

DCO(SPO8)

PHL
FCC
SCD
DMS



STATE OF WASHINGTON
DEPARTMENT OF HEALTH
DIVISION OF RADIATION PROTECTION

7171 Cleanwater Lane, Bldg. 5 • P.O. Box 47827 • Olympia, Washington 98504-7827
TDD Relay 1-800-833-6388

December 28, 1999

00 JAN -4 PM 3:09

OSP

Russel Edge
U.S. Department of Energy
Grand Junction Office
1597 B 3/4 Road
Grand Junction, Colorado 81503

Dear Mr. Edge:

As you are aware, the department is in the final stages of reclamation at the Sherwood Project uranium millsite, operated by Western Nuclear, Inc. (WNI), near Wellpinit, Washington. Final preparations are underway to terminate the state's radioactive materials license, WN-I0133-1, in order to transfer responsibility to the federal government. The state program operates under state regulation WAC-246-252 as part of the Agreement States Program with the U.S. Nuclear Regulatory Commission (NRC).

The department's license termination process uses the NRC's Office of Agreement States Program Procedure SA-900, "Termination of Uranium Mill Licenses in Agreement States," issued April 20, 1999.

According to that procedure in Step 3, the department requests U.S. Department of Energy (DOE) consultation in determining the total Perpetual Care & Maintenance (PC&M) Fund amount to be transferred to the federal government. Please see the indented discussion below for the department's view.

It is the department's view that Western Nuclear, Inc.'s reclamation design implementation at the WNI site has met the regulatory requirement (Criterion 1) for "... permanent isolation without ongoing active maintenance ...". In addition, the last three years of Monitoring and Stabilization Plan (MSP) inspections at the site have identified only minor corrections (which have been made) and have found no significant long-term site instability. When available, please see the department's final Completion Review Report that will be sent to the NRC for final concurrence that the site has met all regulatory requirements. This document will identify any "watch points" recommended by the department.

Only routine monitoring and minor site maintenance activities are expected to be necessary after license termination. Therefore, it is the department's view that the regulatory requirement (Criterion 10), requiring \$250,000 in 1978 dollars, is adequate and that variance in the funding requirement is not needed.

PDR STPAG

NRC FILE CENTER COPY 88

SP-AG-29

Russel Edge
Page Two

Please provide your written comments and recommendations to the department on total PC&M Fund amount required in time for a final determination of fund amount calculation and transfer of funds prior to the expected February 17, 2000 proposed license termination date.

If you have any questions on this issue or any others related to license termination at the WNI site, please contact me at (360) 236-3241, or John Blacklaw at (360) 236-3243.

Sincerely,



Gary Robertson, Head
Waste Management Section

cc: ✓ Dennis Sollenberger, NRC
Brad DeWaard, WNI
Harley Shaver, Shaver & Licht
Bruce Wynne, Spokane Tribe
Mary Verner Moore, Spokane Tribe
Sharon Yepa, BIA, WA
Stanley Speaks, BIA, OR
Shannon Work, Spokane Tribe