

for the NRC to investigate radiological contamination on the Farmers Delight Dairy Farm. Notice of Receipt of Petition for Director's Decision under 10 CFR 2.206, dated March 3, 1995, was published in the **Federal Register** on March 13, 1995, (60 FR 13478).

The Director of the Office of Nuclear Material Safety and Safeguards has determined, after taking actions with respect to each request discussed in the Decision, that no further action by the Commission is warranted. The reasons for this Decision are explained in the "Director's Decision under 10 CFR 2.206" (DD-95-12), which is published below.

A copy of the Decision will be filed with the Office of the Secretary of the Commission in accordance with 10 CFR 2.206(c). As provided by this regulation, the Decision will constitute the final action of the Commission 25 days after the date of issuance of the Decision unless the Commission on its own motion institutes a review of the Decision within that time.

A copy of the Petition, Initial Decision, Notice of Receipt of Petition for Director's Decision under 10 CFR 2.206, and other documents related to the Petition are available for inspection in the NRC Public Document Room, 2120 L Street, NW., Washington, DC 20555, and the Local Public Document Room located at the Apollo Memorial Library, 219 N. Pennsylvania Avenue, Apollo, Pennsylvania 15613.

Dated at Rockville, Maryland this 26th day of June 1995.

For the Nuclear Regulatory Commission.

Malcolm R. Knapp,

Deputy Director, Office of Nuclear Material Safety and Safeguards.

I. Introduction

By Petition dated January 5, 1994, Citizens' Action for a Safe Environment (CASE) and the Kiski Valley Coalition To Save Our Children (the Coalition) (together referred to as Intervenor or Petitioners) filed a joint request for an informal hearing pursuant to 10 CFR Part 2, Subpart L, with regard to Babcock & Wilcox Company's (Licensee) application for renewal of Special Nuclear Material (SNM) License SNM-414 issued to the Licensee by the U.S. Nuclear Regulatory Commission (NRC or Commission) for the Pennsylvania Nuclear Service Operations facility located in Parks Township, Armstrong County, Pennsylvania (Parks Township facility). In a Memorandum and Order dated April 22, 1994, the Presiding Officer granted the request for hearing and admitted the Petitioners as

Intervenor.¹ An informal hearing was conducted pursuant to Subpart L of the Commission's procedural regulations. In the Initial Decision, dated January 3, 1995, authorizing the renewal of the materials license, the Presiding Officer, pursuant to 10 CFR 2.1205(k)(2), referred to the Commission's Executive Director for Operations for consideration, as a request for action under 10 CFR 2.206, 12 areas of concern raised in that proceeding by the Intervenor.² These concerns were referred to my office for review. Each of these concerns were reviewed with respect to the requirements of 10 CFR 2.206. Two concerns³ (Sections Q and X) were found to satisfy the requirements of 10 CFR 2.206. On March 7, 1995, a letter was sent to the Intervenor acknowledging the treatment of the Intervenor's Sections Q and X as requests for action under 10 CFR 2.206.⁴

Section Q has been interpreted as a request for the Commission to test for radioactive contamination in the general vicinity of Kepple Hill and Riverview in Parks Township. The apparent concern is that this area is downwind of the Apollo facility, which the Intervenor asserts had been releasing radioactivity at a rate above regulatory limits. The Intervenor relies on letters dated April 20, 1966, and May 26, 1969, concerning the need for experimental data for an air surveillance program at the Apollo plant and authorization by the Commission's predecessor, the Atomic Energy Commission (AEC), for the discharge of radioactive materials in concentrations exceeding 10 CFR Part 20 limits.

Section X has been interpreted as a request for the Commission to investigate radiological contamination on the Farmers Delight Dairy Farm (apparently located in Parks Township). The apparent concern is that past operations of the Parks Township facility caused radioactive contamination of the farm. As basis for this request, the Intervenor asserts that there is information in a 1966 U.S.

¹ *Babcock and Wilcox Company* (Pennsylvania Nuclear Service Operations, Parks Township, PA), LBP-94-12, 39 NRC 215 (1994).

² *Id.*, LBP-95-1, 41 NRC 1, 35 (1995).

³ As the Commission recently noted, there were three concerns (Sections Q, R, and X). However, one of the concerns (Section R) was included within Section Q. See *Babcock and Wilcox Company* (Pennsylvania Nuclear Service Operations, Parks Township, PA), CLI-95-04, slip op. at 7 (April 26, 1995), 41 NRC ____.

⁴ In the acknowledgement letter it was noted that the other concerns (Sections B, H, I, M, P, S, T, U, W, and Y) had been addressed by the Commission staff in affidavits of Michael A. Lamastra and Heather M. Astwood. These affidavits were submitted to the Atomic Safety and Licensing Board in the Subpart L proceeding on September 22, 1994.

Department of Agriculture (USDA) study that indicates that the cattle on the farm were having thyroid problems and that radionuclides were showing up in the cows' milk.

I have completed my evaluation of the matters raised by the Intervenor and have determined that, for the reasons stated below, no further action by the Commission is warranted.

II. Background

The Nuclear Material and Equipment Company (NUMEC) began operations at the Apollo and Parks Township facilities in the late 1950s. The Atlantic Richfield Company (ARCO) purchased the stock of NUMEC in 1967. In 1971, Babcock & Wilcox (B&W) purchased NUMEC and is the current owner of the Apollo and Parks Township facilities.

The primary function of the NUMEC Apollo facility was the conversion of low-enriched (less than 5 wt. percent U-235) uranium hexafluoride to uranium oxide for use in fuel for light-water-moderated power reactors and to produce high-enriched (> 93 wt. percent U-235) nuclear fuel material for use in naval reactors. The B&W Apollo facility ceased manufacturing nuclear fuel in 1983 and has completed site decommissioning. The Commission staff expects to terminate the Apollo facility license in 1995.

The primary function of the NUMEC Parks Township facility was the fabrication of plutonium fuel, the preparation of high-enriched uranium fuel, and the production of zirconium/hafnium bars. The Parks Township facility ceased fuel fabrication activities in 1980 and is currently conducting decontamination and refurbishment of nuclear reactor components and equipment. The Parks Township license was last renewed on May 16, 1984, with an expiration date of May 31, 1989, and the license is currently under timely renewal.⁵

III. Discussion

The NRC staff has evaluated the Intervenor's two requests for action pursuant to 10 CFR 2.206. The evaluation and my disposition for each request are discussed below.

1. Test for radioactive contamination in the general vicinity of Kepple Hill and Riverview areas in Parks Township.

The Intervenor's request is based on their interpretation of letters dated April 20, 1966, and May 26, 1969, from Roger D. Caldwell, Manager, Health, Safety

⁵ The Commission on April 26, 1995, denied the Intervenor's petition for review of the Presiding Officer's January 3, 1995, Initial Decision (License Renewal), LBP-95-1 ("Initial Decision"). The staff expects to renew the license in 1995.