



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

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LICENSEE: Westinghouse Electric Company LLC
Festus, MO

SUBJECT: SAFETY EVALUATION REPORT: WESTINGHOUSE ELECTRIC COMPANY, LLC, AMENDMENT 42 (TAC NO. L31556) TO CEASE PRINCIPAL LICENSED ACTIVITIES AND CHANGE SCOPE TO DECOMMISSIONING ACTIVITIES

BACKGROUND

By application dated September 11, 2001, Westinghouse Electric Company notified the Nuclear Regulatory Commission (NRC) that all principal activities, specifically those related to the manufacture of nuclear reactor fuel utilizing low-enriched uranium, at the Hematite, Missouri, site have ceased. Westinghouse requested an amendment to Special Nuclear Material License SNM-33 to change the scope of licensed activities to those associated with decommissioning activities. This amendment application is the first part of a request to be assigned to a different fee category. Westinghouse submitted a request for a change in fee category by letter dated September 18, 2001. NRC's decision on this fee request will be a separate action.

DISCUSSION

Change in Scope of Licensed Activities

Section 1.5, "Authorized Activities," of the current license application authorizes Westinghouse LLC to receive, possess, use, store, and transfer Special Nuclear Material under Part 70 of the Regulations of the Nuclear Regulatory Commission in order to manufacture nuclear reactor fuel utilizing low-enriched uranium (up to 5.0 weight percent in the isotope U^{235}) and to receive, possess, use, store, and transfer source material under 10 CFR Part 40 of the Regulations of the Nuclear Regulatory Commission.

Westinghouse has notified the NRC that all production of nuclear reactor fuel for nuclear power plants has ceased at the Hematite site. Current activities at the site are directed toward removing the facilities and the site safely from service and toward reducing the levels of residual radioactivity. Westinghouse proposed revised wording for Section 1.4, "Possession Limits" and Section 1.5, "Authorized Activities" to reflect the material possessed and the scope of activities being conducted at the site.

Westinghouse has reduced the amount of low-enriched uranium (up to 5.0 weight percent in the ^{235}U isotope) to be possessed at the site from 20,000 kilograms ^{235}U to 2,000 kilograms ^{235}U and the amount of source material from 50,000 kilograms to 25,000 kilograms. Possession of these reduced amounts is limited to those activities necessary to process and package the materials into forms suitable for transfer to other licensed operations. Receipt of any additional materials in these categories is limited to that necessary to complete the decommissioning of the site and facilities. Examples of such receipts would be calibration sources and residual

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contamination on shipping containers and packages. Westinghouse added a new material category consisting of special, source, and byproduct material as residual contamination existing at the Hematite site on July 1, 2001. Westinghouse did not propose a mass quantity limit for this material category because the total amount of residual contamination will not be known until site characterization is completed.

Possession limits for other radioactive materials are not changed. These other materials are the following:

- Uranium to any enrichment in the ^{235}U isotope, 350 grams ^{235}U , limited to those activities necessary to process and package the materials into forms suitable for transfer to other licensed operations
- Cobalt-60, 40 millicuries total, for instrument calibration and testing
- Cesium-137, 500 millicuries total, for possession only pending transfer to other licensed operations
- Byproduct material including ^{241}Am , 200 microcuries total, for instrument calibration and testing
- Californium-252, 4 milligrams total, for possession only pending transfer to other licensed operations

NRC staff have reviewed Westinghouse's request to reduce the possession limits and have determined that they are acceptable since they are lower than the possession limits in their current license, approved by license renewal on July 28, 1994.

Westinghouse also requested a change to the authorized licensed activities. Specific activities that Westinghouse requested are:

1. Those activities necessary to reduce the current inventory of Special Nuclear Material, Source Material and Byproduct material from the site including but not limited to such activities as:
 - A. Preparation, packaging, and shipment of the remaining inventory of Special Nuclear and Source Material. Preparation of uranium will include processes such as oxidation, incineration, liquid waste solidification, size reduction, filter processing and wet-process uranium recovery operations.
 - B. Waste preparation, packaging, and shipment.
 - C. Equipment testing, clean-out and decontamination in preparation for packaging and shipment.
2. Those activities necessary to maintain the facilities and site in a safe condition pending license termination including but not limited to such activities as:
 - A. Facility maintenance, inspection, testing, and preventive maintenance activities necessary to maintain safe conditions such as ventilation control and operation, alarm systems, process controls, building maintenance etc.
 - B. Process equipment maintenance.

2. Those activities necessary to plan for the decommissioning of the site including but not limited to such activities as:
 - A. Site characterization.

3. Those activities necessary to decommission the facilities and site including but not limited to such activities as:
 - A. Waste preparation, packaging, and shipment.
 - B. Equipment clean-out and decontamination.
 - C. Building surface decontamination.
 - D. Building demolition.
 - E. Soil and groundwater remediation.
 - F. Final status surveys.

