJECT McGEAN CHEMICAL CO. OPERATING PROCEDURES, dated August 20, 1979. The Nuclear Regulatory Commission's regulations shall govern the licensee's statements in applications or letters, unless the statements are more restrictive than the regulations.

4. By letter dated 2/7/80, NL Nuclear requested an amendment to license No. SUB-1357 for the release of areas C, D, E, and F in Building 21. NL has hired RMC to help in decommissioning.
5. Single page dated 3/20/80, gives an inventory of contaminated material on the McGean site.
6. By letter dated 3/31/80, NL provided results of floor grid survey of rooms C, D, and E in Building 21.
7. By letter dated 5/5/80, NL Nuclear provided additional information on the decontaminated areas 21-C, D, E, and F. The letter also states that the uranium and the decay isotopes of RA-226 and Rn-222 are not in concrete and soil samples in areas 21-C and D. They request that NRC urgently release areas 21-C, D, E, and F to unrestricted use.
8. By memo dated 5/14/80, V. Miller requested an evaluation by Region III to determine if room 21-C, 21-D, 21-E, and 21-F may be returned to unrestricted use.

9. NLI Report dated 6/4/80, Soil Analysis by Spectroscopy of Room 21-A and B and at the Center of the railroad bed at 25 foot intervals starting at the southern end of the McGean Plant.
10. By letter dated 7/3/80, Chemetron requested that SUB-1357 be extended for 1 year to 7/31/81. This extension should permit completion of decontamination. State that Region III audited them on 6/17-19/80.
11. By memo dated 8/6/80, from Director, Region III to I & E reporting the results of an inspection of the Harvard Avenue site.

RIII's conclusion is based on the following considerations:

- (1) The licensee expended considerable effort to decontaminate the facility and succeeded in rendering the contamination "non-removable."
- (2) The contaminant is limited to depleted uranium and in the concentrations measured does not constitute a direct radiation problem.
- (3) Absorbed dose rates were less than 0.2 mrad/hr average and less than 1 mrad/hr maximum.
- (4) The locations of non-removable contamination are relatively inaccessible and no airborne problem from this contamination is anticipated.

Therefore, RIII believes there would be no significant health hazard from the non-removable beta contamination which exceeds guidelines.

It is recommended that you forward the memorandum to NMSS so they may decide whether the rooms surveyed may be released for unrestricted use.

12. By letter dated 6/25/80, Region III confirmed a phone conversation of 6/23/80 that McGean would undertake the following actions:

- (1) Repair the fence surrounding the McGean Disposal Dump and establish a patrol to assure unauthorized persons do not enter the dump area. The fence shall be repaired by June 25, 1980, and the patrols shall be performed twice per day, once during the daytime hours and once during the evening hours.
- (2) Perform in conjunction with the Chemetron Corporation an assessment to determine the source of radioactive material disposed of at the dump site. This will be accomplished by July 11, 1980. Further action will depend upon the results of this assessment.

13. By letter dated 7/24/80, Chemetron submitted a copy of the NLI assessment report of the Dump site dated 7/18/80. The conclusions of the NLI report are:

"The presence of depleted uranium was found at the landfill site. From the results of the analyses, it can be concluded that contaminated areas exist only on the surface of the landfill, to depths of a few inches. The cliff above the swamp is the "worst" area with "spot" surface soil concentrations as high as 8000 pCi per gram. Analyses indicate that the depleted uranium found on the site has not migrated throughout the soil or into the swamp. Areas in which there may have been migration of uranium by movement of water have been found not to contain detectable depleted uranium."

14. By letter dated 8/7/80, Region III acknowledges receipt of NLI report dated 7/18/80 (item 13) and informs Chemetron that the report clearly indicates that decontamination of the disposal dump will be required.
15. License SUB-1357, Amendment 21, dated 8/11/80, reads as follows:

Item 4. (expiration date) change to 7/31/81.

