

Technical Evaluation Report  
Defense Logistics Agency Strategic Materials  
Docket No. 04000341/NRC Materials License No. STC-133

## INTRODUCTION

In a letter dated May 29, 2013 (date should be May 29, 2014, because letter was received on June 2, 2014) (Agencywide Documents and Access Management System (ADAMS) Accession No. ML14167A147), the Defense Logistics Agency (DLA) submitted an alternate decommissioning schedule request for DLA's Strategic Materials facility (Scotia Depot) to the U.S. Nuclear Regulatory Commission (NRC) for review and approval. In a subsequent letter dated March 25, 2015 (ADAMS Accession No. ML15089A272), DLA provided clarification to its initial alternate decommissioning schedule request.

DLA requested an alternate schedule that would extend the time frame for completing decommissioning activities per 10 CFR 40.42(i). This extension to complete decommissioning by February 29, 2020, aligns with the current expiration date of their license and DLA would submit the Final Status Survey (FSS) Report required by 10 CFR 40.42(j) to document the completion of decommissioning of the Scotia Depot.

This Technical Evaluation Report (TER) addresses the review and approval of an alternate the decommissioning schedule for the Scotia Depot. The NRC's review was conducted in accordance with NUREG-1757, Volume 3 (Revision 1), "Consolidated Decommissioning Guidance—Financial Assurance, Recordkeeping, and Timeliness."

## BACKGROUND

On February 14, 1957, and under the Atomic Energy Act of 1954, the Atomic Energy Commission issued a license to General Services Administration (ADAMS Accession No. ML031540790) to possess raw source material without limitation of quantity through importation for stockpiling and resale. In a letter dated October 6, 1988, (ADAMS Accession No. ML081580210), the NRC was notified that the entire organization of the Office of National Defense Stockpile which was part of the General Services Administration was transferred to the DLA, Directorate of Stockpile Management. The Strategic and Critical Materials Stock Piling Act requires DLA to maintain certain commodities as part of the National Stockpile. The National Stockpile is a physical reserve of definite quantities of materials, owned by the United States government, stored mostly on government-owned property and in government warehouses. The Stockpile is an inventory of raw materials with a cash value. One of the primary mandates for the National Defense Stockpile as an organization is to eliminate, or reduce a dangerous and costly dependence on foreign nations. The Defense National Stockpile Center is now called the DLA Strategic Materials.

The NRC license issued to DLA Strategic Materials is for the possession of source material for the activities of the National Defense Stockpile. DLA previously had multiple locations on the license but now only authorizes one location in Scotia, New York. All of the specifically licensed source material was removed from Scotia, New York on March 23, 2007, except for three drums that contained sections of a contaminated vacuum used during decommissioning work, which was subsequently removed from the site on June 19, 2008. In September 2007, DLA hired consultants to perform radiological surveys to demonstrate that the area could be released for unrestricted use.

The warehouses contain 42,800,329 pounds of tungsten ores and concentrates in a total of 98,209 drums and approximately 3,700 drums of other ores material (e.g., columbium and tantalum). These ores, which contain by weight less than one-twentieth of one percent (0.05%) uranium and thorium, do not meet the definition of source material as specified in 10 CFR 40.4.

This naturally occurring material increases the background radiation levels, which interfered with the consultant's survey and did not allow DLA to perform the full survey for release of the warehouse. This naturally occurring material would need to be at least moved temporarily in order to perform a release survey. The material currently on site at the Scotia Depot is required for national defense needs and is still required to be held in storage for the Department of Defense. DLA indicated that there is no place to relocate the material at this time and that it is pursuing potential sale of the material.

DLA indicated that there is no specifically licensed material on site and that there is no threat to the employees or to the general public. On May 21, 2013, during an on-site inspection the NRC confirmed that all NRC specifically licensed material had been removed.

DLA has requested an alternate decommissioning schedule that will extend the timeframe for completing decommissioning until February 29, 2020. This will provide DLA time to sell the tungsten, zinc, columbium ore, tantalum ores, and other material in order to reduce the background dose rates, perform an adequate FSS, and document the completion of decommissioning at the Scotia Depot.

## SITE DESCRIPTION

The Scotia Depot is located in Scotia, New York, approximately 20 miles northwest of Albany, New York. The Scotia Depot property consists of a 13.92 acre parcel of land just west of the village of Scotia, New York. The depot is surrounded on all sides by an industrial/commercial business park, which was formerly part of the 337 acre depot. Further to the east and west, the land use is mixed residential/commercial. Land use to the south of the depot is a mixture of commercial, residential, agricultural, and recreational. The Erie Canal/Mohawk River is about 2,000 feet south of the depot, and a large sand and gravel quarry is located to the north, beyond which the land use is residential. A security fence encloses the depot with 24-hour security personnel.

The Scotia Depot now consists of two warehouses (WHSE 505 and 506) and five support buildings. The two warehouses are currently used to store raw materials. Both warehouses are identical in design. The buildings are constructed from steel sided cinderblock walls and wooden trusses, with a foam-covered gypsum board roof. Each warehouse is approximately 200 feet by 600 feet, divided into 4 sections by cinderblock firewalls extending through the roof. For naming convention, the sections within each warehouse are numbered as Sections 1, 2, 3, and 4 from west to east. The interior of each warehouse is further divided into 300 bays, consisting of 10 east-west rows designated alphabetically as A through J, and 30 north-south columns designated numerically as 1 through 30. Sections 1 and 4 each have eight columns of bays, while Sections 2 and 3 each have seven columns of bays.

