



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
URANIUM RECOVERY FIELD OFFICE
BOX 25325
DENVER, COLORADO 80225

DEC 18 1992

URFO: DCW
Docket No. 40-3453
SUA-917, Amendment No. 18
04003453340R

MEMORANDUM FOR: Docket File No. 40-3453
FROM: Dana C. Ward, Project Manager
SUBJECT: AMENDMENT NO. 18 TO SOURCE MATERIAL LICENSE SUA-917
FOR THE ATLAS CORPORATION, MOAB MILL

By letter dated September 16, 1992, Atlas Corporation (Atlas) requested that Source Material License SUA-917 for the Moab Mill be amended to delete the authorization for the production of yellowcake and thereby establish a possession-only license. The September 16, 1992, submittal was in response to a letter from us dated December 17, 1992, apprising Atlas of the fact that an earlier request (November 21, 1991) for a possession-only license was incomplete. The September 16 letter also requested deletion of various license requirements to reflect the mill status as in a state of decommissioning. Several telephone conversations were held with Atlas personnel to discuss staff or licensee proposed revisions to the license.

Revisions or deletions to the license by the staff or by the licensee have been proposed to reflect the current status of the Moab Mill as a facility in reclamation and decommissioning. Specific license conditions will be modified to eliminate production related statements or requirements. The staff believes that the proposed changes to the license as a nonoperational facility are appropriate.

In accordance with the categorical exclusion contained in paragraph (c)(11) of 10 CFR 51.22, an environmental assessment is not required for this licensing action. That paragraph states that the categorical exclusion applies to issuance of amendments to licenses for uranium mills provided that (1) there is no significant change in the types or significant increases in amounts of any effluents that may be released offsite, (2) there is no significant increase in individual or cumulative occupational radiation exposure, (3) there is no significant construction impact, and (4) there is no significant increase in the potential for or consequences from radiological accidents.

The licensing action discussed in this memorandum meets these criteria as the proposed amendment involves only changes to the license to establish a

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possession-only license. The proposed changes will eliminate or revise license conditions that pertain to yellowcake production. An environmental report is not required from the licensee since the amendment does not meet the criteria of 10 CFR 51.60(b)(2).

Specific licensee and staff proposed changes to the license are discussed below by license condition.

- 4 - Revised to eliminate the license expiration date and state that the license will be in effect until terminated by the NRC.
- 11 - Revised to add the licensee's new submittal date of September 16, 1992, for a possession-only license. Also, remove the date December 4, 1986, concerning the Atlas organizational structure which was superseded by the submittal dated May 13, 1991.
- 12 - Deleted to remove authorization for the production of yellowcake.
- 13 - Deleted to eliminate reference to the mill process circuit.
- 16 - Deleted to remove specifications for the operation of the mill effluent control equipment.
- 18 - Revised to eliminate the wording, "the attachment to SUA-917 entitled" which is no longer necessary. The licensee maintains this attachment on file.
- 19 - Deleted to remove alarm specifications for the operation of the mill tailings discharge and solution return lines which are no longer operable.
- 20 - Revised to decrease the inspection frequency of the tailings embankment from one inspection per day to five inspections per week. Also, eliminate the wording, "tailings discharge and solution return system" which is no longer applicable for a mill in decommissioning.
- 23 - Revised to eliminate unnecessary wording referring to operating procedures and procedures for extended standby or shut down.
- 28 - Revised to allow monthly alpha contamination surveys of shower rooms, change rooms and offices. Lunch areas will remain at a weekly survey frequency.
- 31 - Revised to eliminate the training requirements for the Regulatory Affairs Manager who is located in Denver, Colorado and does not anticipate doing radiation protection work in place of the Radiation Control Coordinator.

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- 35 - Revised to allow the licensee to discharge liquid from the catchment basin into the tailings pond during decommissioning.
- 36 - Deleted as it refers to changes in the tailings retention system which will be reclaimed under an approved reclamation plan.
- 40 - Deleted as it refers to proposed construction of additional capacity to the tailings retention system by raising the height of the embankment. This action was not undertaken.
- 41 - Revised to eliminate expired requirements and rewrite the condition with wording requiring Atlas to reclaim the site under an approved plan.
- 44 - Deleted as it refers to ore pile dust suppression which no longer exist.
- 53 - Revised to eliminate tailings system inspection redundancy with License Condition No. 20 while retaining and modifying the fence inspection frequency.

