

June 22, 1989

Executive Director for Operations
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Attention: Docketing and Service Branch
of the Office of the Secretary

re: Finding of No Significant Impact and Opportunity for a Hearing; Amendment
of Special Nuclear Material; Combustion Engineering -- Hematite, MO.

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

This request for a hearing is being submitted in compliance with the Nuclear Regulatory Commission's regulation, 10 CFR Part 2, Subpart L -- Informal Hearing Procedures for Adjudications in Materials Licensing Proceedings -- which became effective March 30, 1989. This request is being filed within 30 days of the publication in the Federal Register of the notice of the NRC staff's finding of no significant impact and of the opportunity for a hearing on the applications for an amendment to the Combustion Engineering's Special Nuclear Material License No. SNM-33, seeking authority to install and operate two new enriched-uranium fuel pellet production lines and to perform startup testing on the pellet lines using depleted uranium. The notice was published in the Federal Register on May 24, 1989, Volume 54, at page 22510.

The license amendments, if granted, would permit the licensee to expand his uranium processing activities, thereby increasing the potential for a criticality accident and for the release of greater amounts of radioactive and hazardous chemicals, particulates, and gases into the atmosphere, Joachim Creek, the groundwater, and onto land in all directions.

Regarding the requestors for a hearing: as per 10 CFR 2.1205(g), Martha Dodson is requesting a hearing as a citizen who lives at 412 Mississippi in Crystal City, Missouri, approximately seven miles downwind from the Hematite plant. The plant is located on Joachim Creek, approximately fifteen miles upstream from where it empties into the Mississippi River. Mrs. Dodson's drinking water source is the Crystal City municipal wells which are located in the Mississippi River alluvium just downstream. In addition, Mrs. Dodson is an owner of about 300 acres of undeveloped land approximately three miles

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downwind from the plant. Mrs. Dodson was born in Jefferson County and has lived there most of her life. Her parents, too, were born and lived in Jefferson County.

Karen Sisk is requesting a hearing as a citizen who lives at 1123 Wolf Hollow Road in the town of Imperial, Missouri. She is a registered nurse and is concerned about the impact of the Combustion Engineering plant's emissions of radon gas, long-lived radioactive dust, and non-radioactive chemicals into the environment particularly as they pose a threat to the health of her children, ages five and seven.

As residents of Jefferson County, Mrs. Dodson and Mrs. Sisk are concerned about the lack of trained and equipped emergency responders and about the lack of health care facilities in their county, particularly in the event of a radiological accident at the plant site or along the routes over which radioactive materials are delivered to and from the plant. In addition, they are concerned about the inadequacy of the Jefferson County roads in the event an evacuation were necessary. They are concerned about the proposed expansion of the plant operations involving the importing, storage, and handling of an increased quantity of more highly enriched uranium hexafluoride gas and uranium dioxide powder because of the resulting increase in the potential for an explosion and/or criticality accident -- that is, for an uncontrolled, nuclear chain reaction. They are also concerned about the location of the facility within the Joachim Creek floodplain with the potential for flooding, and about the proximity of the facility to the New Madrid and Ste. Genevieve earthquake faults.

The Coalition for the Environment is a non-profit, public interest organization serving local organizations and citizens concerned with the environment since 1969. They now have over 28,000 dues-paying members across the state as well as some in the neighboring states of Illinois and Kansas. Many of the members live within 50 miles of the plant, some within Jefferson County. They share the above concerns and more.

As requestors we must note that, although our request for a hearing is being filed in a timely manner -- that is, as soon as we learned through the local media of the licensee's request for these license amendments, and within 30 days of the Federal Register notice -- the NRC's new final rule on Informal Hearing Procedures for Materials Licensing Adjudications virtually precludes the possibility that our concerns will be adjudicated in a timely manner. By the time our concerns

and challenge to the requested licensing action are even considered, let alone resolved, the new rule provides that the NRC staff and the licensee may have proceeded with the very on-site physical and operational alterations for which the request for license amendments has been submitted. In fact it is our understanding, solely from recent newspaper accounts, that some if not all the construction and retrofitting necessary for the fabrication expansion may have been completed even prior to the May 24, 1989, notice in the Federal Register.

Even if the installation and startup of the new pellet lines have not been completed, the new rule provides that the Nuclear Regulatory Commission "would not require the completion of any requested hearing before the NRC staff could take the licensing action requested by the applicant." (54 FR 8273, February 28, 1989) The authority of the NRC staff to move ahead to resolve the issues in favor of the requested licensing change -- notwithstanding the filing or pendency of a request for a hearing or an appeal -- certainly weighs heavily against a decision by citizens to proceed with a challenge to a requested licensing change. NRC hearings have long been accused of being kangaroo courts. With this rule change, however, they've been turned into moot courts.

