



Bob Holden, Governor • Stephen M. Mahfood, Director

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE DIRECTOR

P.O. Box 176 Jefferson City, MO 65102-0176

JUL 23 2001

Mr. James E. Dyer, Regional Administrator
U.S. Nuclear Regulatory Commission
Region III
801 Warrenville Road
Lisle, IL 60532-4351

RE: Westinghouse Electric Company, C-E Nuclear Power LLC
Hematite Fuel Operations, CENP License No. SNM-33

Dear Mr. Dyer:

I am writing regarding contamination, cleanup, and decommissioning at the Westinghouse C-E Nuclear Power LLC Hematite Fuel Operations in Jefferson County, Missouri. On May 3, 2000, I submitted formal comments to the Nuclear Regulatory Commission on the pending license transfer of this facility to British Nuclear Fuel. My concerns over contamination at the site and the need for sufficient cleanup are even more pressing given intentions to decommission the facility. Radioactive and chemical contamination in the soil and shallow groundwater exists at the site as a result of past disposal practices. It is likely that contamination associated with the current processing operation also exists.

The *Hydrogeologic Investigation and Groundwater, Soil and Stream Characterization* for the site identifies soil and groundwater contamination by Uranium (U-235), Technetium-99 (Tc-99) and Trichloroethene. The half-life of the radionuclides ranges from 211,100 to 703.8 million years. A copy of our comments on that report are enclosed.

Our agency is working with the United States Environmental Protection Agency to assess the site for inclusion on the Superfund National Priority List. It is my understanding that the plant shutdown will follow the decontamination/decommissioning process prescribed by the Nuclear Regulatory Commission. To aid in our assessment and to coordinate cleanup efforts, I ask you to provide the department copies of all correspondence pertaining to the closure of this facility.

Your support in coordinating the closure and cleanup of the site with our department will ensure a comprehensive assessment and full cleanup of the site to protect health and the environment for Missourians. To that end, the following need to be addressed:

STATE OF MISSOURI
DEPARTMENT OF NATURAL RESOURCES

Bob Holden, Governor • Stephen M. Mahfood, Director

DIVISION OF ENVIRONMENTAL QUALITY
P.O. Box 176 Jefferson City, MO 65102-0176

July 9, 2001

Mr. Robert W. Sharkey
Director Regulatory Affairs
CE Nuclear Power, LLC/Westinghouse Electric Company
3300 State Road P
Festus, MO 63028

Dear Mr. Sharkey:

In a letter dated December 5, 2000 you responded to the Missouri Department of Natural Resources comments on the Hydrogeologic Investigation and Groundwater, Soil and Stream Characterization Report, and the Second, Third and Fourth Sampling Event Reports prepared by Leggette, Brashears & Graham, Inc.(LB&G) for Combustion Engineering's Hematite facility sent to you on September 20, 2000. In that letter you informed the Department that it was CE Nuclear Power (CE) was acquired by Westinghouse Electric Company LLC and that it was CE's intention to cease operation at the Hematite facility in the Spring of 2001 and to decommission the facility under the authority of Nuclear Regulatory Commission.

Due to the impending decommissioning of Hematite facility, I requested a tour of the facility before operation ceased. Your cooperation in arranging a tour of the facility for myself and other department staff is greatly appreciated. The tour was very educational and informative.

In CE's response letter you addressed most of the departments general concerns and requested that the specific details be address in subsequent work plans for further characterization as part of the decommissioning process. The department would agree that many of the departments concern can be addressed satisfactorily that way. However, the department's concerns regarding the quality and usability of the radiological data generated during the previous Hydrogeologic Investigation and the Groundwater, Soil and Stream Characterization and quarterly monitoring need to addressed prior to the submittal of any subsequent work plans or any data collection activities.

The department's specific comments regarding radiological data quality and usability need to be addressed and appropriate corrective action taken to prevent data quality problems in future sampling events. Data generated in support of the decommissioning process and cleanup of contaminated environmental media must be of a known and documented quality. The existing radiological data needs to be quantified as to its bias, uncertainly and its usability. Those comments previously provided to you are enclosed. The department would appreciate a timely response.

In discussions with you prior to the March facility tour I explained that the department had completed a Site Inspection (SI) under the federal Comprehensive Environmental

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Response Compensation Liability Act (CERCLA) through a cooperative agreement with U.S. Environmental Protection Agency (EPA). The purpose of the SI was to evaluate whether the site would qualify for placement on the National Priorities List (NPL). I also informed you that the department was considering evaluating the site for placement on the Registry of Confirmed Abandoned or Uncontrolled Hazardous Waste Disposal Sites in Missouri. If the contamination at site is adequately addressed through the decommissioning process the department will defer pursuing these options.

In your letter and during our discussion in March you indicated that CE was willing to work closely with the department to address our concerns regarding the soil, groundwater and surface water contamination at the site. We discussed the possibility of CE entering into an agreement with the department through the department's Superfund Cooperative program. I explained such an agreement would include payment of the department's oversight cost. I would like to meet with CE to discuss this option in more detail in the near future.

Please contact me at your earliest convenience to set up a meeting and please do not hesitate to contact me if you have any questions at (573) 751-8629.

Sincerely,

HAZARDOUS WASTE PROGRAM


Julieann Warren, Chief
Site Evaluation Unit.

c: Mr. Edwin Flack, NRC
Mr. Steve Mahfood, DNR
Mr. Ron Kucera, DNR
Ms. Mimi Garstang, DGLS
Mr. Scott Clardy, DOH
Mr. Bryant Burnett, EPA Region VII
Mr. John Bognar, LB&G
Mr. Robert Geller, HWP
Ms Cindy Kemper, HWP

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JUL 30 2001

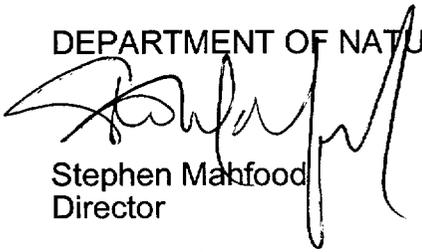
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1. Development of a comprehensive human health and ecological risk assessment using existing hydrogeologic data and at least four quarters of groundwater and surface water monitoring.
2. Continued groundwater and surface water monitoring to provide data to develop a scheme for long-term monitoring.
3. Characterization of the site's soil and groundwater conditions around evaporation ponds and other areas identified as contaminated. Although characterization work has been performed around the 40 unlined burial pits, additional work may be necessary.
4. Sampling is needed, on a regular basis, of the public and private drinking water wells near the plant for gross alpha, gross beta and volatile organic contaminants. Sampling should be annually at a minimum.
5. Full assessment of the site's waste including associations with the Nuclear Weapons Complex.

Thank you for your consideration of these issues, which are very important to the state of Missouri. I am confident that we can work together to protect Missouri's citizens and our resources. For further information or to set aside time to discuss this project, please contact Julie Warren at (573) 751-3176.

Sincerely,

DEPARTMENT OF NATURAL RESOURCES



Stephen Mahfood
Director

SM:bgp

Enclosure

c: Environmental Protection Agency
Combustion Engineering