16. License SUB-1357, Amendment 3, dated 9/4/80, added condition 14 which follows:

Except as specifically provided otherwise by this license, the licensee shall possess and use licensed material described in Items 6, 7, and 8 of this license in accordance with statements, representations, and procedures contained in letters dated May 1, 1979, May 30, 1979, July 12, 1979, and October 8, 1979; the documents entitled DECONTAMINATION PLAN, dated March 1979; and N.L. INDUSTRIES DECON PROJECT McGEAN CHEMICAL CO. OPERATING PROCEDURES, dated August 20, 1979, and letters dated February 7, 1980, March 31, 1980, May 5, 1980 and July 3, 1980.

The Nuclear Regulatory Commission's regulation shall govern the licensee's statements in applications or letters, unless the statements are more restrictive than the regulations.

17. By letter dated 10/14/80, NRC released for unrestricted use Rooms 21-C, D, E, and F, according to condition 14 of Amendment 3.
18. By letter dated 11/7/80, Region III informs Chemetron that as a result of investigations conducted during the period 1/17 to 9/19/80 which indicates that Chemetron was in noncompliance with NRC requirements of 10 CFR 20.301 and 20.304. Specifically that Chemetron disposed of depleted uranium waste during the first quarter of 1975 at an industrial dump site located at the north end of East 27th and 29th Streets, near Bert Avenue, Newburgh Heights, Ohio, without performing the necessary evaluations.

This investigation is initiated because an individual called Region III and said that an analysis by a chemist indicated that the water at the dump site was radioactive.

19. By letter dated 11/17/80, Region III informed Chemetron that the confirmatory measurements made by the Nuclear Regulatory Commission (NRC) found the facility to meet the criteria for release of facilities for unrestricted use with one exception. This exception was due to the failure of the surveys for beta contamination to be less than the maximum limit of 15,000 dpm beta-gamma/100cm².

These conclusions were reached after inspection conducted on 6/17-18, 9/2-5 and 9/18-19/80. The inspection report states that Rooms A and B of Building 21 and restricted areas and authorized places for storage under license SUB-1357.

20. By letter dated 12/8/80, NL Nuclear notified NRC that effective November 14, 1980, NL terminated its participation in the decontamination of the McGean site and requested that the name of G. L. Stuckenbrocker, an employee, be deleted from License SUB-1357 as the responsible party.
21. Proposed Decontamination Plan, dated 12/15/80, prepared by RMC for Chemetron.
22. By letter, dated 12/22/80, Chemetron confirms NL's termination in decontamination activities. Also noted that Mr. Joseph McGrath and Mr. Robert Gahr of McGean will henceforth be responsible for radiation health and safety.
23. By another letter dated 12/22/80, Chemetron again requested confirmation of no health hazard in areas 21-C, D, E and F.
24. By letter, dated 1/6/81, NRC explained to Chemetron why Rooms 21 C, D, E and F could be released for unrestricted use even though beta contamination exceeded the maximum limit of 15,000 cpm beta gamma per 100 cm².
25. Amendment 4, dated 2/24/81, changes the name of David W. Leigh for Robert Gahr under condition 13 and adds the letter of December 22, 1980 to condition 14.
26. By memo dated 3/2/81, R. Fonner, NRC attorney, informed L. Higgenbotham, Radiological Safety Branch NRC, of the outcome of a meeting between Fonner, Keppler and Davis of Region III and Mr. Desmond of Chemetron as follows:

"It became clear in the meeting that the purpose of the request by Doub & Muntzing to make McGean Corp. a "party" was based upon Chemetron's views that McGean should pay for some, if not all, of the costs of cleanup of the dump. We were informed by Mr. Desmond that Chemetron would not proceed "unilaterally" without McGean's financial participation."

"Mr. Desmond was informed that the record showed McGean to be an innocent person with respect to the violations of license and regulations committed by Chemetron in dumping source material at the dump. Therefore, there was no basis in fact to make McGean a "party" to the notice of violation. Secondly, Mr. Desmond was advised that it was inappropriate, if not illegal, to require McGean to have a source material license for the reason given by Chemetron. Any licensing of McGean would be done only on the merits of public health and safety considerations and not to secure McGean's financial participation in the cleanup. We noted that once Chemetron rectified its illegal dumping and transfer by cleanup, there would then be no need to license McGean at all."

