

April 15, 2003

MEMORANDUM TO: David L. Meyer, Chief
Rules and Directives Branch
Division of Administrative Services
Office of Administration

FROM: Lawrence E. Kokajko, Chief **/RA/**
Environmental and Performance Assessment Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

SUBJECT: NOTICE OF RESCOPING MEETING FOR THE DECOMMISSIONING
OF SEQUOYAH FUELS URANIUM CONVERSION FACILITY IN GORE,
OKLAHOMA

Attached please find one signed original and five copies of a Federal Register Notice for your transmittal to the Office of the Federal Register for publication. Also, for your use, attached is a 3.5" diskette with the Notice in WordPerfect.

Docket No.: 40-8027
License No.: SUB-1010

Attachments: As stated

cc: Sequoyah Fuels EIS Distribution List

CONTACT: Rebecca Tadesse, DWM/NMSS
(301) 415-6221

NUCLEAR REGULATORY COMMISSION

Decommissioning of Sequoyah Fuels Corporation Uranium Conversion Facility in Gore, Oklahoma: Notice of Intent To Conduct a Public Rescoping Meeting for Sequoyah Fuels Uranium Conversion Facility

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of Intent To Conduct a Public Rescoping Meeting.

SUMMARY: The Nuclear Regulatory Commission (NRC) will conduct a meeting to discuss the status of the environmental review of decommissioning activities at the Sequoyah Fuels Corporation (SFC) facility near Gore, Oklahoma. The NRC recently determined that some of the waste at the site could be reclassified as byproduct material (see Supplementary Information). The SFC license was subsequently amended to authorize SFC's possession of the reclassified material. This license amendment had the effect of transferring the regulatory oversight of site decommissioning activities from Subpart E of 10 CFR Part 20 (license termination requirements) to Appendix A of 10 CFR Part 40 (concerning uranium mills and tailings). These changes will be discussed at the public meeting. Additionally, the NRC will request public comments on the effects the changes may have on human health and the environment. Ample time will be provided for public comment at the meeting, although comments and questions will generally be limited to the remediation of the SFC facility. This meeting is part of the continuing process to keep affected stakeholders and the public informed of plans, schedules and important issues related to the remediation of the SFC facility.

DATE/TIME: Tuesday, May 13, 2003, from 7:00 to 10:00 p.m. The environmental portion of this meeting will start at approximately 8:00 p.m.

PLACE: Gore High School cafeteria, 1200 Highway 10N, Gore, Oklahoma.

FOR FURTHER INFORMATION CONTACT: Rebecca Tadesse, Environmental and Performance Assessment Branch, Division of Waste Management, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T-7J8, Washington, DC 20555, telephone: 301-415-6221; fax 301-415-5397; or e-mail rxt@nrc.gov.

SUPPLEMENTARY INFORMATION: The NRC has been preparing an Environmental Impact Statement (EIS) for the decommissioning of the SFC uranium conversion facility in Gore, Oklahoma, and is holding this rescoping meeting to discuss changes to the EIS that may be needed due to the shift in regulatory oversight of the Sequoyah Fuels site corrective actions.

From 1970 until 1993, the SFC uranium conversion facility operated under the authority of an NRC license issued pursuant to 10 CFR part 40. The main process was the conversion of uranium oxide (yellowcake) to uranium hexafluoride. A second process, begun in 1987, consisted of the conversion of depleted uranium hexafluoride to uranium tetrafluoride.

Sequoyah Fuels supplied formal notice of its intent to seek license termination in accordance with 10 CFR 40.42(e) in a letter dated February 16, 1993. Based on available information, at least some of the identified waste and contamination at the site was known to exceed NRC's radiological criteria for decommissioning. Therefore, SFC was required to remediate the site to meet NRC's radiological criteria for license termination in 10 CFR Part 20. In 1998, the company submitted to NRC a site characterization report and a study of remediation alternatives. A decommissioning plan was submitted in 1999. The remediation alternative proposed at that time by SFC was an on-site disposal cell.

In July 2002, the Commission concluded that some of the waste at the site could be reclassified as byproduct material, which is defined in Section 11e.(2) of the Atomic Energy Act as wastes from extraction or concentration of uranium or thorium from any ore processed for source material. Sequoyah Fuels submitted a request for a license amendment that would authorize its possession of this reclassified material and, on December 11, 2002, the NRC granted the license amendment request. Due to the reclassification of the waste, regulatory oversight of the decommissioning and remediation of the SFC facility was transferred from Subpart E of 10 CFR Part 20 (criteria for license termination) to Appendix A of 10 CFR Part 40 (which includes criteria for the disposition of mill tailings or wastes). In accordance with Part 40 requirements, SFC submitted a reclamation plan (January 2003) and will submit a groundwater corrective action plan. The remediation alternative proposed by SFC continues to be an on-site disposal cell, with an approach similar to that previously proposed under the license termination process. The option to take responsibility for long-term custodial care of the site would be provided first to the State of Oklahoma. Should the State decline this role, the Department of Energy (or other federal agency) would take custody of the site.

The NRC is preparing an EIS to determine whether SFC's proposal for reclamation of the site is acceptable. Information from the reclamation plan and the groundwater corrective action plan will be used to reassess the potential impacts of the proposal under Part 40 regulations. The EIS will evaluate impacts such as effects on water resources, air quality, ecological resources, socioeconomic and community resources, human health, noise, and environmental justice. The EIS will also assess the proposed approach and alternatives, such as disposing of the contaminated material off-site in a licensed disposal facility. The NRC will consider the information and conclusions in the EIS in reaching its decision on the acceptability of the proposed approach.

Previous scoping meetings were held on October 15, 1995, and October 17, 2000. The NRC has issued summary reports of both previous scoping processes.

Dated at Rockville, Maryland, this _____ day of April 2003.

FOR THE NUCLEAR REGULATORY COMMISSION,

Lawrence E. Kokajko, Acting Chief
Environmental and Performance Assessment Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

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cc: Sequoyah Fuels EIS Distribution List

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(301) 415-6221

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