

Mr. Robert W. Sharkey, Manager
Regulatory Compliance
Hematite Nuclear Fuel Manufacturing
Combustion Engineering, Inc.
3300 State Road P
Hematite, MO 63047

12-8-94
7pgs

SUBJECT: SCHEDULE OF THE STANDBY TRUST AGREEMENT (TAC NO. L30729)

Dear Mr. Sharkey:

In accordance with your application dated October 24, 1994, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations, Materials License SNM-33 is hereby amended to incorporate into the license the revised Schedule A for the Standby Trust Agreement associated with the Hematite Decommissioning Funding Plan. Accordingly, Safety Condition S-1 is revised to include the date of October 24, 1994.

All other conditions of the license shall remain the same.

We also acknowledge the information about the general equipment layout of the Building 255, mezzanine. We have filed the pages in Part II of the license.

Enclosed are copies of the revised Materials License SNM-33 and the Safety Evaluation Report, which includes the Categorical Exclusion determination.

If you have any questions about this document, please contact Dr. Sean Soong at (301) 415-8155.

Sincerely,

Original Signed by: MTokar for

Robert C. Pierson, Chief
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket 70-36
License SNM-33
Amendment 1

Enclosures:

1. License SNM-33
2. Safety Evaluation Report

cc w/encls: Mr. M. A. Michelsen
Licensing Engineering

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

December 8, 1994

Mr. Robert W. Sharkey, Manager
Regulatory Compliance
Hematite Nuclear Fuel Manufacturing
Combustion Engineering, Inc.
3300 State Road P
Hematite, MO 63047

SUBJECT: SCHEDULE OF THE STANDBY TRUST AGREEMENT (TAC NO. L30729)

Dear Mr. Sharkey:

In accordance with your application dated October 24, 1994, and pursuant to Part 70 to Title 10 of the Code of Federal Regulations, Materials License SNM-33 is hereby amended to incorporate into the license the revised Schedule A for the Standby Trust Agreement associated with the Hematite Decommissioning Funding Plan. Accordingly, Safety Condition S-1 is revised to include the date of October 24, 1994.

All other conditions of the license shall remain the same.

We also acknowledge the information about the general equipment layout of the Building 255, mezzanine. We have filed the pages in Part II of the license.

Enclosed are copies of the revised Materials License SNM-33 and the Safety Evaluation Report, which includes the Categorical Exclusion determination.

If you have any questions about this document, please contact Dr. Sean Soong at (301) 415-8155.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Pierson", is written over the typed name.

Robert C. Pierson, Chief
Licensing Branch
Division of Fuel Cycle Safety
and Safeguards, NMSS

Docket 70-36
License SNM-33
Amendment 1

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Licensing Engineering

MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 39, 40 and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee		
1. Combustion Engineering, Inc.	3. License number	SNM-33 Amendment 1
2. 3300 State Road P Hematite, Missouri 63047	4. Expiration date	July 31, 2004
	5. Docket or Reference No.	70-36
6. Byproduct, source, and/or special nuclear material	7. Chemical and/or physical form	8. Maximum amount that licensee may possess at any one time under this license
A. Uranium enriched to maximum 5.0 weight percent in the U-235 isotope	A. Any (excluding metal powders)	A. 8,000 kilograms contained U-235
B. Uranium, enriched to any enrichment in the U-235 isotope	B. Any (excluding metal powders)	B. 350 grams contained U-235
C. Source material (uranium and thorium)	C. Any (excluding metal powders)	C. 50,000 kilograms
D. Cobalt-60	D. Sealed sources	D. 40 millicuries,
E. Cesium-137	E. Sealed sources	E. 500 millicuries
F. Mixed activation and fission product calibration sources including Am-241	F. Solid sources	F. 200 microcuries
G. Californium-252	G. Sealed sources	G. 4 milligrams
9. Authorized place of use: The licensee's existing facilities in Hematite, Missouri, as described in the license renewal application.		

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License number

SNM-33 Amendment 1

Docket or Reference number

70-36

10. The license shall be deemed to contain two sections: Safety Conditions and Safeguards Conditions. These sections are part of the license, and the licensee is subject to compliance with all listed conditions in each section.

FOR THE NUCLEAR REGULATORY COMMISSION

Michael Tohar
for

Date: December 7, 1984

By: Robert C. Pierson
Division of Fuel Cycle Safety
and Safeguards, NMSS
Washington, DC 20555

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License number
SNM-33 Amendment 1

Docket or Reference number
70-36

SAFETY CONDITIONS

SAFETY CONDITIONS

- S-1. Authorized use: For use in accordance with the statements, representations, and conditions in Chapters 1 through 8 of the application dated October 29, 1993, and supplements dated November 24, 1993; and January 14, January 28, March 21, April 20, June 14, and October 24, 1994.
- S-2. The licensee shall conduct an evaluation to determine the source of the contamination to burial site well #4, as shown in Figure 13-2 of the application dated March 21, 1994, and shall identify the contaminants in the groundwater. The findings of the evaluation shall be submitted to the NRC within 180 days of the issuance of this renewed license.
- S-3. Within 90 days of the issuance of this renewed license, the licensee shall revise the May 1984 Proposed Decommissioning Plan for Evaporation Ponds and submit it to NRC for approval. The Plan should use the format and content of Regulatory Guide 3.65, "Standard Format and Content of Decommissioning Plans for Licensees Under 10 CFR Parts 30, 40, and 70," dated August 1989.
- S-4. The licensee is hereby granted the special authorizations in Chapter 1, Section 1.6(a) through 1.6(g) of the renewal application.

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License number

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70-36

SAFEGUARDS CONDITIONS

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Section 1.0 - Material Control & Accounting

SG-1.1 The licensee shall adhere to the commitments in Part I, Chapters 1.0 through 9.0, and Part II, Chapters 1 through 5, of its Fundamental Nuclear Material Control Plan dated January 1986, as revised by pages dated June 1987, May 1990, and April, May, September, and December 1993.

Future revisions to this Plan shall be made in accordance with 10 CFR 70.32(c) or 70.34.

Section 2.0 - Physical Protection for SNM of Low Strategic Significance

SG-2.1 The licensee shall follow the security plan entitled "Physical Security Plan for Protection of Nuclear Material of Low Strategic Significance" dated May 1980, as revised by Revision 3 dated November 1992 (letter dated November 12, 1992), and as revised in accordance with the provisions of 10 CFR 70.32(e).

SG-2.2 The licensee shall ensure that the surveillance tour, conducted by the guards or authorized person in accordance with Section 3.1.1, includes surveillance over the UF₆ outdoor storage area.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

December 8, 1994

DOCKET: 70-36

LICENSEE: Combustion Engineering, Inc. (CE)
Hematite, MO

SUBJECT: SAFETY EVALUATION REPORT: APPLICATION DATED OCTOBER 24, 1994,
SCHEDULE OF THE STANDBY TRUST AGREEMENT

Background

By amendment application dated October 24, 1994, CE requested that the dates of July 19, 1990, and July 29, 1994, be incorporated into Part I of the license to reflect the revised Schedule A of the Standby Trust Agreement associated with the Hematite Facility Decommissioning Funding Plan (Plan).

Discussion

By letter dated July 19, 1990, CE provided the financial assurance for decommissioning and by letter dated July 29, 1994, provided a revised Schedule A to the Standby Trust Agreement for the financial assurance for the Decommissioning Funding Plan. Since the Plan, including the Schedule A, was approved in NRC letters dated June 27 and November 3, 1994, CE's request is acceptable.

Environmental Review

Since the changes are administrative, the staff has determined that the proposed changes do not adversely affect the public health and safety or the environment. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an environmental assessment nor an environmental impact statement is warranted for this action.

Conclusion

The staff recommends approval of the amendment application.

The Region III staff has no objection to this licensing action.

Principal Contributors

Sean Soong
Mary Adams