"Mr. Keppler will prepare a reply to the Doub & Muntzing letter of January 8, 1981, which OELD will review and concur in."

27. In a letter dated 4/9/81, J. Keppler Region III to Allegheny Ludlum Industries list licence No. SUB-852 as expired and license no. SUB-1357 in affect.
28. In a meeting held on 4/15/81 in Glen Ellyn and confirmed by letter dated 5/18/81, Chemetron requested a special permit to allow onsite burial of contaminated material from the McGean plant site and the McGean dump site on the McGean plant site.
29. Amendment to Proposed Decontamination Plan dated 5/18/81 prepared by RMC for Chemetron.

30. By letter dated 5/26/81, McGean requested a special permit for onsite disposal. Claim this would reduce estimated cost of disposal by \$500,000.
31. By letter dated 6/30/81, Chemetron requested a year's extension of their license No. SUB-1357 in order to clean up the Harvard Avenue site preferably by onsite burial. License is to expire 7/31/81. Letter addressed to Page, 1st time.
32. By letter dated 6/23/81, Keppler Region III stated that it was NRC's understanding that Chemetron was considering proposals to complete decontamination of the McGean plant site but that contracting is being deferred pending the outcome of Mr. Fonner's informal discussion with NMSS regarding onsite burial. Keppler didn't expect an early answer from NMSS so informed Chemetron not to allow their license to expire. Keppler then stated that the NRC regarded the dump site a separate issue, "albeit, one possibly amenable to a common solution if onsite burial at the plant site is permitted. However, we believe that the efforts to resolve the dump site problem should not be held in abeyance awaiting the outcome of the larger issue of decontamination of the McGean Plant site."
33. By letter dated 7/9/81, Chemetron requested that Keppler reconsider the position taken in the letter dated 6/23/81 regarding the dump site and awaited a determination regarding onsite burial.
34. By memo dated 7/31/81, R. Cunningham informed J. G. Davis of the following:

"As a follow-up to your question about Region III's correspondence with Chemetron Corporation concerning the disposal of depleted uranium in the McGean disposal dump, Bill Crow spoke with Bert Davis about this matter earlier this week. He suggested that Region III not press Chemetron for action until we have decided whether to approve onsite burial of the material on Chemetron's property. This could possibly circumvent two separate moves of the material."

"Mr. Davis promised to send us a copy of Region III's proposed response to Chemetron for our review and comments. We have not yet received it."

35. According to Material Data Input Form dated 8/11/80, Sub-1357 is extended to 7/31/82.
36. By memo dated 11/10/81, K. Kosla to W. Crow. She suggested sending newly published BTP to Chemetron with request that Chemetron respond within 90 days with a program to decontaminate Rooms A and B of Building 21 and the dump site.
37. By letter dated 12/1/81, Crow sent letter suggested in #36 including further suggestions for decontamination.
38. By letter dated 12/15/81, Chemetron replied to #37 but did not believe they could meet the 90-day deadline.
39. By letter dated 2/23/82, Region III informed Chemetron of the result of an inspection performed on 1/6/82. No items of noncompliance were identified. According to the inspectors report, there are 100 steel 55-gallon drums stacked on pallets on a brick pad outside Building 21 and adjacent to Rooms A and B. These drums contain miscellaneous waste resulting from decontamination. The drums were formerly in Rooms A and B and were removed late in 1980 with the intent of shipping them to a waste disposal site. Suggest early removal of the drums since the drums could rust through.
40. By letter dated 3/12/82, Chemetron notified NRC that they have 4 proposals for decontamination of plant and dump sites. They require more information from prospective contractors and must meet with McGean. They will prepare an application and will want a review meeting with NRC.
41. In a memo dated 7/30/82, B. Kosla stated that Chemetron had contracted with RMC to prepare a proposal for decontaminating their facility and the dump site on 7/23/82.
42. By letter dated 7/30/82, R. Page amended SUB-1357 to expire 7/31/83.

