

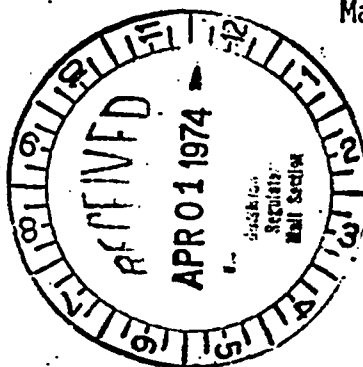
REGULATORY OPERATIONS

**CE COMBUSTION DIVISION**

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March 27, 1974

Mr. Leland C. Rouse  
 Fuel Fabrication & Reprocessing  
 Directorate of Licensing  
 Regulation  
 U. S. Atomic Energy Commission  
 Washington, D. C. 20545



Dear Mr. Rouse:

This refers to our letter dated March 4, 1974 concerning SNM-33, and subsequent conversations with Mr. R. Dube of your staff. In response to those conversations, we hereby revise the text of our letter to incorporate the points discussed. The revised text follows.

Combustion Engineering, Inc., hereby requests transfer of License SNM-33 from Gulf United Nuclear Corporation to Combustion Engineering, Inc., effective May 1, 1974. Operations will be limited to uranium having a maximum enrichment of 4.1 w/o U-235. All uranium having higher enrichments will be removed from the site, and all facilities not used for processing the low enrichment uranium will have been cleaned and released in accordance with "Guidelines for Decontamination of Facilities and Equipment Prior to Release for Unrestricted Use or Termination of Licenses for By-product, Source, or Special Nuclear Material", dated April 22, 1970. We plan to commence operations on or about May 1, 1974.

All operations and controls shall follow from the specific pages of SNM-33 listed in the attachment to our March 4, 1974 letter. Audits will be as specified, with the bi-monthly audit performed by Mr. T. Gutman of NPM-W. In addition, an annual audit will be performed by a committee consisting of Mr. T. Gutman, an independent Health Physicist, and an independent individual knowledgeable in criticality control.

It is the intent of C-E to operate the facility in a manner which results in the lowest practical effluent discharge levels. Accordingly, an engineering program will be undertaken to consolidate and monitor all discharge stacks. This will be done in two phases. Phase (1) will entail installation of fixed monitors for all stacks from which radioactive effluents are emitted. The installation of these monitors will be undertaken during shakedown operations with depleted uranium, and will be completed prior to operations with SNM.

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This sequencing is needed in order to permit accurate determination of individual stack flow rates and velocities to assure that isokinetic sampling can be obtained.

Phase (2) will consist of developing engineering plans for the consolidation of ventilation discharge stacks to provide a minimum number of stacks, each of which will be filtered (99.97% at 0.3 micron). The plans for this work will be finalized and line drawings of the proposed ventilation systems submitted to your office by April 3, 1974. Completion of installation is anticipated on or before February 1975. We will submit detailed schedules for installation, giving priorities to stacks having the highest discharge levels.

As part of this work, furnaces 240-3-12 and 240-3-13 will be provided filtered ventilation, as will all other operations in the Green Room. It is our intent to operate all non-aqueous operations in the Green Room after installation of ventilation is complete, however, no aqueous operations will be performed pending specific approval of a geometrically safe system.

We will submit under separate cover, an Accountability Manual, our staffing assignments, and license requests for sealed sources. We request authorization to possess 100,000 kg uranium at a maximum enrichment of 4.1 w/o U-235, and 20,000 kg normal or depleted uranium.

Very truly yours,



H. V. Lichtenberger  
Vice President - Manufacturing  
Nuclear Power Systems

HVL:TG:sb