



STATE OF WASHINGTON

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Olympia, Washington 98504

July 1, 1985

R. Dale Smith, Director
Uranium Recovery Field Office
U. S. Nuclear Regulatory Commission
Region IV
Box 25325
Denver, Colorado 80225

Dear Mr. Smith:

Enclosed, please find the latest revision of the State of Washington's evaluation for Dawn Mining Company's sureties. This document is being sent to you for your comments and approval.

Some background information concerning the development of this evaluation would aid in your task. A brief history follows:

As part of the license renewal process, Dawn Mining Company submitted in January, 1984, an estimate of needed sureties in the event of permanent mill closure and abandonment. The enclosed estimate was also independently developed by the Radiation Control Section. The original document contained evaluations of five scenarios, all very similar to those outlined in the Generic Environmental Impact Statement. After discussion with our management we decided to use the most cost conservative scenario to be submitted to Dawn Mining Company as an initial estimate. This particular model used 14 feet of sandy soil to cover the tailings area instead of the final figure of 4.6 feet. The difference in soil volume was due to the amount of Ra-226 in pCi/gm in the tailings which was used. Not having accurate figures for the amount of Ra-226 in the tailings, this scenario used an average of 500 pCi/gm.

When we negotiated with Dawn Mining Company management they produced documented figures showing that the average concentration of Ra-226 is 240 pCi/gm.

Dawn confirmed that top soil and mulch would not be necessary to permit grasses to grow. They have good success with grass cover on some reclaimed portion of their property.

We assumed that private contractors would be hired to do the actual work. We based our expenses on the Department of Labor and Industries suggested costs. Dawn submitted costs associated with decommissioning considerably lower than the state suggested costs.

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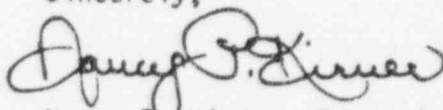
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Other items in our scenario were deemed redundant or unnecessary after further review. Dawn is willing to add the necessary monies to the Perpetual Maintenance Fund to increase the amount in the fund to \$250,000 as required by regulation. This would eliminate the need for specific cost expenditures for perpetual care and maintenance.

These cost reductions produced a usable document. The current evaluation appears to be compatible with the goals of both Dawn Mining Company and the state of Washington; also it appears to be in compliance with the requirements of 10 CFR 150. We request your con-currence on our conclusions.

Sincerely,



Nancy P. Kirner, Supervisor
Waste Management Unit

NPK:pm

Enclosure

cc: Marcel DeGuire
File: D D1
Don Nussbaumer
Jack Horner, NRC Region V



Kendig
WASH FILE

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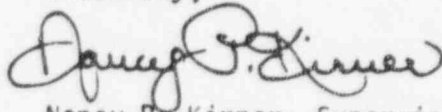
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