

UNITED STATES
ATOMIC ENERGY COMMISSION

WASHINGTON, D.C. 20545

May 25, 1973

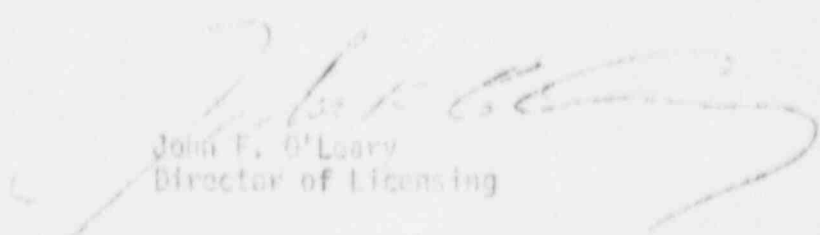
Chairman Bay
Commissioner Bandy
Commissioner Larson
Commissioner Loo

THRU: Director of Regulation

NOTICE OF HEARING: LICENSE AMENDMENT DENIAL

On May 10, 1972, the Kerr-McGee Corporation requested an amendment to its source material license which would authorize deep well disposal of radioactive effluents water resulting from the production of uranium hexafluoride (a similar request was denied in October of 1970, but Kerr-McGee was permitted to withdraw its application without prejudice). On March 14, 1973, the Deputy Director for Fuels and Materials advised Kerr-McGee that its request had been denied on radiological health and safety grounds. It should be noted that since the license was denied in the first instance on these grounds, no determination was made as to whether the applicable environmental requirements set out in Appendix D to 10 CFR Part 50 had been satisfied. On April 5, 1973, Kerr-McGee requested a hearing on the denial, which it is entitled to under 10 CFR 2.103 of the Commission's "Rules of Practice."

Attached for your consideration is a proposed "Notice of Hearing" for publication by the Commission in the FEDERAL REGISTER. The proposed hearing would address itself only to the radiological health and safety considerations of the requested amendment, since these are the only considerations on which the denial is based. Should the hearing board disagree with the Staff's position and find that there would be no adverse radiological health and safety consequences stemming from issuance of the requested amendment, the board would be required by the notice to forward the application back to the Staff for a determination as to whether all applicable environmental considerations have been satisfied.


John F. O'Leary
Director of Licensing

Attachment:
"Notice of Hearing"

8512170303 730525
PDR ADOCK 04008027
C PDR

UNITED STATES OF AMERICA
ATOMIC ENERGY COMMISSION

In the Matter of

Kerr-McGee Corporation
Kerr-McGee Building
Oklahoma City, Oklahoma

}
}
} Amendment to Source
} Material License SUB-1010
}

NOTICE OF HEARING

The Kerr-McGee Corporation, Kerr-McGee Building, Oklahoma City, Oklahoma ("the licensee") is the holder of Source Material License No. SUB-1010 issued by the Atomic Energy Commission ("the Commission"). The license, issued on February 20, 1970, authorizes the use of source material in the production of uranium hexafluoride under certain conditions specified therein, and expires on February 28, 1975. On April 10, 1970, the licensee requested a license amendment which would permit, among other things, subsurface disposal of certain liquid radioactive wastes. By letter dated October 15, 1970, the Deputy Director for Fuels and Materials ("Deputy Director") advised the licensee that the requested amendment had been denied and specified the reasons therefor. During the thirty day period provided for in the letter within which the licensee could request a hearing, the licensee requested to be permitted to withdraw its application without prejudice. By letter dated March 12, 1971, the Deputy Director approved the licensee's request.

On May 10, 1972, the licensee again requested a license amendment which would authorize subsurface disposal of certain liquid

radioactive wastes. The amendment requested would permit the licensee to utilize deep well disposal of raffinate wastes generated from its solvent extraction uranium purification process at its Sequoyah facility. By letter dated September 29, 1972, the Deputy Director advised the licensee that its amendment request had been denied and specified the reasons therefor. After consideration of additional information submitted by the licensee, the Deputy Director, by letter dated March 14, 1973, affirmed the denial of September 29, 1972. On April 5, 1973, the licensee requested a hearing on the matter of the denial, pursuant to the provisions of 10 CFR 2.103.

The Deputy Director, pursuant to the Atomic Energy Act of 1954, as amended, and 10 CFR Part 40, denied the application of May 10, 1972 after determining that issuance of the license amendment would not conform with the requirements set forth in 10 CFR 40.32(c) and (d) because:

1. Existing information is not adequate to demonstrate the presence, location, or nature of the faults that are purported to provide barriers to movement of fluid from the disposal formation, nor is there adequate information to demonstrate that known faults will act as barriers to such movement during continued operation of the proposed well.

Do faults provide barriers to movement or avenues for movement?

W

2. The complexity of the geologic formation is such that there is no assurance as to the migration paths of the radioactive wastes and the brines which would be displaced.
3. The complexity of the geologic and hydrologic system effectively precludes emergency recovery of the infected radioactive waste.

In view of the above determination with respect to matters of radiological health and safety, no findings were made by the Deputy Director with respect to whether, pursuant to 10 CFR 40.32(e), any applicable requirements in regard to environmental matters as set out in Appendix D of 10 CFR Part 50 had been satisfied.

