

May 18, 2001

Mr. Wayne Gaul
Starmet CMI, Inc.
P.O. Box 1366
365 Metal Drive, Highway 80
Barnwell, SC 29812

SUBJECT: Amendment 01 to Import License IW008

Dear Mr. Gaul:

This is to bring you up-to-date on the status of the subject amendment application and to request the submission of additional information which is necessary for us to complete our review, as follows:

1. 10 CFR 110.32(f)(5) states that, for proposed imports of radioactive waste, the volume and the ultimate disposition (including forms of management of the waste), should be described. Similarly, 10 CFR 110.32(f)(6) states that the industrial or other process responsible for generation of the waste should be described. Various letters concerning the Starmet amendment application are unclear on these points. Starmet's February 2, 2001, letter indicates that in a previous statement that "disposal of the depleted uranium material being imported may be disposed as radioactive waste" is incorrect, and that all material will be beneficially used to make oxide or DuCrete. There is no description of the waste that the letter application covers, or its disposition, other than a February 6, 2001, letter from the Atlantic Compact to NRC. This Compact letter indicates that, based on discussions with Starmet, the importation and processing of this material will result in a very small volume of secondary waste that will require disposal in a licensed radioactive waste facility.

Another area that is unclear is contained in your December 19, 2000, and February 2, 2001, letters, which state that the depleted uranium *may* (emphasis added) be placed in furnaces for oxidation. The application does not describe what other alternative processing might be used, and the management of any resulting waste. Starmet should specifically address §110.32(f)(5) and §110.32(f)(6) regarding the amounts, processing, and ultimate disposition of any waste, including the facility where it may be disposed of. If a facility other than Barnwell will be used for disposal of radioactive waste, it should also be identified and addressed.

2. Starmet should confirm that receipt of this additional depleted uranium identified in the amendment application will not exceed the possession limit for Starmet's current license with the State of South Carolina. Along with this confirmation, please provide a copy of the relevant South Carolina possession license.

Thus, please provide the descriptive information required in accordance with 10 CFR Part 110 for each of the requests contained in your letters dated September 28, 2000, December 19, 2000, January 8, 2001, February 2, 2001 (2 letters) and April 19, 2001. As noted, descriptions of the materials from each of the proposed new sources, including amounts, processing, waste generated, and disposal arrangements are needed.

The existing Starmet import license authorizes the import of 80,000 kilograms of depleted uranium metal and oxide in the form of machined swarf/turnings and solid cylindrical pieces; and 45,000 liters of mineral oil. The depleted uranium is to be shipped in the mineral oil in order to prevent combustion. The quantities authorized were expected to be imported over a four-year period in individual shipments, not to exceed 16,800 kilograms per shipment, based on a gross weight of 20,000 kilograms for the ISO container. The point of origin is the British Ministry of Defense Royal Ordnance Facility in the United Kingdom. The authorized end use is for recycle of the depleted uranium and conversion for production of radiation shielding products. The mineral oil is to be processed for reuse or disposal. That license expires August 31, 2004.

In order for us to expedite processing of your request to add AEA Technologies (AEAT) as a point of origin in the UK, we again need complete descriptions of the imports to confirm that they will be consistent with the authorizations provided in the existing license. In addition, a statement regarding the amount of material, if any, already imported under the license is needed.

As for the balance of additional depleted uranium that Starmet has requested authority to import, it is our understanding that with the exceptions of the British Ministry of Defense Royal Ordnance and AEAT, all other exporters named in the amendment request still require separate UK export licenses.

Please contact Janice Owens at 301-415-3684, if you have any questions or require additional information.

Sincerely,

/RA/

Ronald D. Hauber, Deputy Director
Office of International Programs

cc: J. Kennedy, NRC/NMSS/DWM
F. Combs, NRC/OSTP
T. Rothschild, NRC/OGC
R. DeLaBarre, DOS

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