

February 10, 2012

Mr. Paul Baldauf, Director  
State of New Jersey  
Division of Environmental Safety & Health  
Department of Environmental Protection  
P.O. Box 424  
Trenton, NJ 08625-0424

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION ACCEPTANCE OF TRUST  
AGREEMENT BETWEEN SHIELDALLOY METALLURGICAL CORPORATION  
AND RBS CITIZENS, N.A. PRIVATE BANK AND TRUST

Dear Mr. Baldauf:

As noted on the enclosed February 10, 2012, letter from the U.S. Nuclear Regulatory Commission (NRC) to Ms. Pamela J. Bradway at Shieldalloy Metallurgical Corporation (SMC), the NRC staff has reviewed and accepted the executed Trust Agreement between SMC and RBS Citizens, N.A., Private Bank and Trust (Citizen's Bank) dated December 5, 2011. The NRC staff has also confirmed that the entire account balance of \$2,213,420.22, formerly held by JP Morgan Chase, has been transferred to Citizens Bank.

By letter dated November 2, 2011, NRC staff notified the State that pursuant to memorandum and order (CLI-11-12) dated October 12, 2011; the NRC had reinstated the State of New Jersey's authority to regulate the SMC site in Newfield, NJ. The NRC staff also informed the State that the NRC was in the process of reviewing changes to SMC's Trust Agreement and, in order to ensure an efficient transfer of responsibility, expected to finalize that review in early 2012. The staff's acceptance of the Trust Agreement concludes its review. Since the State now has regulatory authority for decommissioning of the SMC site, NRC staff recommends that the State have SMC change the beneficiary listed in the Trust Agreement from NRC to the State of New Jersey.

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>.

P. Baldauf

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If you have any questions concerning this letter, please contact me at (301) 415-7612, or by e-mail, at [Paul.Michalak@nrc.gov](mailto:Paul.Michalak@nrc.gov).

Sincerely,

**/RA/**

Paul Michalak, Chief  
Materials Decommissioning Branch  
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.: 40-7102  
License No.: SMB-743

Enclosure:  
February 10, 2012 Letter from NRC to  
SMC w/enclosures

cc: See next page

P. Baldauf

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If you have any questions concerning this letter, please contact me at (301) 415-7612, or by e-mail, at [Paul.Michalak@nrc.gov](mailto:Paul.Michalak@nrc.gov).

Sincerely,

**/RA/**

Paul Michalak, Chief  
Materials Decommissioning Branch  
Decommissioning and Uranium Recovery  
Licensing Directorate  
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**OFFICIAL RECORD COPY**

cc:

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Shieldalloy Metallurgical Corporation  
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New Field, NJ 08344

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Newfield Residents Environmental Group  
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Newfield, NJ 08344

The Honorable Joseph Curcio III  
Mayor of the Burrough of Newfield  
18 Catawba Avenue  
Newfield, New Jersey 08344

Gloucester County Board of Chosen  
Freeholders  
Attn: Director, Stephen M. Sweeny  
P.O. Box 337 Court House  
Woodbury, NJ 08096

Cumberland County Board of Chosen  
Freeholders  
Attn: Deputy Director  
Robert M. Damminger  
790 E. Commerce Street  
Bridgeton, NJ 08302

Gloucester County Department of  
Public Works  
Attn: Director, Larry Haynes, Sr.  
County Office Building  
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