

Specialty Materials

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February 9, 2007

(UPS: 301-415-6334)

Mr. Michael Raddatz, Sr. Project Manager
U.S. Nuclear Regulatory Commission
Enrichment & Conversion Branch
Fuel Facility Licensing Directorate
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
Two White Flint North, 11545 Rockville Pike
Rockville, MD 20852-2738

Subject: Application to amend the NRC License SUB-526, Docket #40-3392 to include license condition regarding Nuclear Material Transaction Reports.

Dear Mr. Raddatz,

This letter is a summary of our recent communications concerning the timelines for the Nuclear Material Transaction Reports submitted by Honeywell Metropolis Works.

According to 10 CFR 40.64: "Except as specified ... each specific licensee who ... imports or exports 1 kilogram of uranium or thorium source material shall complete a Nuclear Material Transaction Report in computer-readable format in accordance with instructions (NUREG/BR-0006 and NMMSS Report D-24, "Personal Computer Data Input for NRC Licensees")... Each licensee who receives the material shall submit a Nuclear Material Transaction Report in computer-readable format in accordance with instructions within ten (10) days after the material is received."

In addition, NUREG/BR-0006 instructs that: "If the receiver intends to make independent measurements within 60 days for source material or LEU... unless an exemption is authorized by NRC, the receiver shall, within 10 days of receipt of the material:

- (1) complete blocks 1 through 25, enter the shipper's values in block 26, and complete blocks 27a through 27s of the DOE/NRC Form 741.
- (2) dispatch the form in accordance with the instructions in Section 2.3.2; and
- (3) after independent measurements are made, follow the instructions for reporting a B or E action code. If measurements are delayed, they must be completed and reported on DOE/NRC Form 741 within 60 days for source material and LEU ..."

The time required to complete the analytical process for material received at Honeywell Metropolis Works, from receipt to finalization of weight and assay, takes approximately six to twelve weeks. Depending on the amount of material received in a given period, the time required to complete the analytical process may extend to as much as 180 days. Thus, Honeywell is rarely able to report a final weight and assay within the 60 days as outlined in NUREG/BR-0006.

Therefore, Honeywell is requesting to grant an exemption to certain timeline aspects of 10 CFR 40.64 and to amend our current and new NRC License SUB-526 with the following License Condition:

LC-XX

Honeywell shall, within 10 days of receipt, report to the NMMSS data base the shippers values of natural uranium. Shippers values will be reported (blocks 1 through 27s of DOE/NRC form 741) as required in section 2.1.1. of NUREG/BR-006. To ensure that the values reported are correctly posted, Honeywell shall compare, on a monthly basis, its weights of natural uranium with weight values contained in the NMMSS data. That review shall be documented and maintained for a period of at least 5 years. The final quantity determination, as agreed upon with the supplier, shall be reported to the NMMSS within 10 days of the date on which the agreement is finalized.

Honeywell will continue to adhere to all other requirements of 10 CFR 40.64 and NUREG/BR-0006.

If you have any questions on submitted information or other issues associated with this Honeywell license amendment, please contact Mr. Larry Parscale, Nuclear Regulatory Affairs Manager, at (618) 524-6221.

Sincerely,

A handwritten signature in black ink, appearing to read 'David B. Edwards', with a large, stylized flourish extending to the right.

David B. Edwards
Plant Manager

Enclosures

Cc: L. Parscale
J. Cybulski