

July 27, 2006

Mr. Dan E. Burnham
Technical Consultant
ExxonMobil Refining and Supply
Company
3225 Gallows Road
Fairfax, Virginia 22037

SUBJECT: REVIEW OF EXXONMOBIL'S REQUEST FOR ALTERNATE GROUNDWATER PROTECTION STANDARDS FOR CHROMIUM, URANIUM, SELENIUM, AND NICKEL AT THE HIGHLAND RECLAMATION PROJECT, LICENSE AMENDMENT NO. 58 TO SOURCE MATERIALS LICENSE SUA-1139 (TAC LU0120)

Dear Mr. Burnham:

By letter dated January 16, 2006, ExxonMobil Refining and Supply Company (ExxonMobil) requested that License Condition (LC) 33 of the Highland Reclamation Project (Highland) Source Materials License SUA-1139 be amended to modify the groundwater protection standards for chromium, uranium, selenium, and nickel at the point of compliance (POC) wells designated in the license. Specifically, ExxonMobil requested that the current maximum contaminant levels (MCLs) for chromium, uranium, and selenium in the U.S Environmental Protection Agency (EPA) National Primary Drinking Water Regulations (NPDWRs) be incorporated as the appropriate standards in the Highland license. Additionally, even though the MCL for nickel in the NPDWRs has been remanded by the EPA, ExxonMobil has proposed to retain a groundwater protection standard for nickel in the license. In this regard, ExxonMobil has requested that LC 33 be amended to incorporate the former MCL for nickel (i.e., prior to being remanded) as the appropriate groundwater protection standard.

The U.S. Nuclear Regulatory Commission (NRC) staff has completed its review of the ExxonMobil amendment request for alternate groundwater protection standards. This review included the preparation of an environmental assessment (EA) to evaluate the environmental impacts associated with the proposed alternate groundwater protection standards. The staff's environmental review is documented in the EA published in the *Federal Register* on July 25, 2006 (71 FR 42137), and concludes that the proposed licensing action will not have a significant impact on the environment. Accordingly, pursuant to the requirements of 10 CFR Part 51, a Finding of No Significant Impact was prepared and published in the *Federal Register* on July 25, 2006 (71 FR 42137), to document the staff's finding and to notice the availability of the EA and ExxonMobil's license amendment request.

The staff's review also included a detailed evaluation of the safety aspects of the proposed alternate groundwater protection standards. The staff's detailed safety review is documented in the enclosed Technical Evaluation Report (TER, Enclosure 1). Based on this review, the staff concludes that the proposed alternate groundwater protection standards are protective of public

health and safety. Accordingly, the staff has determined that ExxonMobil's request to amend the Highland Source Materials License SUA-1139 is acceptable. The staff hereby approves ExxonMobil's license amendment request and has modified LC 33, as described in the enclosed TER, to establish alternate groundwater protection standards for chromium, uranium, selenium, and nickel in the license. These modifications to ExxonMobil's license are provided as Amendment No. 58 to Source Materials License SUA-1139 (Enclosure 2).

If you have any questions regarding this letter, please contact Myron Fliegel, the Project Manager for the Highland facility, at (301) 415-6629, or by e-mail, to MHF1@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (The Public Electronic Reading Room).

Sincerely,

/RA/

Gary S. Janosko, Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8102
License No.: SUA-1139

Enclosure: 1. Technical Evaluation Report
2. Amendment No. 58

cc: K. Frederick, WDEQ
M. Thiesie, WDEQ
R. Hoy, WDEQ
M. Moxley, WDEQ

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