Pursuant to the Atomic Energy Act of 1954, as amended, and the regulations in Title 10, Code of Federal Regulations, Part 2, "Rules of Practice," notice is hereby given that a hearing will be held, at a time and place to be set in the future by an Atomic Safety and Licensing Board ("the Board") to consider the May 10, 1972 application for amendment of Source Material License No. SRB-1010 held by the Licensee. The Board will be designated by the Chairman of the Atomic Safety and Licensing Board Panel. Notice as to its membership will be published in the FEDERAL REGISTER.

The Board will consider and initially decide, as the issues in this proceeding, whether, pursuant to the Atomic Energy Act of 1954, as amended, and in accordance with 10 CFR 40.32(e) and (d):

1. The licensee's equipment, facilities, and procedures proposed for use pursuant to the requested amendment are adequate to protect health and minimize danger to life or property; and
2. The issuance of the amendment will be beneficial to the health and safety of the public.

If, upon consideration of the record developed in this proceeding, the Board makes an affirmative finding with respect to Item 1 and a negative finding with respect to Item 2, the application shall be resubmitted to the Deputy Director for such further action on environmental matter as may be required by 10 C.F.R. 40.22(-).

A prehearing conference or conferences will be held by the Board, at a date and place to be set by it, to consider pertinent matters in accordance with the Commission's "Rules of Practice." The date and place of the hearing will be set by the Board at or after the pre-hearing conference. Notices as to the dates and places of the pre-hearing conference and the hearing will be published in the FEDERAL REGISTER.

An answer to this notice, pursuant to the provisions of 10 C.F.R. 40.25, must be filed by the licensee not later than twenty (20) days from the date of publication of this notice in the FEDERAL REGISTER.

Papers required to be filed in this proceeding may be filed by mail or telegram addressed to the Secretary of the Commission, U.S.

Atomic Energy Commission, Washington, D.C. 20545, Attention:

Chief, Public Proceedings Staff, or may be filed by delivery to the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C.

Pending further order of the Board, parties are required to file, pursuant to the provisions of 10 CFR 2.703, an original and twenty (20) conformed copies of each such paper with the Commission.

Pursuant to 10 CFR 2.785, the Commission authorizes an Atomic Safety and Licensing Appeal Board to exercise the authority and perform the review functions which would otherwise be exercised and performed by the Commission. The Appeal Board will be designated pursuant to 10 CFR 2.787, and notice as to its membership will be published in the FEDERAL REGISTER.

FOR THE ATOMIC ENERGY COMMISSION

Dated at
this day of

FUELS AND MATERIALS
DIRECTORATE OF LICENSING

File

☒ Cunningham, R. E.
~~RS~~ Sterling, B. *after 5/4*
~~Grove, G. R.~~
☒ Lowenberg, H.
☒ Nussbaumer, D. A. - *Retention*
~~eye~~ ~~WISC~~

☐ Central Files
☐ Mail Room
☐ Return to GSchuetze
☐ Destroy

Remarks: ~~D. Smith~~
J. Chandler 6/1/73
From S. H. Smiley *J. Rothman 6/1/73*

Date: *5/1/73*

P #2 4/27/73

4/27/73
circ to
Jaff



KERR-McGEE CORPORATION

KERR-McGEE BUILDING • OKLAHOMA CITY, OKLAHOMA 73102

COPY

April 19, 1973

Mr. L. Manning Muntzing
Division of Regulation
U.S. Atomic Energy Commission
Washington, D. C. 20545

Dear Mr. Muntzing:

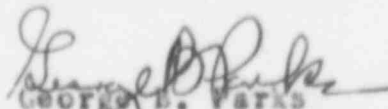
Due to our extensive participation in the nuclear industry and the desire to centralize licensing and regulation responsibility, would you please direct all communications regarding the Atomic Energy Commission's regulations, licensing activities or inspection activities to:

Mr. W. J. Shelley, Director
Regulation and Control
Nuclear Division
Kerr-McGee Corporation
Kerr-McGee Center
Oklahoma City, Oklahoma 73102

Where a specific inspection report concerns one of our nuclear plants, it may be to your interest to direct a copy to the plant manager of that particular installation.

Your cooperation in this internal effort to better respond to the Commission's needs would be greatly appreciated.

Very truly yours,


George B. Parks
Executive Vice President

GBP:WJS:stj

9510010187

3pp

cc: Mr. Boyce H. Grier, Regional Director
Region III
Directorate of Regulatory Operations
U.S. Atomic Energy Commission
799 Roosevelt Road
Glen Ellyn, Illinois 60137



Mr. J. W. Flora, Director
Region IV
Directorate of Regulatory Operations
U.S. Atomic Energy Commission
10395 W. Colfax, Room 200
Denver, Colorado 80215

Mr. F. E. Kruesi, Director
Directorate of Regulatory Operations
U.S. Atomic Energy Commission
Washington, D. C. 20545

Mr. L. R. Rogers, Director
Directorate of Regulatory Standards
U.S. Atomic Energy Commission
Washington, D. C. 20545

Mr. S. H. Smiley, Deputy Director ✓
for Fuels and Materials
Directorate of Licensing
U.S. Atomic Energy Commission
Washington, D. C. 20545

KERR-McGEE CORPORATION

KERR-McGEE BUILDING • OKLAHOMA CITY, OKLAHOMA 73102



Mr. S. H. Smiley, Deputy Director
for Fuels and Materials
Directorate of Licensing
U.S. Atomic Energy Commission
Washington, D. C. 20545