

October 13, 2011

Mr. E. Kurt Hackmann
Director, Hematite Decommissioning Project
Westinghouse Electric Company
3300 State Road P
Festus, MO 63028

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION APPROVAL OF:
(1) WESTINGHOUSE HEMATITE DECOMMISSIONING PLAN, (2) REVISED
LICENSE APPLICATION, (3) EXEMPTION FROM THE REQUIREMENTS OF
10 CFR 70.24 AND 70.22(a)(4), AND ISSUANCE OF HEMATITE LICENSE
AMENDMENT 57

Dear Mr. Hackmann:

By letter dated August 12, 2009, Westinghouse Electric Company, LLC (Westinghouse or WEC) requested U.S. Nuclear Regulatory Commission (NRC) approval of the Hematite Decommissioning Plan (DP) [NRC's Agencywide Documents Access and Management System (ADAMS) Accession Nos. ML092330123, ML092330125, ML092330127, ML092330129, ML092330131, and ML092330132] and associated supporting documents. You supplemented WEC's submittal with responses to the NRC's Requests for Additional Information (RAIs). The dates of the RAIs and the dates of WEC's responses to the RAIs are provided in Chapter 1 of the enclosed Safety Evaluation Report (SER). You further supplemented the request with WEC's July 5, 2011, letter and associated Attachments (ML111880290 and ML111880292). The July 5th letter reflected the results of the NRC's June 24, 2011, and the June 27, 2011, public conference calls with WEC. During these calls the NRC discussed WEC's draft resolution tables and associated documents submitted June 20 - June 21, 2011 (ML111720018, ML111730489, and ML111730494).

Concurrent with the submission of the Hematite DP, WEC also submitted for approval a revised Hematite License (ML092330123), a revised Fundamental Nuclear Material Control (FNMCP) (ML092190033), and a revised Physical Security (PSP) (ML092220503) Plan. A Decommissioning Funding Plan (DFP) in support of the DP was also submitted on July 10, 2009 (ML091950063).

WEC subsequently resubmitted the revised license on November 17, 2010 (ML103230327), June 10, 2011 (ML11171A407), and July 5, 2011 (ML111880290). Associated with this latest version of the license was a request for an exemption from the Criticality Accident Alarm System requirements of 10 CFR 70.24 and an exemption from 10 CFR 70.22(a)(4) and additional proposed changes to the Hematite license.

Revisions to the FNMCP, which is considered proprietary information under 10 CFR 2.390(d), were made by submittals dated September 24, 2010 (ML102700250) and February 18, 2011 (ML110530134). The DFP, which is also considered propriety information under 10 CFR 2.390(d), was revised on December 21, 2010 (ML110120334) and on June 17, 2011 (ML11189A017). A non-proprietary version of the DFP, in which sensitive financial information has been redacted, is available to the public.

The PSP was revised on January 28, 2010 (ML100320430), November 9 2010 (ML103140576), June 10, 2011 (ML11171A407), and July 28, 2011 (ML11214A106). The PSP is not available to the public as it contains security information. These Plans are also withheld from the public under NRC regulation 10 CFR 2.390(d)(1).

The staff has reviewed the Hematite DP and associated supplemental information which envisions decommissioning the Hematite Site to the unrestricted release criteria. Based on its review the NRC staff determined that the Westinghouse DP will allow for the criteria in Subpart E of 10 CFR Part 20 to be met and the DP is approved. The staff's review of the DP is detailed in the enclosed safety evaluation report (SER).

The staff also reviewed the July 5, 2011, revised license and has concluded, based upon the accompanying SER, that the revised license can be approved. The approval of the license, grants an exemption to the Criticality Accident Alarm Systems requirements of 10 CFR 70.24.

The staff also reviewed the June 17, 2011, DFP to determine if it satisfies the regulatory requirement of 10 CFR 70.25. On the basis of the staff's review the NRC has determined that the DFP satisfies the regulatory requirement of providing adequate financial assurance as set forth in 10 CFR 70.25. The staff's assessment is presented in Chapter 15 of the DP SER. Because the DFP contains information that is deemed to be financial information and is designated non-public under 10 CFR 2.390(d)(1), the staff has prepared a public version of our assessment which is Enclosure 3 to this letter.

This letter transmits approval of the DP as supplemented by the July 5, 2011, WEC submittal; the July 5, 2011, revised license submittal; and the June 17, 2011, DFP. The approval of the DP and the revised license is reflected in Amendment 57 to the Hematite License, which is Enclosure 4 of this letter. The changes associated with the issuance of Amendment No. 57 are detailed in an Enclosure 5 to this letter.

The FNMCP and the PSP remain under staff review which will be documented in a future SER. Because the FNMCP and the PSP have not been approved, WEC cannot perform any soil excavation in those areas where the documented burial pits are located or undocumented burial pits are suspected of being located.

Associated with the above noted approvals was the staff's publication of an Environmental Assessment (EA) and the Finding of No Significant Impact (FONSI). The availability of the EA (ML112101726) and the FONSI were noticed in the *Federal Register* (76 FR 60557; September 29, 2011). The EA and the FONSI were transmitted to you by a letter dated September 30, 2011 (ML112101726).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," 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>.

E. Hackmann

3

Please contact Mr. John Hayes if you have any questions concerning the above. He can be reached at (301) 415-5928 or via email at john.hayes@nrc.gov.

Sincerely

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
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Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 70-36
License No.: SNM-33

Enclosures:

1. Decommissioning Plan Safety Evaluation Report
2. License Application Safety Evaluation Report
3. Non-public Decommissioning Funding Plan Safety Evaluation Report
4. License Amendment 57
5. Basis for Hematite License Changes

cc w/o enclosures:
Hematite Service List

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Sincerely

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Keith I. McConnell, Deputy Director
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J.Trapp, RIII

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Enclosure 1:
Safety Evaluation Report
ML112101630

Enclosure 2

Hematite Revised License Application for SER

ML112101690

Enclosure 3

Non-Public Decommissioning Funding Plan Safety Evaluation
Report

Enclosure 4

Amended License

ML112101640

Enclosure 5

Basis for Hematite License Changes