MEETING REPORT

<u>Date</u>: October 29, 2002

Time: 1:30 PM to 5:00 PM

Location: U.S. Nuclear Regulatory Commission (NRC)

OWFN 8-B4

11555 Rockville Pike Rockville, MD 20852

Purpose: Meeting with AAR Corporation to discuss decommissioning options for the AAR

Manufacturing Group, Inc. site in Livonia, MI.

Attendees: See Attachment 1

Background:

On September 17, 1999, AAR Manufacturing Group, Inc. (AAR) submitted a proposed revision to the approved remediation plan (RP) for the site, which involved remediation of only soils containing thorium concentrations exceeding 116 picocuries per gram [the unimportant quantity (0.05 weight percent) of source material, in 10 CFR 40.13(a)].

NRC staff reviewed the revised RP, and based on a dose assessment, found that the proposed revision to the RP could not be accepted. By letter dated March 31, 2000, NRC notified AAR that the revised remediation approach had not been approved and gave AAR the option to return to its previously approved RP [based on the unrestricted release criteria in the Site Decommissioning Management Plan (SDMP) Action Plan] or perform its own site-specific dose assessment and submit it for NRC review. On December 29, 2000, AAR submitted its dose assessment. After preliminary review of the dose assessment, it was determined that there was insufficient information to conduct a technical review. At that time, the staff decided to consult with the Commission on AAR's proposed approach and the policy issue of the acceptability of using §40.13(a) as a decommissioning criterion.

After this consultation with the Commission, NRC decided that §40.13(a) is not an appropriate decommissioning criterion, as it is inconsistent with the concentration criteria in the SDMP Action Plan and the radiological criteria for license termination [or the License Termination Rule (LTR)] in 10 CFR Part 20, Subpart E. The Commission suggested that the staff interact with AAR to determine if there are restricted release options that AAR would like the staff to consider.

On July 22, 2002, NRC notified AAR of its decision on the revised remediation approach and briefly discussed the decommissioning options for the site, including restricted release. AAR noted that it would like to explore restricted release options with NRC. Given some of the difficulties surrounding restricted release, NRC requested a meeting with AAR to discuss the restricted release decommissioning option and the next steps for progressing the decommissioning of the site.

Discussion:

NRC staff opened the meeting and discussed a brief history of the AAR site and the recent events that led to the meeting to discuss decommissioning options for the site, focusing on restricted release.

AAR presented the results of its recent dose analyses, completed to support its proposal for an unrestricted release of the eastern portion of the site and a restricted release of the western portion of the site (see Attachment 2). AAR claims that, based on its dose analyses, the eastern property will meet the conditions for unrestricted release, and the western property will meet the conditions for a restricted release (consistent with the dose limits in the LTR). At the meeting, AAR submitted a copy of the 1913 Michigan Geological and Biological Survey Publication 12, Geological Series 9, "Geological Report on Wayne County," to support its claim that the shallow aquifer cannot support a reliable or potable water supply, and therefore, the groundwater pathway can be eliminated as a viable exposure pathway. AAR plans to submit the dose analyses for NRC review by November 8, 2002.

After discussion of the dose analyses, NRC staff provided an overview of the requirements for restricted release in the LTR (see Attachment 3). The staff also discussed some of the areas of restricted release and institutional controls that NRC is performing further evaluation of, in response to the Commission's request to make restricted release more available for licensee use.

AAR presented its proposal for restricted release, stating that the first step in the process was to reach agreement with NRC on the technical and dose issues. After NRC reviews the dose analyses, AAR plans to implement the controls needed to preserve the restricted use scenario (industrial scenario) on the western property, based on Michigan law and its provisions for controls on sites with non-radioactive contamination.

AAR's current thinking is to enter into an omnibus settlement agreement with the NRC on the institutional controls needed for restricted release. The agreement could include using a covenant that would outline the restrictions on the site, such as prohibiting farming or developing residential properties on the site. The agreement would allow NRC or local government to enforce the controls. It was recognized that further discussion regarding this approach was needed, including addressing the following issues: (1) how NRC could legally take enforcement action regarding local and state land issues and (2) how AAR could assure that the restrictions in the covenant would transfer to each subsequent owner of the property or "run with the land," with no need for renewal of the agreement between NRC and the subsequent owner.

NRC also noted the following considerations for AAR, as they continued to consider restricted release:

 AAR would need to demonstrate that further reductions in residual activity necessary to comply with unrestricted release would result in net public or environmental harm or were not being made because the residual levels associated with restricted conditions are as low as reasonably achievable (ALARA). AAR stated that it will complete this ALARA analysis.

- NRC noted that an environmental review of the restricted release would need to be completed. An environmental impact statement (EIS) is typically prepared for a site pursuing restricted release. However, given that the restrictions would only be placed on a small area of land (about 1.5 acres), the staff would first complete an environmental assessment to determine whether to prepare an EIS or a finding of no significant impact.
- NRC also noted that the LTR requires obtaining advice from affected parties in the
 preparation of plans for a restricted release. AAR noted it would be open to involving
 the public in its planning for restricted release, and will address this issue of public
 involvement.
- NRC and the U.S. Environmental Protection Agency (EPA) recently signed a
 Memorandum of Understanding (MOU) for Consultation and Finality on
 Decommissioning and Decontamination of Contaminated Sites, which provides for NRC
 and EPA consultation for sites in which NRC contemplates restricted release or
 alternate criteria for release of the site.

AAR finally noted that it had no interest in being licensed by NRC, and therefore, the idea of a perpetual license to keep restrictions on the property is not desirable to AAR. AAR plans to tailor its controls of and restrictions on the site to the actual risk at the site.

Actions:

- NRC will provide AAR with a copy of the recently signed EPA/NRC MOU by November 8, 2002.
- AAR will submit its dose analyses for NRC review by November 8, 2002.
- AAR and NRC legal counsels will continue to discuss the possibility of an agreement between AAR and NRC, which will contain details on the restrictions of the property and its use.

Attachments:

- 1. Meeting Attendees
- 2. AAR Presentation: "Probabilistic Dose Assessment for the Former Brooks and Perkins Site"
- 3. NRC Overview of Restricted Release Under the License Termination Rule