Because we have many concerns about this facility and specifically about the requested expansion, and because we believe the citizens of Jefferson and St. Louis counties would profit by information provided during public hearing procedures, we are filing this request in spite of the fact that the staff may have already authorized or may imminently authorize the changes.

We would like to note that our ability to itemize the full range of our concerns is hampered by the fact that only the most limited information has been provided to the public about the Hematite facility virtually since its initial construction and operation, up to and including the accelerated handling by the licensee and the NRC staff of these most recent requested license amendments. One of the current applications for a license amendment was submitted to the NRC on March 22, 1989, only three months ago, with related environmental information submitted by Combustion Engineering on March 29. (An additional amendment application was dated May 1, 1989.) The NRC staff then issued its Environmental Assessment about six weeks later (on May 17) and its Finding of No Significant Impact the same day.

We assume the decision by Combustion Engineering to relocate its entire uranium pellet operation from Windsor, Connecticut, to Hematite, was made in

consultation with the NRC Region III staff, located in Glen Ellyn, Illinois, but to our knowledge it was made without the knowledge of the Jefferson County public. The NRC's Environmental Assessment allegedly "includes the evaluation of impacts from operations with enriched uranium" -- meaning, we assume, uranium enriched to 5% of the fissionable uranium-235 instead of 4.1%, the limit prior to the granting by the NRC on June 16, 1988, of a license amendment which authorized the processing of the 5% enriched uranium. If public notification was made of the April 29, 1988, submittal by the licensee of an application requesting authority to process 5% enriched uranium and/or the granting on June 16, 1988, of the requested amendment (No. 8), we were never made aware of it.

We hereby appeal the NRC staff's findings that the above 1988-89 amendments create "no significant impact" on the environment.

Our areas of concern include the following:

1. the potential impacts of transporting, processing and storing uranium enriched to 5% uranium-235 in contrast to the earlier license limit of 4.1%, including an increased potential for a criticality accident;
2. the lack of adequate emergency response capabilities in Jefferson County and in neighboring counties, including St. Louis, in the event of a radiological accident, including:
 - a. inadequate roads for evacuating the requisite populations;
 - b. the lack of sufficient crews of emergency responders to handle an accident at the Hematite plant site or along routes used for transporting volatile radioactive materials to and from the plant -- including inadequate equipment (protective clothing and breathing apparatus for personnel, and communication and monitoring equipment) and inadequate training;
 - c. inadequate emergency health care facilities;
3. the potential for an increase in the planned and unplanned releases of radioactive and non-radioactive dusts, liquids, and gases (including radon and ammonia) to the atmosphere, and to Joachim Creek and the groundwater;
4. the potential importing of radioactive and/or hazardous material from facilities outside of Jefferson County for scrap recovery processing or incineration;
5. the impact of the expanded operations on the health and safety of the employees -- including concerns about conformity with new NRC standards, such as

those derived from a growing recognition of the hazards of alpha radiation, and about the 33-year accumulation of radioactive contamination on and within the older buildings; and -

6. the impacts of flooding or an earthquake on the contents of the buildings and of burial pits filled with radioactive debris from the plant.

Please note that the above list of our areas of concern may not be complete since we have requested but have not as yet received some of the relevant documents concerning Docket No. 70-36.

The operating license for the Hematite plant was issued by the Atomic Energy Commission to the Mallinckrodt Chemical Works in March 1956, making this plant the oldest commercial nuclear reactor fuel fabrication plant in the United States. Although its existence within Metropolitan St. Louis has remained primarily a well-kept secret, we call on the Nuclear Regulatory Commission to give the public the opportunity, now in the plant's fourth decade of operation, to become informed.

Martha Dodson

Martha Dodson
412 Mississippi -- Crystal City, MO 63019

Karen Sisk

Karen Sisk
1123 Wolf Hollow Rd. -- Imperial, MO 63052

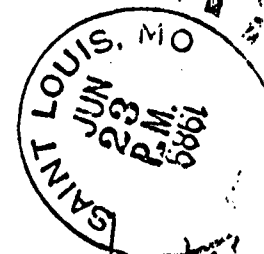
Please note that the name and address of the person upon whom service can be made is Arlene Sandler as per the address below:

Arlene Sandler

Arlene Sandler
President, Board of Directors, St. Louis Chapter
Coalition for the Environment
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