April 4, 1990 LD-90-028 A. Edward Scherer Director Nuclear Licensing

F.le 1 70036

Docket No. <del>71-9022</del>

Mr. Charles E. MacDonald, Chief Transportation Branch Division of Safeguards and Transportation Office of Nuclear Material Safety and Safeguards U. S. Nuclear Regulatory Commission Attn: Document Control Desk Washington, D. C. 20555

Subject: CE-250-2 Shipping Container

Dear Mr. MacDonald:

Combustion Engineering has had a continuing dialogue with members of your staff with respect to our CE-250-2 shipping container since June, 1988. Complete closeout has, however, remained elusive. To further complicate matters, the Certificate of Compliance for the CE-250-2 shipping container expires on June 30, 1990. The purpose of this letter is to inform you of our plans regarding further support of the subject Certificate.

Combustion Engineering has employed the CE-250-2 shipping container primarily for the transport of UO2 powder between our Hematite and Windsor Nuclear Fuel Manufacturing facilities. Because of realignment of our manufacturing processes, Combustion Engineering will no longer have a need to ship large quantities of UO2 powder between the two facilities. Further, we are taking steps to utilize another of our shipping containers for our reduced powder shipments needs. As such, Combustion Engineering will allow the current Certificate of Compliance to lapse when it reaches it's June 30, 1990, expiration date.

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In the interim, and in order to address a Nuclear Regulatory Commission concern regarding the structural integrity of empty UO2 powder cans, Combustion Engineering will not ship empty powder cans in the same CE-250-2 shipping container as loaded powder cans. Empty powder cans will be replaced by wood block spacers of a size approximating the dimensions of a powder can. will preclude movement of any loaded powder cans in the shipment. This approach will be followed from the date of this letter until the Certificate of Compliance expiration date, should Combustion Engineering have a need to make any shipments during that time period.

If I can be of further assistance on this matter, please do not hesitate to call me or Mr. C. M. Molnar of my staff at (203) 285-5205.

Very truly yours,

COMBUSTION ENGINEERING, INC.

A. E. Scherer

Director Nuclear Licensing

AES: jeb

G. France (NRC - Region III)
N. Osgood (NRC)

J. Roth (NRC - Region I)