



7036

October 23, 1995

Docket No. 70-36

License No. SNM-33

Mr. Robert C. Pierson, Chief
Licensing Branch
Division of Fuel Cycle Safety and Safeguards
U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555

Subject: **HEMATITE INTEGRATED SAFETY ASSESSMENT SCHEDULE**

Dear Mr. Pierson:

Enclosed is a revised schedule and scope for conducting Integrated Safety Assessments (ISAs) for plant systems and processes at Hematite.

Combustion Engineering originally submitted an ISA schedule to the NRC within six months of the NRC's approval of the renewal application, as required by SNM-33, section 1.6(e). This schedule was provided with a letter dated January 26, 1995.

During a meeting with NRC on August 14, 1996, CE presented a comprehensive program called the Criticality Safety Program Update (CSPU) to improve our performance and documentation in the area of criticality safety. The CSPU plan and schedule was sent to NRC with a letter dated September 20, 1996. As part of the CSPU plan (Item 5), we committed to submission of a revised schedule extending the completion dates for ISAs and redefining the scope of these assessments.

We discovered during the performance of the ISA for the oxide conversion process that we significantly underestimated the time and effort required to conduct an ISA of the required scope. We also discovered that our drawings (process and instrumentation diagrams) were not as up-to-date as we had thought.

The extended schedule will allow us to obtain plant ISAs which meet accepted standards while allowing the staff sufficient time to ensure the safe routine operation of the plant on a day-to-day basis. It will enable integration of the performance of the ISAs with the CSPU improvements and establish a basis for configuration control and quality review of future changes to plant equipment and processes.

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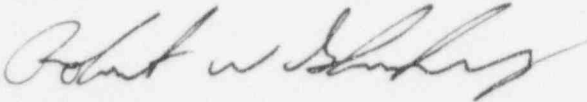
RA96/507
October 23, 1996

As you know, the industry through NEI has submitted a petition for rule making which would require completion of the ISAs on a 5-year schedule after the effective date of the rule. The outcome of this petition and NRC's effort to pass the new Part 70 regulations could further affect the enclosed schedule.

We will be glad to discuss any questions you have concerning this schedule. If you have any questions or need further information, please contact me or Mr. Hal Eskridge of my staff at (314) 937-4691.

Cordially yours,

COMBUSTION ENGINEERING, INC.

A handwritten signature in dark ink, appearing to read "Robert W. Sharkey", written in a cursive style.

Robert W. Sharkey
Director, Regulatory Compliance

RA96/507

**COMBUSTION ENGINEERING, INC.
HEMATITE NUCLEAR FUEL MANUFACTURING FACILITY
INTEGRATED SAFETY ASSESSMENT SCHEDULE**

Combustion Engineering's revised schedule for the performance of Integrated Safety Assessments (ISAs) of plant processes is provided herein. This schedule replaces the original schedule submitted January 26, 1996.

The schedule given below is divided into major plant processes. It is intended to retain the ISA documents onsite after completion for NRC inspection and review.

1. Conversion ISA Scheduled Complete: April 28, 1997

This process area includes UF_6 cylinder handling and storage, vaporization, conversion of UF_6 to UO_2 , off-gas processing, collection of UO_2 in the receivers and loading into bulk storage hoppers.

2. Recycle/Recovery ISA Scheduled Complete: May 14, 1998

This process area includes the dry scrap recycle process and the wet recovery process, which include the dry side furnaces, scrubbers, scrap dissolution, liquid blending, UO_4 precipitation, and waste liquid handling. The mop/waste water system, outside evaporation tanks and waste incineration are also included.

3. Pellet Plant Front End ISA Scheduled Complete: April 28, 1999

This process area includes UO_2 powder preparation, slugging and granulation, pellet pressing, dewaxing and sintering, grinding, inspection and drying for both the normal and Erbia pellet plants. Handling and processing of pellet scrap and grinder sludge within this area are also included.

4. Storage Units ISA Scheduled Complete: April 5, 2000

This area covers the Kardex storage units, the South Vault, floor storage arrays, conveyors, shelf storage, fuel rod, and miscellaneous material storage and packaging.

5. Fuel Rod Loading and Bundle Assembly ISA Scheduled Complete: March 30, 2001

This area covers loading pellets into fuel rods, welding and scanning operations, fuel bundle assembly, and container loading and shipping.

6. Miscellaneous Systems ISA Scheduled Complete: 5 years after promulgation of new rule.

Miscellaneous systems includes emergency power, water supply, ventilation systems, alarm systems, chemistry laboratories, outside areas and other processes and equipment not analyzed in previous ISAs. The extent of the ISA required for some ancillary systems has not been determined at this time.