

June 6, 2008

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)
)
SHIELDALLOY METALLURGICAL CORP.) Docket No. 40-7102-MLA
)
(Licensing Amendment Request for)
Decommissioning of the)
Newfield, New Jersey Facility))

NRC STAFF'S SEVENTH STATUS REPORT

In its Memorandum and Order dated May 8, 2007, the Board directed the NRC Staff to file bimonthly reports regarding its review of Shieldalloy Metallurgical Corporation's plan for decommissioning its Newfield, New Jersey facility.¹ The Staff filed its last status report on April 11, 2008.

On November 9, 2007, Shieldalloy informed the Staff that it will be submitting a revision to its decommissioning plan (DP), Rev. 1b, that will provide additional information to support Shieldalloy's responses² to the Staff's requests for additional information (RAIs).³ Shieldalloy thereafter informed the Staff that, to ensure Rev. 1b provides a full response to the Staff's RAIs,

¹ Memorandum and Order (Directing the Filing of Status Reports) (May 8, 2007) (unpublished) at 2. The Board directed the Staff to file its first report no later than June 8, 2007 and subsequent reports no later than the end of the first full week of the month when due under the bimonthly schedule. *Id.* The reports are to contain "(1) a brief statement regarding the then status of the technical review; and (2) the Staff's then best estimate as to the completion date of the review and the release of the documents associated with it." *Id.*

² "Shieldalloy Metallurgical Corporation Response to the USNRC's Request for Additional Information of July 5, 2007" (November 9, 2007) (ADAMS Accession No. ML073321281).

³ "Request for Additional Information, Shieldalloy Metallurgical Corporation Decommissioning Plan, Docket No. 04007102" (July 6, 2007) (ADAMS Accession No. ML071640287).

it intends to conduct additional leachability tests on slag and baghouse dust from the Newfield site.⁴

Since the last status report, the Staff and Shieldalloy have been engaged in extensive discussions regarding the protocols for leach rate testing of slag and baghouse dust at the Newfield site. These discussions are critical to the Staff's review of the DP because there are no established protocols for testing this material and because leach rates affect the analysis in numerous sections of the DP. On May 7, 2008, Shieldalloy submitted a letter proposing an approach for sampling and leach rate testing of slag and baghouse dust. The Staff discussed this approach with Shieldalloy in a May 22, 2008 telephone conference, emphasizing the need to ensure that samples used in leach rate testing are representative of materials at the Newfield site.⁵

To facilitate the development of testing protocols, members of the Staff's DP review team visited the Newfield site this past Monday and Tuesday, June 2 and 3, 2008.⁶ This visit gave the Staff the opportunity to review Shieldalloy's proposed sampling and testing approach taking into account current site conditions.

After the site visit, Shieldalloy stated that it would re-evaluate its proposed sampling approach and promptly submit a revised approach to the Staff. The revised approach will provide updated information on matters such as the number and location of samples, as well as test methodology. The revised approach will also explain which laboratories will be conducting the leach rate testing and when the laboratories can be expected to complete the tests.

⁴ Shieldalloy informed the Staff of its intention to conduct additional leachability tests in late March–early April 2008.

⁵ Representatives from the New Jersey Department of Environmental Protection (NJDEP), the Intervenor in this proceeding, have been invited to monitor all discussions between the Staff and Shieldalloy pertaining to leach rate testing, and the Staff has solicited the input of NJDEP representatives during these discussions.

⁶ NJDEP representatives were present during the site visit on Monday, June 2, 2008.

As of this date, Shieldalloy is finalizing its revised approach to sampling and leach rate testing. The Staff expects that the revised approach, once received, will require the Staff to adjust its estimates as to when the DP review will be completed and when associated documents will be released. At this time, however, the Staff does not have the information necessary to adjust the current estimates with any degree of certainty. Because the Staff expects to receive that information in the near future, it intends to file a supplement to this status report that incorporates any necessary adjustments to the estimated dates.