As appropriate, the above activities will either be conducted in accordance with current license authorizations or be authorized by specific NRC approval such as a license amendment or an approved Decommissioning Plan. Item 1.B. above authorizes the licensee to ship waste to authorized recipients in accordance with the conditions in Section 1.6 of License SNM-33. No other licensee safety programs will be reduced; the licensee will continue to meet license commitments in the areas of nuclear criticality safety, fire safety, chemical safety, radiation safety, environmental protection, material control and accounting, and physical protection.

NRC staff have reviewed the proposed revisions to Westinghouse's Hematite facility authorized activities and have determined that all except Items 3D, 3E, and 3F above are bounded by the activities which were authorized by the July 28, 1994, license renewal and that the revised authorized activities are uses that are licensed by the Commission under Section 103 of the Atomic Energy Act of 1954, as amended, and are acceptable. Items 3D, 3E, and 3F above are not authorized under the current license and will need to be authorized by separate NRC approval, such as license amendment or NRC-approved decommissioning plan. Therefore, NRC staff recommends the following license condition:

- S-8 The licensee shall not perform the following activities until they are approved by specific license amendment or an NRC-approved Decommissioning Plan:
- Building demolition
 - Soil and groundwater remediation
 - Final status surveys

Schedule for Submission of Decommissioning Plan

By letter dated June 7, 2000, CE Nuclear Power (CENP) notified NRC of their intention to cease principal activities and requested an alternate schedule for submittal of decommissioning plan. By letter dated September 11, 2000, NRC accepted CENP's notification of their intent to cease principal activities and approved an alternate schedule for submission of a decommissioning plan, schedule to be submitted to NRC by November 1, 2000. By application dated February 16, 2001, Westinghouse Electric Company requested that the license be transferred from CENP to Westinghouse Electric Company, LLC. NRC approved this name change by License Amendment 37, issued April 10, 2001. By letter dated October 30, 2000, Westinghouse proposed a schedule for submission of the Hematite Decommissioning Plan. This schedule anticipated cessation of principal activities on or about June 1, 2001, and proposed the following subsequent activities and their timeline, in days after cessation:

1. Write characterization plan and submit for comment	180 days
2. Obtain and incorporate regulatory feedback (DNR and NRC)	120 days
3. Execute characterization plan	180 days
4. Compile characterization data and write characterization report	180 days
5. Write decommissioning plan and submit to the NRC	360 days

Based upon this schedule, CENP anticipated submitting the final decommissioning plan to the NRC by April 2004. In License Amendment 39, issued May 30, 2001, NRC accepted this proposed schedule.

By letter dated August 2, 2001, Westinghouse submitted a revision to their March 29, 2001, submittal of license application pages affected by the phase-down of operations and the corporate name change from CENP to Westinghouse Electric Company, LLC. By License Amendment 40, issued October 15, 2001, NRC deleted authorization to convert UF₆ to UO₂, fabricate UO₂ pellets, and fabricate nuclear fuel assemblies, and reduced the SNM possession limit from 20,000 kilograms U-235 to 2,000 kilograms U-235. By letter dated September 11, 2001, Westinghouse notified NRC of the cessation of all principal licensed activities and applied for a license amendment to change the scope of licensed activities to the performance of decommissioning activities only. This license amendment 42 changes the scope as requested.

In order to assure that Westinghouse conforms to their proposed and approved schedule for submission of a decommissioning plan, NRC staff recommends the following license condition:

- S-9 The licensee shall submit a Decommissioning Plan for NRC approval by April 30, 2004, in accordance with the Schedule for Submission of Hematite Decommissioning Plan proposed by Westinghouse letter dated October 30, 2000, and accepted by NRC letter dated May 30, 2001.

ENVIRONMENTAL REVIEW

CATEGORICAL EXCLUSION

No new activities are authorized by this amendment. The decommissioning activities for which Westinghouse will continue to be authorized are operations for which they have been authorized in the past. The environmental impacts of the activities for which Westinghouse will continue to be authorized by this amendment were evaluated during the license renewal issued on July 28, 1994, supported by an Environmental Assessment dated March 17, 1994, and a Finding of No Significant Impact published in the Federal Register on March 28, 1994 (59 FR 14428-14429). The environmental impacts of any additional activities that may be proposed in the Decommissioning Plan, to be submitted by Westinghouse in accordance with the NRC-approved alternate schedule, will be evaluated as part of NRC's review of the Decommissioning Plan.

The staff has determined that the proposed changes constitute a reduction in process operations at the Hematite site, and that (i) there is no significant change in the types or significant increase in the amounts of any effluents that may be released off site, (ii) there is no significant increase in individual or cumulative occupational exposure, (iii) there is no significant construction impact, and (iv) there is no significant increase in the potential for or consequences from radiological accidents. Therefore, in accordance with 10 CFR 51.22(c)(11), neither an Environmental Assessment nor an Environmental Impact Statement is required for this action.

CONCLUSION

The NRC staff has reviewed the proposed amendment and has determined that the proposed changes, subject to new License Conditions S-8 and S-9 above, will have no adverse effect on the public health and safety or the environment. Therefore, approval of the amendment application is recommended.

The NRC Headquarters Division of Waste Management and Region III inspection staff has no objection to this proposed amendment.

PRINCIPAL CONTRIBUTORS:

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