## TECHNICAL EVALUATION FOR ALTERNATE DECOMMISSIONING SCHEDULE

NRC staff has reviewed DLA's request for an alternate schedule for completion of decommissioning pursuant to 10 CFR 40.42(i) using guidance contained in Section 2.6 of NUREG 1757, Volume 3 (Revision 1), "Consolidated Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness."

The NRC staff concludes that a review of the radiation safety and health program and financial assurance was not required because these areas have been evaluated during previous licensing reviews and inspections. The DLA has requested an extension to complete decommissioning activities until February 29, 2020, the current expiration date of their license, because principle activities under their license have ceased and decommissioning activities have not been completed within the time frame required by 10 CFR 40.42(h). The requested extension would provide DLA with the time it needs to remove the non-licensable material from the site and conduct an acceptable FSS to demonstrate that the site was decommissioned in accordance with federal regulations.

10 CFR 40.42(i) states:

The Commission may approve a request for an alternate schedule for completion of decommissioning of the site or separate building or outdoor area, and license termination if appropriate, if the Commission determines that the alternative is warranted by consideration of the following:

- 1) Whether it is technically feasible to complete decommissioning within the allotted 24-month period;
- 2) Whether sufficient waste disposal capacity is available to allow completion of decommissioning within the allotted 24-month period;
- 3) Whether a significant volume reduction in wastes requiring disposal will be achieved by allowing short-lived radionuclides to decay;
- 4) Whether a significant reduction in radiation exposure to workers can be achieved by allowing short-lived radionuclides to decay; and
- 5) Other site-specific factors which the Commission may consider appropriate on a case-by-case basis, such as the regulatory requirements of other government agencies, lawsuits, ground-water treatment activities, monitored natural ground-water restoration, actions that could result in more environmental harm than deferred cleanup, and other factors beyond the control of the licensee.

The NRC has considered the five factors identified above and determined the following:

- (1) It is technically feasible to complete decommissioning within the allotted 24-month period considering the decommissioning activities approved for the site. In fact, all NRC specifically licensed material has been removed from the site. The presence of the remaining material resulted in elevated dose rates, which has impacted the ability of DLA to complete a comprehensive radiological survey. Once the remaining material has been sold, it will be feasible to complete the FSS.
- (2) As part of the decommissioning activities that DLA has undertaken, waste has been removed from the site. Therefore, there are no waste disposal issues that would impact the DLA's ability to complete decommissioning.

- (3) The decommissioning wastes for disposal generated from the remediation activities at the Scotia Depot site do not contain short-lived radionuclides. Therefore, there are no volume reduction benefits that would be achieved by allowing short-lived radionuclides to decay.
- (4) The decommissioning wastes generated for disposal from the remediation activities at the Scotia Depot do not contain short-lived radionuclides. Therefore, there is no significant reduction in radiation exposure to workers that would be achieved by allowing short-lived radionuclides to decay. Waste has already been removed from the site.
- (5) One of the site specific factors that the NRC considered at the Scotia Depot is the length of time between the cessation of licensed activities and the final decommissioning due to the sale of the remaining material as required by the Strategic and Critical Materials Stock Piling Act. However, the DLA has committed to maintain their NRC license including their radiation safety program until the license is terminated. The NRC staff considers this matter to not be reasonably foreseeable and, as such, to be beyond the DLA's control.

## CONCLUSION

Based on the considerations discussed above, the NRC staff concludes that there is reasonable assurance that the health and safety of the public will not be endangered by the alternate schedule for completion of decommissioning activities regarding the submittal of the FSS Report, as the removal and disposal of the NRC specifically licensed material has already been removed and properly disposed. The staff further concludes that it is in the public interest to grant the extension of time to allow the DLA to pursue the sale and removal of the remaining material in order to reduce the dose rates in the warehouses which would allow DLA to perform a FSS that is acceptable to the NRC in order to demonstrate that decommissioning activities were satisfactorily completed in accordance with regulatory requirements. The NRC will amend the DLA's source material license extending the decommissioning completion due date until February 29, 2020 for the Scotia Depot.

## REFERENCES

- A. NUREG-1757, Volume 3, (Revision 1), "Consolidated Decommissioning Guidance – Financial Assurance, Recordkeeping, and Timeliness" (ML12048A683)
- B. Title 10 of the *Code of Federal Regulations*, Section 40.42(i)
- C. DLA Letter dated May 29, 2013 (May 29, 2014) (ML14167A147) including the three enclosures:
  - Acceptance Criteria for the Request to Delay or Postpone Initiation of the Decommissioning Process at the Scotia, NY Depot (Enclosure 1)
  - 2008 Final Radiological Scoping Survey of the Scotia Depot (Enclosure 2)
  - Financial Assurance Documentation (Enclosure 3)
- D. DLA Letter dated March 25, 2015 (ML15089A272)
- E. "Notice of Availability of Environmental Assessment and Finding of No Significant Impact for License Amendment to Materials License No. STC-133" *Federal Register* notice dated October 20, 2014 (79 FR 62677)

- F. NRC Inspection Report No. 04000341/2013001, Defense Logistics Agency, Enclosure 6 – Inspection Record dated September 17, 2013 (ML13260A091) Contains Security-Related Information that is not publicly available.
- G. License issued on February 14, 1957 under the Atomic Energy Act of 1954, to the General Services Administration (ML031540790)
- H. Letter dated October 6, 1988 (ML081580210) transferring license from General Services Administration to DLA

Principle Contributor  
Kathy Modes, April 2015