

UNITED STATES OF AMERICA
-NUCLEAR REGULATORY COMMISSION
Before the Presiding Officer

In the Matter of)
SEQUOYAH FUELS CORPORATION)

Docket No. 40-8027-⁸⁵ ~~MA~~ ~~LA~~
(50 Fed Reg 153 (1985))

PETITION TO RECONSIDER

DEC -9 P1:14
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Introduction

In less than two month's time before the scheduled informal hearing Jan. 7-8, 1986 in Fort Smith, Arkansas pertaining to the proposed amendment to the material license (No. SUB-1010) for the subject SFC, petitioners have been deluged with document after document from SFC that reveal totally new and radically different conditions and situations that may have extremely serious implications for the safety of the general public in this matter. It is apparent that these documents were prepared some months ago, and are only being released after questions and protestations have been lodged with the Administrative Judge in this case.

One example is the late November, 1985 release by SFC to petitioners of the Comprehensive Solid Waste Disposal and Storage Plan, which was distributed only after the Arkansas Peace Center (APC) discovered its absence and asked for it from the Administrative Judge, who telephoned SFC to order them to send the report to all petitioners. This report was approved on May 24, 1985 by the NRC and it is difficult to understand why this critical document was delayed so long.

The criticality of this document lies in the fact that a few weeks before the scheduled informal hearing to address the safety questions of the SFC operations, petitioners learned for the first time about SFC's plans to dispose of 323,000 cubic feet of contaminated, radioactive sludge in clay-lined trenches covered with dirt, a nuclear waste dump 200 feet from the Illinois River in a manner that would be absolutely illegal under Arkansas state laws and almost every state in the United States.

The fact that the NRC approved in principle this nuclear waste dump by a "Finding of No Significant Impact" on November 19, 1985 in document signed by W. T. Crow, Acting Chief, Uranium Fuel Licensing Branch, without in any way addressing the substantial environmental implications of this "Waste disposal plan" is cause for great concern on the part of petitioner. This is but one example of actions by the NRC in the matter of the SFC license that moves us to strongly object to the lack of impartiality by the NRC in the discharge of its responsibility to protect the public safety.

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It should be obvious to any fair and thoughtful citizen that it is very apparent that these proceedings do not allow sufficient time for petitioners to research and prepare contentions and comments on the profound questions these new and very recent documents raise.

Specific Aspects of the Subject Matter

The basic objection that the APC has to the material sent from the NRC to petitioners relative to the proposed licensing of SFC is that instead of being highly critical of any practices that might possibly endanger the environment or be detrimental to the health of the people, which we assume to be the function of such a public agency, it instead glosses over discharges to the air, water and groundwater as negligible even when those discharges are in violation of state and federal standards. The APC contends that the NRC has done this in the documents, Safety Evaluation Report and the Finding of No Significant Impact. For example, with the NPDES violations, NRC describes those as "a few occasional violations" (p. 3), when in actuality there were so many and aggravated violations that the EPA was forced to issue an Administrative Consent Decree, an administrative equivalent of a cease and desist order.

Secondly, NRC stated in Finding of No Significant Impact "that there will be no commitment of land resources" (p.2) even though NRC was aware at the time, although petitioners were not, that SFC had submitted plans to commit land to the north of the plant to build the aforementioned low-level nuclear waste dump.

Third, in its findings of no significant impact, NRC relies almost exclusively on the conclusions offered by SFC, with the following example. SFC concludes that the contamination of groundwater under Pond #2 is local and insignificant, and the NRC agrees. This conclusion ignores the exceedingly high nitrate readings, the relationship between the groundwater and the river, and the existence of faults and cracks to conduct the contamination to the river.

Four, the contention by SFC, which was accepted by NRC, that the flouride sludge produced by the operation would be only "a small fraction of the total effluent" flies in the face of the evidence that it will measure 39,000 cubic feet per year and require SFC to embark upon its mammoth nuclear waste dump operation.

Five, NRC blindly accepts the findings of no seismic danger without properly checking the data in this regard. APC strongly contends that the existence of the Frontal Ouachita Belt and the Nehema Belt, which

lie close to Gore, Oklahoma and have been active within the past 40 years, is sufficient reason to deny the application out of hand. The existence of the Carlisle fault is evidence of earthquake activity in the immediate vicinity of the SFC plant and site.

APC contends that relatively light tremors could conceivably open crack in the existing nuclear waste ponds or waste cells that could cause contamination of groundwaters.

Six, APC protests the observation that its contentions relative to siting are "too vague". Arkansas standards would not allow such a plant and operation in its proximity to ground water and surface water and the potential for tremor-induced faulting. Since it is Arkansas water that is at risk here, APC contends that Arkansas standards ought to apply.

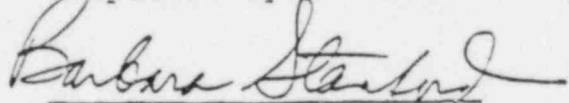
Seven, APC is concerned that many of SFC's supervisory personnel have only high school educations and have served with the Kerr-McGee Corporation for long periods. This, we feel, is a scenario producing company loyalty but may put safety concerns in second place. It is felt that it would be better if safety supervision were done by highly-trained non-SFC personnel.

Eight, APC strongly objects to the rigid construction of the agenda for the public hearing that appears to prevent APC from testifying on any of the aforementioned concerns.

Conclusion

The Arkansas Peace Center, for the reasons discussed in the aforementioned contentions, respectfully prays for an Order granting this petition to reconsider, postponing the scheduled informal hearing on January 7th and 8th, 1986 to a time that allows for sufficient opportunity for petitioners to research and respond to applicant's documents, and to grant a full hearing to allow cross-examination and other due process privileges to ensure that the public interest be fully protected in this matter.

Respectfully submitted,



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SEQUOYAH FUELS CORPORATION
(Sequoyah Facility)

Docket No.(s) 40-8027-MLA

CERTIFICATE OF SERVICE

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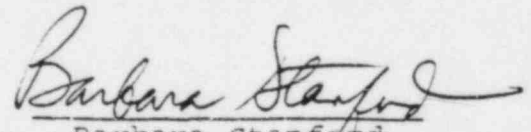
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Dated at Little Rock, Arkansas
This 2nd day of December, 1985


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