43. By letter dated 9/15/82, Chemetron submitted a flow chart of the decontamination work and a schedule for its execution.
44. By letter dated 6/28/83, Chemetron requested that SUB-1357 be extended to 7/31/84.
45. By memo dated 8/9/83, a meeting was held on 8/2/83 between W. Crow, B. Kosla of NRC, and S. Wilner/R. Desman of Chemetron, L. Booth of RMC, and R. Zellner of McGean. It is stated that licensee has already decided to decontaminate the dump site to meet Option 1 of the BTP and was scheduled to begin operation by 8/10/83. The discussion of which option to pursue for the plant building and site is still to be decided pending further testing and evaluation by RMC.
46. By letter dated 11/18/83, Chemetron submitted a decontamination plan dated 9/5/83 and a request to amend SUB-1357 to perform the decontamination. The work to be performed is as follows:
 - (1) Remove all contaminated materials from the dump site and relocate to the McGean plant site. Drum all high level materials for disposal. Cover loose materials to prevent dispersal, if required.
 - (2) Break up and remove the clean concrete floors in rooms A and B. Break up and drum the highest level contaminated concrete. Relocate and store the low level contaminated concrete for further study and/or processing.
 - (3) Demolish rooms 21A and 21B structures. Isolate and dispose of all uncontaminated structural materials. Decontaminate and/or dispose of remaining material.
 - (4) Survey and remove all highly contaminated soils.

- (5) Package and ship all highly contaminated materials to a commercial burial site for disposal. These include soils, concrete and building materials.
- (6) Perform surface plowing and grading on remaining soils to homogenize them and add crushed concrete. Survey to verify that all residual materials are less than 35 pCi/g. Grade, add top soil and landscape as needed.
- (7) Perform a close out survey and prepare a final site report.

It was estimated that work could be completed by the late summer of 1984.

47. By memo dated 7/15/84, D. Cool reports onsite visit to the Harvard Avenue facility and dump site to review the decontamination efforts for Building 21 and the dump site. States that RMC plans to begin survey and decontamination of dump the week of 6/18/84, with the work to be completed by approximately the end of July. Decontamination of the Harvard Avenue facility would be conducted concurrently with the dump activities and should be completed by the end of October.
48. By letter dated 6/28/84, RMC submitted their "Confirmatory Survey Methods."
49. By letter dated 7/18/84, NRC revised SUB-1357 and extended it to 6/30/86. The major changes are as follows:
 11. Release of equipment and material for unrestricted use from the facility to offsite areas or from contaminated to clean areas onsite shall be in accordance with the enclosed Annex A, dated July 1982.
 12. The maximum average concentration of depleted uranium in soil permitted for unrestricted release shall be 35 pCi/g.

13. Within one year of the issuance of this license, the licensee shall:

- (a) Decontaminate the facilities and grounds to the criteria specified in Conditions 11 and 12 of this license.
- (b) Perform a comprehensive survey documenting compliance with the above criteria.

The background portion of the review contains the following paragraph.

Decontamination activities under SUB-1357 were undertaken in 1979, with the expectation that the project would be completed in about six months. Since that time, it has become apparent that the contamination was significantly more extensive than originally estimated. The additional costs associated with completing decontamination have resulted in a lengthy legal battle to determine proper responsibility for completion of the project. These legal impediments were resolved in April 1984, and a contract was signed with Radiation Management Corporation (RMC) to decontaminate both the licensed facility and the contaminated dump site.

The license has been under timely renewal since 6/28/83.

50. By letter dated 10/26/84, Allegheny International (Chemetron) submitted the RMC report on the Decontamination Activities and Final Confirmatory Survey of the Dump Site. The report states that:

These confirmatory measurements verify that decontamination efforts were adequate to achieve the contamination criteria limits. The depleted uranium material remaining at the dump is present in low concentrations (less than 35 pCi/g, on average), and causes no significant increase in exposure rate above normal background levels. An estimated 12,000 ft³ of material was removed from the dump site.

51. By memo dated 11/7/84, D. Cool describes a visit to the dump to determine the types of problems which will be encountered by ORAU during confirmatory surveys. J. Berger expected survey work could be done during early December.
52. By letter dated 11/21/84, ORAU submitted their proposed Confirmatory Radiological Survey Plan for the dump site.
53. By letter dated 1/11/85, ORAU submitted preliminary results of their confirmatory survey of the dump site. Their conclusion is that there is residual radioactive contamination in all but the southwest corner and northeastern slope of the dump site (Figure 1). Their results indicate the presence of depleted uranium with U-238 activities ranging up to 76,000 pCi/g. The ORAU report also identifies the types of radioactive material that are in the dump site as follows.

