

Mr. John J. Hunter
Corporate Manager of Process Engineering
and Facilities Construction
Fansteel, Inc.
Number Ten Tantalum Place
Muskogee, OK 74403-9296

SUBJECT: REQUEST FOR AN ENVIRONMENTAL REPORT (TAC NO. L31216)

Dear Mr. Hunter:

We are continuing to review your amendment request for construction of a containment cell at your Muskogee site and have determined that an Environmental Report (ER) is needed. An ER is required by 51.60 (b) (5); it must be prepared in accordance with 10 CFR 51.45 and submitted per 10 CFR 51.66. The ER should be provided within 90 days of the date of this letter. Please reference the above TAC No. in future correspondence related to this request.

As part of the environmental review, the Nuclear Regulatory Commission (NRC) expects to prepare an Environmental Impact Statement (EIS). The EIS will be consistent with 10 CFR Part 51, NRC Environmental Protection Regulations for Domestic Licensing and Related Regulatory Function, for implementing the National Environmental Policy Act (NEPA; 1969, as amended). The ER should address all information necessary for NRC to prepare the EIS. This information is specified in 10 CFR Part 51, Appendix A to Subpart A: "Format for Presentation of Material in Environmental Impact Statements."

As we informed you in the telephone conversation held on November 17, 1999, the ER must include a discussion of alternatives to the proposed action. This discussion must include consideration of a no-action alternative. Guidance on discussion of no-action alternative's is enclosed and can be found at <http://ceq.eh.doe.gov/nepa/nepanet.htm>. Under new Advisory Council on Historic Preservation Regulations in 36 CFR 800.2 (promulgated in 64 FR 95, 27072-27087), NRC can authorize the licensee to initiate consultation with the State Historic Preservation Officer (SHPO) and Tribal Historic Preservation Officer(s) (THPO), and others as appropriate. NRC hereby grants this authorization to Fansteel. If you elect to perform these consultations, they should be documented in the ER.

The staff has also noted that the proposed burial cell is located near the Arkansas River. The ER should include a thorough flood analysis, considering the risks of upstream dam failures and probable maximum flood levels at the site. Depending upon the design features needed to protect the site, the staff considers that the information needed will include data and analysis related to the dam failure, reservoir operation, and flood analysis.

Mr. John Hunter

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We suggest that you meet with the NRC staff in early January to discuss your plans for and progress in preparation of the ER. This meeting will assure that the ER will address all necessary areas. Please contact Heather Astwood, the new Project Manager at (301) 415-5819 to arrange such a meeting. If you have any questions concerning this letter or the contents of an ER, please contact Ms. Astwood, at the telephone number listed above or send email to: hma@nrc.gov.

Sincerely,

Charles Emeigh, Section Chief
Licensing Section
Licensing and International
Safeguards Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket 40-7580
License SMB-911

Enclosure: 46 FR 55, 18026-18038

cc w/encl: See next page

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Charles Emeigh, Section Chief
Licensing Section
Licensing and International
Safeguards Branch
Division of Fuel Cycle Safety
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