

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, 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. Sequoyah Fuels Corporation	3. License number	SUB-1010
2. Kerr-McGee Center Oklahoma City, Oklahoma 73125	4. Expiration date	September 30, 1990
	5. Docket or Reference No.	40-8027
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
6. <u>Material</u> Source	7. <u>Form</u> Any Form	8. <u>Quantity</u> 20 million MTU
9. Authorized Use: For use in accordance with the statements, representations, and conditions contained in Chapters 1 through 8 of the license renewal application dated August 23, 1985.		
10. Authorized Place of Use: The licensee's existing facilities at Gore, Oklahoma.		
11. Within 6 months of the issuance of this license, the licensee shall prepare and submit to the Uranium Fuel Licensing Branch the following reports. These reports shall contain sufficient detail and analysis to allow an independent review and shall contain licensee commitments for the actions described.		
a. A report detailing handling procedures for product cylinders containing liquid UF_6 . The report shall include a detailed analysis of each step in the handling of hot cylinders and identify the possible scenarios which could result in cylinder rupture. The report shall also provide an assessment of the modifications and actions which could be taken to reduce the potential for a UF_6 release and justify the procedures being used.		
b. A report detailing measures and actions to mitigate the effects of a UF_6 release. The report shall deal with the potential release of material within the facility and outside of the facility.		

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12. Within 3 months of the renewal of this license, the licensee shall reevaluate the existing groundwater conditions in the area of the treated raffinate storage ponds and prepare and submit for NRC review a report which describes these conditions and either justifies the current monitoring program or proposes a new program for groundwater monitoring.
13. Within 3 months of the renewal of this license, the licensee shall submit to NRC for review and approval a supplemental vegetation monitoring program to provide additional information for the radiological assessment on the ingestion pathway. The vegetation monitoring program shall include the sampling of food crops in the general area. The vegetation samples collected shall be analyzed for uranium, Ra-226, and Th-230. The licensee shall be able to use these data to assess the radiological impact to any member of the general public exposed from the ingestion pathway. A report of the findings shall be submitted to NRC for review. The program shall be initiated on the next growing season upon approval by NRC.
14. The licensee shall investigate and verify that the elevated uranium and nitrate concentrations found in Well FTP-2A are not the result of the liquid seepage from Ponds 3 or 4. A report of the investigation shall be submitted to NRC within 6 months from the date of renewal of the license.
15. The licensee shall propose an appropriate surface water monitoring program to determine the total quantity of uranium discharged to the environs from the runoff drainage ditches which are not included in the NPDES permit. The proposed program shall be submitted to NRC for review and approval within 3 months from the date of renewal of the license.
16. The licensee shall investigate the cause of some of the elevated uranium concentrations in the runoffs identified in Condition 15. Within 3 months from the date of renewal of the license, a report of the investigation shall be submitted to NRC. The report shall describe what mitigating measures, if any, were taken to eliminate the source(s).
17. The licensee shall conduct a comprehensive soil/sediment radiological survey to determine the extent of uranium accumulation along the length of the effluent stream (001), at the confluence, upstream and downstream of the Illinois River, and along the intermittent runoff areas identified in Condition 14. The results of this survey and any recommendations for mitigation shall be reported to NRC within 12 months from the date of the renewal of the license.
18. The licensee shall submit for NRC review and approval the plan and criteria for decommissioning Pond No. 2 upon the completion of sludge removal from Pond No. 2.
19. The licensee shall maintain a spare pond having capacity equal to or greater than Pond No. 5, unless the licensee's deep well injection plan has been approved.
20. At the end of plant life, the licensee shall decontaminate and decommission the facility so that it can be released for unrestricted use.

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21. The licensee shall, by October 1, 1986, prepare and submit changes to the decommissioning plan which provide for the permanent disposal of all solid wastes generated by the facility. The plan shall include an estimate of the costs involved in disposing of these wastes and the financial arrangements that have been or will be made to assure that adequate funds will be available to cover these costs at the time of disposal.
22. The licensee shall implement, maintain, and execute the response measures of his Radiological Contingency Plan submitted to the Commission on March 11, 1982. The licensee shall also maintain implementing procedures for his Radiological Contingency Plan as necessary to implement the Plan. The licensee shall make no change in his Radiological Contingency Plan that would decrease the response effectiveness of the Plan without prior Commission approval as evidenced by a license amendment. The licensee may make changes to his Radiological Contingency Plan without prior Commission approval if the changes do not decrease the response effectiveness of the Plan. The licensee shall maintain records of changes that are made to the Plan without prior approval for a period of 2 years from the date of the change and shall furnish the Chief, Uranium Fuel Licensing Branch, Division of Fuel Cycle and Material Safety, NMSS, U.S. Nuclear Regulatory Commission, Washington, D. C. 20555, and the appropriate NRC Regional Office specified in Appendix D of 10 CFR Part 20, a report containing a description of each change within 6 months after the change is made.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date: SEP 20 1985

By:

Original signed by:

W. T. Crow

Division of Fuel Cycle and
Material Safety, NMSS
Washington, D.C. 20555

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