The dates below therefore reflect no change from the Sixth Status Report, except that the May 2008 estimate for the submittal of Rev. 1b has been removed.

- Shieldalloy Provides Supplemental RAI Responses
July–August 2008
- Staff Completes Final Safety Evaluation Report
December 2008
- Staff Publishes Draft Environmental Impact Statement (EIS)
January 2009
- Staff Holds Public Meeting on Draft EIS
January 2009
- 45-day Public Comment Period on Draft EIS Ends
February 2009
- Staff Issues Final EIS
August 2009

The Staff will provide the Board and the parties with updated estimates as soon as the Staff receives revised information from Shieldalloy on sampling and leach rate testing. In addition, the Staff will submit its regularly scheduled status report by August 8, 2008, the next date set by the Board's May 8, 2007 Order.

Respectfully submitted,

/RA/

Michael J. Clark
Counsel for the NRC Staff

Dated at Rockville, Maryland
this 6th day of June, 2008

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)
)
SHIELDALLOY METALLURGICAL CORP.) Docket No. 40-7102-MLA
)
(Licensing Amendment Request for)
Decommissioning of the)
Newfield, New Jersey Facility))

CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF'S SEVENTH STATUS REPORT" in the above captioned proceeding have been served on the following persons by deposit in the United States Mail; through deposit in the Nuclear Regulatory Commission internal mail system as indicated by an asterisk(*); and by electronic mail as indicated by a double asterisk (**) on this 6th day of June, 2008.

Alan S. Rosenthal, Chair * **
Administrative Judge
Atomic Safety and Licensing Board Panel
Mail Stop – T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
E-mail: rsnthl@comcast.net

William Reed * **
Administrative Judge
Atomic Safety and Licensing Board Panel
Mail Stop – T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
E-mail: whrcville@embarqmail.com

Richard E. Wardwell * **
Administrative Judge
Atomic Safety and Licensing Board Panel
Mail Stop – T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
E-mail: richard.wardwell@nrc.gov

Adjudicatory File *
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Mail Stop: T-3 F23
Washington, D.C. 20555

Office of Commission Appellate
Adjudication * **
U.S. Nuclear Regulatory Commission
Mail Stop: O-16 C1
Washington, D.C. 20555
E-mail: OCAAMail@nrc.gov

Office of the Secretary * **
Attn: Rulemaking and Adjudications Staff
U.S. Nuclear Regulatory Commission
Mail Stop: O-16 C1
Washington, D.C. 20555
E-mail: hearingdocket@nrc.gov

David R. Smith, Radiation Safety Officer
Shieldalloy Metallurgical Corporation
12 West Boulevard
P.O. Box 768
Newfield, NJ 08344-0768

Stuart Rabner, Esq.
Attorney General of New Jersey
Andrew W. Reese, Esq. **
Kenneth Elwell, Esq. **
Deputy Attorneys General
New Jersey Office of the Attorney General
Department of Law and Public Safety
25 Market Street
P.O. Box 093
Trenton, NJ 08625
E-mail: reeseand@dol.lps.state.nj.us
Kenneth.elwell@dol.lps.state.nj.us

Johanna Thibault, Law Clerk * **
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C.
20555-0001
E-mail: johanna.thibault@nrc.gov

Jay E. Silberg **
Matias Travieso-Diaz **
R. Budd Haemer **
Pillsbury Winthrop Shaw Pittman, LLP
2300 N St. NW
Washington, DC 20037
E-mail: jay.silberg@pillsburylaw.com
matias.travieso-diaz@pillsburylaw.com
robert.haemer@pillsburylaw.com

SherVerne R. Cloyd * **
Atomic Safety and Licensing Board Panel
Mail Stop – T-3 F23
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001
E-mail: sherverne.cloyd@nrc.gov

/RA/

Michael J. Clark
Counsel for the NRC Staff