

April 8, 2003

MEMORANDUM TO: Michael T. Lesar, Chief
Rules Review and Directives Branch
Division of Administrative Services
Office of Administration

FROM: Susan M. Frant, Chief **/RA/**
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

SUBJECT: NOTICE OF RECEIPT OF AMENDMENT REQUEST AND
OPPORTUNITY TO REQUEST A HEARING - SEQUOYAH
FUELS CORP. - MATERIALS LICENSE SUB-1010

Attached please find one signed original of the subject Federal Register notice for your transmittal to the Office of the Federal Register for publication. Also, attached are four copies of the signed notice and an electronic version on a floppy diskette with the notice in WordPerfect.

Docket No. 40-8027
License No. SUB-1010

Attachments: 1. One signed original
2. Four copies of signed
3. Floppy diskette of

CONTACT: Myron Fliegel, NMSS/FCSS
(301) 415-6629

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DATE	3/31/03		4/02/03		4/02/03		4/02/03		4/8/03	

*see previous concurrence

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NUCLEAR REGULATORY COMMISSION
DOCKET NO. 40-8027
SEQUOYAH FUELS CORP.
NOTICE OF RECEIPT OF AMENDMENT REQUEST AND
OPPORTUNITY TO REQUEST A HEARING

I. Introduction

The U. S. Nuclear Regulatory Commission (NRC) has received, by letter dated January 28, 2003, a request from Sequoyah Fuels Corp. (SFC) for approval of a license amendment to Materials License SUB-1010, to address clean up and reclamation of the SFC site.

The SFC facility, located near Gore, Oklahoma, operated from 1970 to 1993, converting uranium oxide (yellowcake) to uranium hexafluoride, a step in the production of nuclear reactor fuel. From 1987 to 1993, the facility was also used to convert depleted uranium hexafluoride to uranium tetrafluoride. The facility is currently licensed only to possess radioactive material. Originally, the license only permitted possession of source material. However, in a Staff Requirements Memorandum to SECY-02-0095, dated July 25, 2002, the Commission concluded that some of the waste at the SFC site could properly be classified as byproduct material as defined in section 11e.(2) of the Atomic Energy Act of 1954 as amended (AEA).

In response to a request from SFC, on December 11, 2002, NRC amended the license to allow possession of 11e.(2) byproduct material, in addition to source material.

In its reclamation plan, SFC proposes to build a disposal cell on the site and put the radioactive waste in that cell. The cell is designed to meet the requirements, in 10 CFR Part 40, Appendix A, for disposal of 11e.(2) byproduct material. SFC also requested permission to dispose of source material wastes in the cell, under the guidance in Attachment 1 to NRC Regulatory Issue Summary 2000-23 (November 30, 2000).

The staff will review SFC's request for conformance with 10 CFR Parts 20 and 40, using NUREG-1620, "Standard Review Plan for the Review of a Reclamation Plan for Mill Tailings Sites Under Title II of the Uranium Mill Tailings Radiation Control Act" and other applicable agency regulations and guidance. If NRC approves SFC's request, the approval will be documented in an amendment to SFC's license. However, before approving the request, NRC will need to make the findings required by the AEA and NRC regulations. These findings will be documented in a Technical Evaluation Report and an Environmental Impact Statement.

II. Opportunity to Request a Hearing

The NRC hereby provides notice that this is a proceeding on an application for an amendment of a license falling within the scope of Subpart L, "Informal Hearing Procedures for

Adjudications in Materials and Operator Licensing Proceedings” of NRC’s rules and practice for domestic licensing proceedings in 10 CFR Part 2. Pursuant to § 2.1205(a), any person whose interest may be affected by this proceeding may file a request for a hearing in accordance with § 2.1205(d). A request for a hearing must be filed within 30 days of the publication of this Federal Register notice.

The request for a hearing must be filed with the Office of the Secretary, either:

(1) By delivery to the Rulemaking and Adjudications Staff of the Office of the Secretary of the Commission at One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, between 7:45 a.m. and 4:15 p.m., Federal workdays; or

(2) By mail or telegram addressed to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Rulemaking and Adjudications Staff. Because of continuing disruptions in the delivery of mail to United States Government offices, it is requested that requests for hearing also be transmitted to the Secretary of the Commission either by means of facsimile transmission to 301-415-1101, or by email to hearingdocket@nrc.gov.

In accordance with 10 CFR 2.1205(f), each request for a hearing must also be served, by delivering it personally or by mail, to:

(1) The applicant, Sequoyah Fuels Corporation, P.O. Box 610, Gore Oklahoma, Attention: Mr. John Ellis; and

(2) The NRC staff, by delivery to the Office of the General Counsel, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852, between 7:45 a.m. and 4:15 p.m., Federal

workdays, or by mail addressed to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555. Because of continuing disruptions in the delivery of mail to United States Government offices, it is requested that requests for hearing also be transmitted to the Office of the General Counsel, either by means of facsimile transmission to 301-415-3725, or by email to OGCMailCenter@nrc.gov.

In addition to meeting other applicable requirements of 10 CFR Part 2 of the NRC's regulations, a request for a hearing filed by a person other than an applicant must describe in detail:

- (1) The interest of the requestor;
- (2) How that interest may be affected by the results of the proceeding, including the reasons why the requestor should be permitted a hearing, with particular reference to the factors set out in § 2.1205(h);
- (3) The requestor's areas of concern about the licensing activity that is the subject matter of the proceeding; and
- (4) The circumstances establishing that the request for a hearing is timely in accordance with § 2.1205(d).

III. Further Information

The application for the license amendment and the request to revise the License Application are available for inspection at NRC's Public Electronic Reading Room at <http://www.nrc.gov/reading-rm/adams.html>. Documents may also be examined and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555

Rockville Pike, Rockville, MD 20854. Any questions with respect to this action should be referred to Myron Fliegel, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T8-A33, Washington, D.C. 20555-0001. Telephone: (301) 415-6629.

Dated at Rockville, Maryland, this 8th day of April, 2003.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Lidia Roché, Acting Chief
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards