



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

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JUN 27 1991

Docket No. 70-36
License No. SNM-33

Combustion Engineering, Inc.
ATTN: Mr. J. A. Rode, Plant Manager
Hematite Nuclear Fuel Manufacturing
P. O. Box 107
Hematite, Missouri 63047

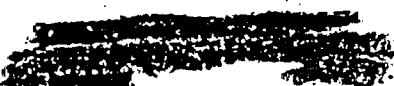
Gentlemen:

I am writing to you to clarify the requirements for Decommissioning Financial Assurance (10 CFR 70.25) and Emergency Plans (10 CFR 70.22). These requirements became effective on July 27, 1990, and April 7, 1990, respectively, and must be addressed in any application for license renewal.

Initially, the NRC staff viewed these rule changes as requirements for the next license renewal application that you submitted after the above dates. However, our Office of the General Counsel has informed us that the requirements apply to the license renewal application which you filed on November 22, 1989. Pursuant to 10 CFR 70.33(a), applications for license renewal need to meet the requirements of 10 CFR 70.22. The latter regulation includes 10 CFR 70.22(a)(9) which expressly calls for compliance with 10 CFR 70.25 in renewal applications filed before July 27, 1990. Since the possession limits in your application for renewal exceed the limits of 10 CFR 70.25(a), your renewal application requires a decommissioning funding plan. For the renewal of a license, 10 CFR 70.33(a) requires renewal applications to meet the requirements set forth in 10 CFR 70.22. These requirements now include emergency planning. Accordingly, you are requested to update your current license renewal application to address either or both of these requirements, as appropriate. If you require more than a few months to supplement your license renewal application, you should request a scheduler exemption(s) and provide justification(s) for one or both exemptions; otherwise, review action on your license renewal application may be delayed or the renewal subject to denial.

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If you have technical questions on these issues, please contact my staff. If you have legal questions on these issues, please contact Robert L. Fonner, Office of the General Counsel, at 301-492-1643.

Sincerely,

Original Signed By: *C. J. Haughney*

Charles J. Haughney, Chief
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

cc: Mr. A. E. Scherer, Vice President
Nuclear Quality

Mr. C. B. Brinkman, Manager
Washington Nuclear Operations

Dr. R. S. Siudek, Vice President
Nuclear Fuel

Mr. J. F. Conant, Manager
Nuclear Materials Licensing

Mr. H. E. Eskridge, Manager
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