Based on the above, the staff recommends that Source Material License SUA-648 for the Atlas Mill be amended to incorporate requirements appropriate for a nonoperational facility by deleting License Condition Nos. 12, 13, 16, 19, 36, 40, and 44 and revising License Condition Nos. 4, 11, 18, 20, 23, 28, 31, 35, 41, and 53 to read as follows:

- 4. Until terminated.
- 11. For use in accordance with statements, representations and conditions contained in Section 4.2.4, 5 and 7 (except 5.5.10 and 5.5.1) and Appendices 5.3, 5.5.6, and 6.0 of the licensee's renewal application dated May 31, 1984, and submittals dated December 17, 1984, January 18, and June 5, 1985, May 13, 1991, and September 16, 1992.

Whenever the word "will" is used in the above referenced sections it shall denote a requirement.

[Applicable Amendments: 12, 15, 18]

- 12. DELETED by Amendment No. 18.
- 13. DELETED by Amendment No. 18.
- 16. DELETED by Amendment No. 18.
- 18. Released equipment or packages from the restricted area shall be in accordance with the document entitled, "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of License for Byproduct or Source Materials" dated September, 1984. [Applicable Amendments: 18]

19. DELETED by Amendment No. 18.
20. The licensee shall conduct and document at least five inspections of the tailings embankment per week (one per day, 5 days per week) and shall immediately notify the NRC, Uranium Recovery Field Office, by telephone and telegraph, of any failure to the tailings dam which could result in a release of radioactive materials and/or of any unusual conditions which if not corrected could lead to such failure. This requirement is in addition to the reporting requirements of 10 CFR 20. [Applicable Amendments: 18]
23. Standard written procedures shall be established and maintained for all activities involving radioactive materials that are handled, processed or stored. Written procedures shall be established for nonoperational (nonprocessing) activities to include in-plant and environmental monitoring, bioassay analyses, and instrument calibrations. Up-to-date copies of all written procedures shall be kept in the applicable work stations to which they apply.
- All written procedures, shall be reviewed and approved in writing by the RCC before implementation and whenever a change in procedure is proposed to ensure that proper radiation protection principles are being applied. The RCC shall perform a documented review of all existing procedures at least annually.
- [Applicable Amendments: 18]
28. Notwithstanding the representations in Section 5.5.5 of the licensee's application, the licensee shall conduct weekly alpha contamination surveys of lunch rooms and monthly surveys of change rooms, shower facilities and offices when they are in use. [Applicable Amendments: 18]
31. In addition to the requirements in Section 5.2 of the renewal application, the Radiation Control Coordinator (RCC) shall have the minimum education, training, and experience as detailed in Section 2.4.1 of Regulatory Guide 8.31 dated May 1983. [Applicable Amendments: 18]
35. Notwithstanding representations made in Section 4.3 of the renewal application the licensee shall not dispose of materials other than uranium mill tailings, spent resins, raffinate, vanadium waste residues, liquids or residues contained in the catchment basin described in Condition No. 27, or liquid sanitary wastes in the tailings pond, without the specific authorization of the Uranium Recovery Field Office. If liquid sanitary wastes are discharged to the tailings pond, written authorization shall first be obtained from the Utah Bureau of Water Pollution Control. A copy of the written authorization shall be

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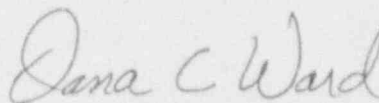
submitted to the Uranium Recovery Field Office prior to the discharge of the liquid sanitary waste.

The licensee shall be permitted to discharge as necessary any liquids or solids to the tailings impoundment from the catchment basin as described in License Condition No. 27 that are generated during the decommissioning phase of the mill.

[Applicable Amendments: 18]

- 36. DELETED by Amendment No. 18.
- 40. DELETED by Amendment No. 18.
- 41. The licensee shall reclaim the tailings disposal area in accordance with the May 29, 1981, submittal entitled "Report, Conceptual Design and Cost Estimate, Tailings Pile Reclamation, Moab, Utah, for Atlas Minerals," until superseded by an approved site reclamation plan which meets the requirements of 10 CFR 40, Appendix A. [Applicable Amendments: 18]
- 44. DELETED by Amendment No. 18.
- 53. The licensee shall conduct fence line inspections on a monthly basis in accordance with their submittal dated March 22, 1989. [Applicable Amendments: 7, 18]

The issuance of this amendment was discussed by telephone with Richard Blubaugh of Atlas on December 14, 1992.



Dana C. Ward
Project Manager

Case Closed: 04003453340R

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