"The form of the contaminant is believed to be uranium oxide (U_3O_8), originating from conversion of uranium hexafluoride (UF_6) to the oxide form and from production of a uranium process catalyst.

"Also discarded at this dump site were other wastes, containing low levels of naturally occurring radionuclides, but from operations not requiring licensing. These wastes were antimony slag, containing nuclides of the natural uranium and thorium decay series in varying degrees of equilibrium; fly ash, containing the natural uranium and thorium series; and fire brick and crucibles, also containing the uranium and thorium decay series radionuclides."

54. By letter dated 1/17/85, NRC sent Chemetron a copy of the ORAU report (No. 53). The letter specified that according to the ORAU report the soil samples contained depleted uranium in concentrations greatly in excess of the criteria for release for unrestricted use specified in Condition 12 of their license. The letter advised that the site should be reexamined and decontaminated to the levels specified in their license for unrestricted release.

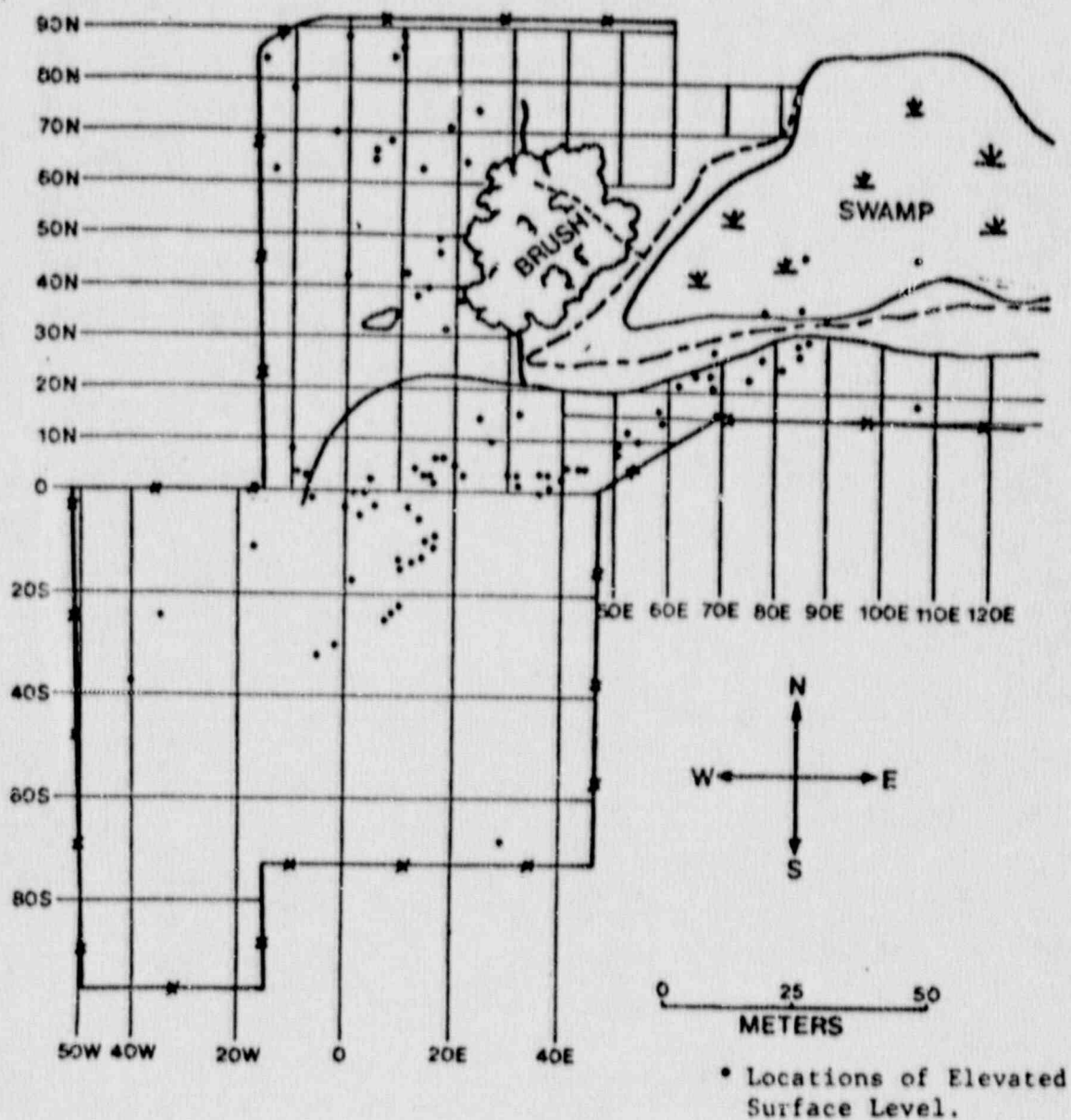


FIGURE 3: Locations of Elevated Surface Radiation Levels,
Chemetron - McGean, Newburgh Heights, Ohio.

55. By letter dated 3/26/85, McGean requested that NRC release a portion of the dump site for unrestricted use.
56. By letter dated 4/9/85, NRC requested further information before a decision could be made to release part of the dump site for unrestricted use.
57. By letter dated 6/11/85, McGean provided the information requested by NRC on 4/9/85.
58. By letter dated 7/1/85, NRC agreed to release for unrestricted use a portion of the dump as requested by McGean, item 55.
59. An RMC report dated 9/85 on the Decontamination Activities and Final Confirmatory Survey of the McGean Properties provides the following information:

Dump site:

- (1) The ORAU report (Item 53) shows ORAU used different survey procedures and protocols for choosing soil sample locations than RMC (Item 50).
- (2) Soil was removed from approximately 100 isolated hot spots between May and July 1985. This soil was relocated to the Harvard Avenue site prior to final disposal.
