

March 27, 1998

MEMORANDUM TO: Elizabeth Q. Ten Eyck, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

FROM: Michael F. Weber, Chief Original signed by:
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

SUBJECT: FOLLOW-UP FINANCIAL REVIEW OF CABOT BOYERTOWN,
PENNSYLVANIA, SITE - LICENSE SNM-920

The Fuel Cycle Licensing Branch (FCLB) staff has performed a follow-up review of Cabot's financial viability as it relates to its progress in transferring or disposing of the stored radioactive residues generated from the tantalum and niobium recovery processes (approximately 25,000 tons). FCLB committed to conduct such a review when we renewed Cabot's license in December 1996. The radioactive residues accumulated at the Boyertown site for over 20 years. By letter dated February 13, 1998 (attached), Cabot informed the NRC that all of the radioactive residues have been transferred to a licensed uranium processing facility in Utah, and that Cabot expects to transfer all newly produced residues in a similar manner in the future. Consequently, NRC has reasonable assurance that Cabot's financial assurance for decommissioning will be sufficient to cover projected costs of decommissioning the Boyertown site. Region I is planning an inspection in April to verify that the material has been transferred. After Region I's verification, FCLB will work with the Division of Waste Management to propose removal of the Boyertown site from the Site Decommissioning Management Plan. No additional action is necessary at this time to confirm Cabot's financial viability. FCLB considers this financial issue resolved.

Attachment: As stated

Distribution w/incoming Ticket 97-2

Docket 40-6940

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 27, 1998

MEMORANDUM TO: Elizabeth Q. Ten Eyck, Director
Division of Fuel Cycle Safety
and Safeguards, NMSS

FROM:

Michael F. Weber, Chief
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

A handwritten signature in cursive script, reading "Michael F. Weber", is written over the printed name of the sender.

SUBJECT: FOLLOW-UP FINANCIAL REVIEW OF CABOT BOYERTOWN,
PENNSYLVANIA, SITE - LICENSE SNM-920

The Fuel Cycle Licensing Branch (FCLB) staff has performed a follow-up review of Cabot's financial viability as it relates to its progress in transferring or disposing of the stored radioactive residues generated from the tantalum and niobium recovery processes (approximately 25,000 tons). FCLB committed to conduct such a review when we renewed Cabot's license in December 1996. The radioactive residues accumulated at the Boyertown site for over 20 years. By letter dated February 13, 1998 (attached), Cabot informed the NRC that all of the radioactive residues have been transferred to a licensed uranium processing facility in Utah, and that Cabot expects to transfer all newly produced residues in a similar manner in the future. Consequently, NRC has reasonable assurance that Cabot's financial assurance for decommissioning will be sufficient to cover projected costs of decommissioning the Boyertown site. Region I is planning an inspection in April to verify that the material has been transferred. After Region I's verification, FCLB will work with the Division of Waste Management to propose removal of the Boyertown site from the Site Decommissioning Management Plan. No additional action is necessary at this time to confirm Cabot's financial viability. FCLB considers this financial issue resolved.

Attachment: As stated

CABOT

February 13, 1998

Director, Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

**RE: REMOVAL OF BOYERTOWN FACILITY FROM SITE
DECOMMISSIONING MANAGEMENT PLAN (SDMP)**

TO WHOM IT MAY CONCERN:

Cabot Corporation requests that its Boyertown Site (USNRC License SMB-920) be removed from the SDMP. Provided below is the justification for the removal.

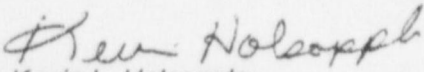
First, Cabot Corporation has reviewed the listed criteria in NUREG-1444 criteria for placing sites on the SDMP, assessed its operations against those criteria, and has determined that it does not meet any of the criteria. The criteria and assessments are provided in Attachment A.

Further, Cabot has completed a project which transferred ~25,000 tons of radioactive residues generated from the tantalum and niobium recovery processes to an NRC licensed uranium processing facility in Utah for the extraction of uranium and tantalum. It is anticipated that this approach will be replicated in future years, as required, to process the ore residue material cost-effectively.

Cabot Corporation would be available to meet and discuss any issues regarding this request if you and your staff need further clarification or additional information.

Thank you for your consideration.

Sincerely yours,
CABOT PERFORMANCE MATERIALS


Kevin L. Holsopple
Radiation Safety Officer

cc:	ATCampitelli	w/o enclosure
	PCNightingale/Cabot/Billerica/MA	w/o enclosure
	MLamastra/USNRC/Wash/DC	w/o enclosure

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Cabot Performance Materials
P.O. Box 1608
County Line Road
Boyertown, Pennsylvania 19512-1608
Phone: 610-367-2181



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ATTACHMENT A

- Criteria 1. The responsible organization may not be financially viable.
- Assessment: As presented in our license renewal application (Section 7.2), Cabot has adequate financial resources to operate and decommission the facilities and operations covered by its license. As explained in the 1997 Annual Report (enclosed), Cabot has over \$1.8 billion in assets and a 1997 pre-tax income of over \$117 million on revenues of over \$1.6 billion.
- Criteria 2. There are large amounts of contaminated soil or unused settling ponds or burial grounds that may be difficult to decommission.
- Assessment: The Boyertown facility is in operation and does not have large amounts of contaminated soil or used settling ponds.
- Criteria 3. There is a long-term presence of contaminated, unused buildings.
- Assessment: The Boyertown facility is in operation and does not have a long-term presence of contaminated, unused buildings.
- Criteria 4. The license was previously terminated, but residual contamination exceeds unrestricted release limits.
- Assessment: The Boyertown facility is in operation and has an license authorized by the USNRC.
- Criteria 5. There is contamination or potential contamination of the ground water from onsite wastes.
- Assessment: In accordance with the USNRC license, Cabot monitors the groundwater at its Boyertown facility on a quarterly basis. All samples have been below regulatory limits.