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DEC 13 1989

Docket No. 70-36
License No. SNM-33

Combustion Engineering, Inc.
ATTN: Mr. J. A. Rode, Plant Manager
Hematite Fuel Manufacturing
P.O. Box 107
Hematite, MO 63047

Gentlemen:

At the Congressional hearing related to the General Accounting Office report, GAO/RCED-89-119, "NRC's Decommissioning Procedures and Criteria Need to be Strengthened," the Nuclear Regulatory Commission (NRC) presented testimony stating that we will require licensee monitoring of buried waste sites, as appropriate, and determine at the time of decommissioning, what remedial measures, including removal and disposal of such waste offsite, are appropriate before a site can be released and the license terminated. The GAO report also discusses the ground water contamination from the ponds and the contaminated limestone rock and soil present at the Hematite site.

Although the 1982 survey of the burial site at the Hematite facility commissioned by the NRC showed that radioactive material did not appear to be migrating from the burial trenches, we believe that it is appropriate for you to demonstrate on a continuing basis that migration into ground water is not occurring. The ground water monitoring program should include not only the waste burial site, but the former pond area and the limestone storage areas.

We request that you put a high priority on the ground water monitoring program for the Hematite facility waste burial site, ponds, and limestone storage areas so that you can begin to demonstrate on a direct basis that migration of radioactive material from the burial trenches and other areas is not occurring. You should submit within 120 days, for our review, a plan for this program, including a schedule for implementation. If it is not possible to meet this submittal date, please contact me at once.

Sincerely,

LSI

Glen L. Sjoblom, Acting Chief
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

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Combustion Engineering, Inc.

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cc w/encls:

Mr. A. E. Scherer, Director
Nuclear Licensing

Mr. C. R. Waterman, Acting Vice President
Nuclear Fuel

Mr. C. B. Brinkman, Manager
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