- (3) RMC claims the dump site was adequately decontaminated and acceptable for unrestricted release.

Harvard Avenue Site:

- (1) Approximately 8,900 ft³ of waste of which approximately 2,000 ft³ was from the dump was sent in four shipments to Chem-Nuclear site in Barnwell, SC, and in 17 shipments to U.S. Ecology in Richland, WA.

- (2) Numerous small piles of material with low U-238 activity were blended with existing topsoil over the site area to achieve an essential uniform matrix with average U-238 activity-concentration below the 35 pCi/g limit.
 - (3) Soil samples were collected at 103 locations.
 - (4) The average U-238 activity concentration for these samples is 27 pCi/g, with one standard deviation of the mean equal to 8.5 pCi/g.
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- 60. By letter dated 10/15/85, Chemetron requested all facilities be released for unrestricted use and that license No. SUB-1357 be terminated based on the RMC survey of 9/85 (Item 59).
 - 61. By letter dated 11/1/85, Chemetron informed NRC that the remaining drums of radioactive material has been removed from the McGean site and shipped to U.S. Ecology, Hanford, WA, for disposal.
 - 62. By letter date 1/29/86, ORAU submitted to NRC the preliminary results of their confirmatory survey of the Harvard Avenue site. This report states that there are a number of locations, particularly in the southern portion of the site, where our survey identified individual and average uranium concentrations (over about 400 m²) exceeding the 35 pCi/g guideline level. Most of these locations are limited to the surface; however, subsurface contamination was noted at 0.5 to 1.0 m in several boreholes (Figure 2). The presence of thorium-232 contamination on the adjacent Alcoa property was also identified by this survey.
 - 63. By letter dated 2/11/86, ORAU sent NRC a letter from RMC dated 2/6/86 explaining RMC's survey procedure. RMC seems to be trying to justify its conclusion that the sites met NRC criteria for release for unrestricted use. I have not found RMC's survey procedures that are mentioned in this letter.

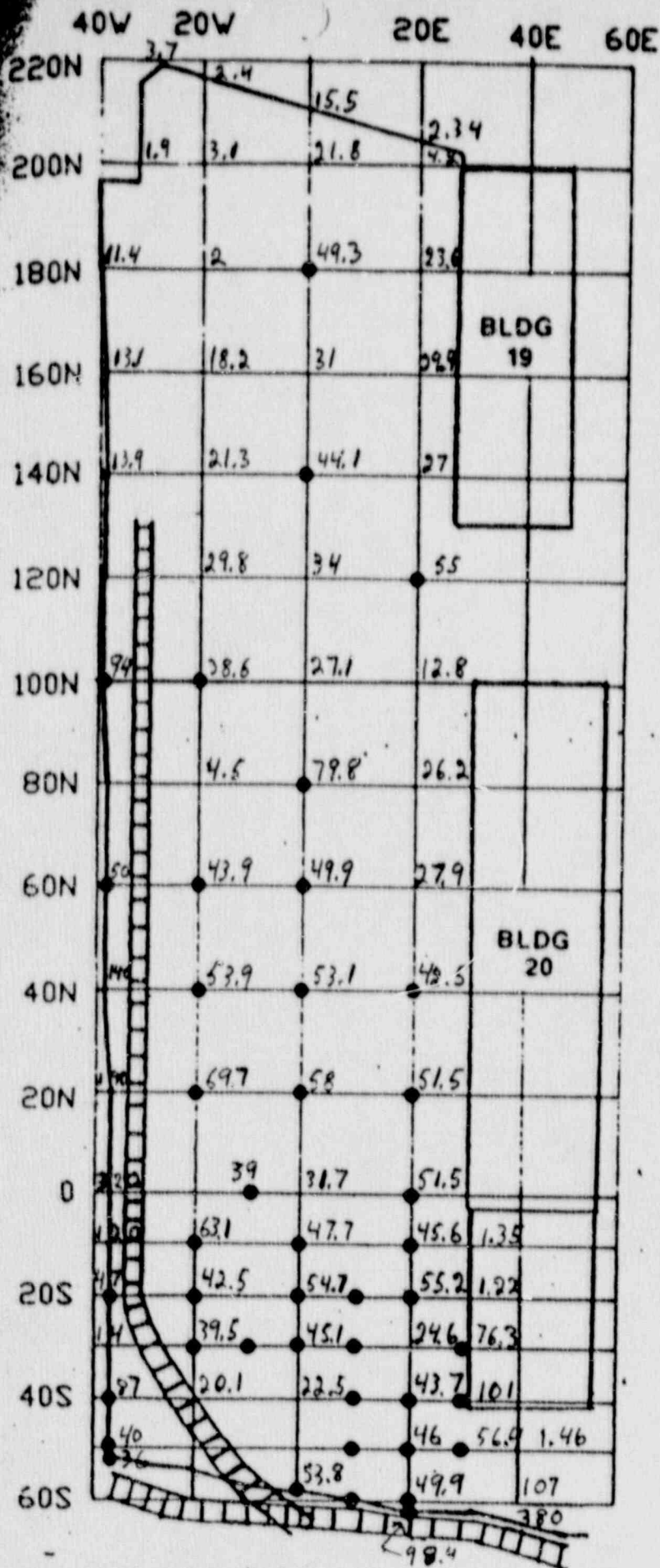


FIGURE 2: Locations of Grid Intersections Where Surface Soil Samples Exceed 35 pCi/g of U-238.

