

November 26, 2010

Mr. Steve W. Schilthelm
SLDA License Manager
BWX Technologies Inc.
2016 Mt. Athos Road
Lynchburg, VA 24504-5447

SUBJECT: RESPONSE TO LICENSEE'S LETTER OF INTENT DATED SEPTEMBER 9, 2010, FOR THE SHALLOW LAND DISPOSAL AREA, PARKS TOWNSHIP, PENNSYLVANIA, LICENSE NO. SNM-2001

Dear Mr. Schilthelm:

By letter dated September 9, 2010 [ML103020437], BWX Technologies Inc., herein referred to as the "Licensee", proposed to carve-out a surveyed portion of the Shallow Land Disposal Area (SLDA) for management of certain licensable material that meets site-specific Derived Concentration Guideline Levels (DCGL). Due to the presence of non-radiologic (*i.e.*, chemical), constituents, the Commonwealth of Pennsylvania has declared this material unsuitable for backfill; thus, it has to be shipped off-site for proper disposal. According to your letter of intent, the aforementioned activities are expected to occur during suspension of License No. SNM-2001, after the NRC executes a Confirmatory Order and the U.S. Army Corps of Engineers (USACE) assumes physical control of the SLDA site for purposes of conducting remedial activities under the Comprehensive Environmental Response Compensation and Liability Act. You also indicated that you are considering alternate waste disposal for below DCGL material (<DCGL) under Title 10 Code of Federal Regulations (CFR) Part 20.2002.

The mechanism you proposed to carve-out a portion of the SLDA site and to render License No. SNM-2001 active, while the USACE conducts cleanup activities, is the license amendment process. In addition, the transfer of this <DCGL material from the USACE to the Licensee will be outlined in a Health, Safety and Environmental Plan. You also indicated that the "interim" active state of the SNM-2001 would remain in effect for the carved out portion of the site until USACE ceases to generate <DCGL material outside the scope of the Record of Decision [ML090840110] for this Formerly Utilized Sites Remedial Action Program (FUSRAP) site.

The U.S. Nuclear Regulatory Commission (NRC) staff has considered your proposal and has determined, based on the information that you provided to date, that the Confirmatory Order would be the appropriate regulatory mechanism to retain a portion of the SLDA site under the control of the Licensee. However, please note that the NRC will require that a detailed Health, Safety and Environmental Plan be submitted for review prior to the development of the Confirmatory Order. In addition, the NRC would need to review any agreements drafted between the Licensee and the USACE concerning this matter.

Regarding your interest in pursuing alternate waste disposal under 10 CFR Part 20.2002, which you indicated will be dependent upon the volume of <DCGL material generated, the NRC has determined that this option can be preserved in the Confirmatory Order. Thus, the Licensee could submit an application for alternate waste disposal even if License No. SNM-2001 is suspended in its entirety or in part.

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 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>.

If you have any questions, please contact Ms. Yolande Norman at (301) 415-7741, or via E-mail at yolande.norman@nrc.gov.

Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 070-03085
License No.: SNM-2001

cc: SLDA Dist. List

Regarding your interest in pursuing alternate waste disposal under 10 CFR Part 20.2002, which you indicated will be dependent upon the volume of <DCGL material generated, the NRC has determined that this option can be preserved in the Confirmatory Order. Thus, the Licensee could submit an application for alternate waste disposal even if License No. SNM-2001 is suspended in its entirety or in part.

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 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>.

If you have any questions, please contact Ms. Yolande Norman at (301) 415-7741, or via E-mail at yolande.norman@nrc.gov.

Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 070-03085
License No.: SNM-2001

cc: SLDA Dist. List

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