64. By letter dated 3/27/86, ORAU submitted to NRC preliminary results of their confirmatory survey of the dump site. ORAU results identified locations of U-238 soil contamination in excess of the 35 pCi/g guideline level. Although at many locations the contamination is limited to the upper 15-30 cm of soil, subsurface contamination was found up to a depth of 1.8 m in some boreholes. Limited additional cleanup, performed by the decontamination contractor during the survey, was not effective in reducing the contamination to the guideline level.
65. By letter dated 7/25/86, NRC sent Chemetron the preliminary ORAU reports (Items 62 and 64). The letter stated that:
- "The locations exceeding the release criteria are listed in the enclosed tables taken from the ORAU confirmatory surveys of the Chemetron-McGean Industrial Dump Site and Harvard Avenue Site. I believe the enclosure will be helpful in determining what additional remedial actions are necessary to decontaminate the sites to acceptable criteria for an unrestricted area."
66. By letter dated 8/21/86, Chemetron replied to NRC's letter of 7/25/86. Stated asking McGean to continue control and restrict access to plant and dump site areas until property is released "for unrestricted use." They are studying ORAU's report. When this task is completed will contact NRR to discuss further action necessary to obtain an unrestricted release of McGean property and termination of Chemetron's License SUB-1357.
67. By letter dated 10/22/86, McGean sent a draft of a proposal to obtain permission to use the northern portion of the Harvard Avenue site for a driveway and parking lot.
68. By letter dated 4/21/87, McGean submitted an additional analysis of ORAU's 1/29/86 (Item 62) data for the Harvard Avenue site as further justification for their request to use the northern portion of this area as a driveway and parking lot.

MAY 3 1988

IN THE UNITED STATES BANKRUPTCY COURT
IN THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:

ALLEGHENY INTERNATIONAL,
INC, F/K/A
ALLEGHENY INTERNATIONAL
REALTY DEVELOPMENT
CORPORATION
AND ALLEGHENY INTER-
NATIONAL ACCEPTANCE
CORPORATION, et al.

Debtors.

Chapter 11 Proceedings
Jointly administered at
Case No. 88-448

STATEMENT OF POSITION OR, IN THE ALTERNATIVE,
PROOF OF CLAIM OF UNITED STATES OF AMERICA, ON BEHALF
OF THE UNITED STATES NUCLEAR REGULATORY COMMISSION

1. This is submitted by the Attorney General of the United States of America, on behalf of the United States Nuclear Regulatory Commission ("NRC").

2. It is the position of the United States that the NRC has no "claim," as that term is defined in Section 101(4) of the Bankruptcy Code, 11 U.S.C. §101(4), against any of the debtors in this proceeding. See, e.g. Penn Terra Ltd. v. Department of Environmental Resources, 733 F.2d 267 (3d Cir. 1984). This is filed in response to the erroneous listing in the debtors' schedules representing that the NRC has a disputed, unliquidated claim for an environmental matter. One of the debtors, Chemetron Corporation, has an obligation, as to which the NRC has jurisdiction. This obligation arises from the facts set forth in paragraphs 3 and 4 below.

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3. Chemetron Corporation holds License No. SUB-1357 (the license), issued by the NRC, which authorizes Chemetron to possess certain radioactive materials at 2910 Harvard Avenue, Newburgh Heights, Ohio (the Harvard Avenue site), and at the McGean-Rohco property located between 28th and 29th Streets at Bert Avenue, Newburgh Heights, Ohio (the dump site). Condition 12 of License No. SUB-1357 requires Chemetron to decontaminate the Harvard Avenue site and submit plans to decontaminate the dump site by October 1, 1988.


4. Chemetron's compliance or failure to comply with Condition 12 is a public health and safety matter. Chemetron must comply with the terms of the license, as well as any applicable provisions of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §§ 2011-2284 (1982), and the Commission's regulations, 10 C.F.R. Parts 0-199 (1988). To the extent that such decontamination will require the expenditure of Chemetron's funds, that obligation must take priority over the payment of any claims to Chemetron's creditors.

5. Should debtor's obligation to decontaminate be construed by this Court or any court with jurisdiction over this case as a claim owing to the United States, then any such claim would be an administrative obligation of debtor's estate. Should a court find that such a claim were not a claim for administrative expenses, then this is a proof of claim for all funds needed from the estate(s) to meet debtor's obligations under the license.

6. No judgment has been rendered with respect to this matter.
7. No payments have been made to the NRC with respect to this matter.
8. There are no setoffs or counterclaims with respect to this matter.
9. The NRC holds no security interest against debtor's estate.


DATED: May 2, 1988.

Respectfully submitted,

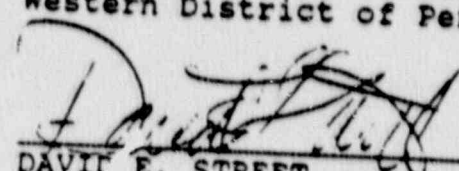


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