

July 26, 2007

MEETING SUMMARY

MEMORANDUM TO: Rebecca Tadesse, Branch Chief
Materials Decommissioning Branch
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

FROM: John J. Hayes, Senior Project Manager **/RA/**
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Office of Federal and State Materials
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SUBJECT: JUNE 19, 2007, PUBLIC MEETING SUMMARY

On June 19, 2007, a public meeting was held in Washington, D.C. between the management of the U.S. Nuclear Regulatory Commission (NRC) and Westinghouse Electric Company (WEC) on the Hematite Facility located in Festus, MO. The purpose of the meeting was to discuss the forthcoming Hematite amendment request and to explain the circumstances which have led to a delay in submittal from the date envisioned at the October 17, 2006 public meeting. Enclosure 1 is a listing of meeting participants either in person or via telephone. Enclosure 2 is the agenda for the meeting.

Following individual introductions, Larry Camper, NRC, Director of the Division of Waste Management and Environmental Protection Program, Office of Federal and State Management and Environmental Programs (FSME); Kurt Hackmann, Westinghouse Electric, Director of Hematite Decommissioning Project; and Keith McConnell, NRC, Deputy Director of the Decommissioning and Uranium Recovery Licensing Directorate made introductory remarks. Mr. Hackmann introduced Mr. Matt Featherston. Mr. Featherston assumed the role of Hematite licensing manager in March 2007.

Mr. Hackmann led the Hematite presentation. Enclosure 3 is a copy of the handout which Westinghouse provided at the meeting.

Hematite ceased fuel processing operations in 2001. In June 2005, Westinghouse decided to move from a phased approach for the decommissioning plan to a comprehensive decommissioning plan. Because Hematite is a facility which was in operation for over 40 years, Westinghouse wants to implement a decommissioning program, which has controls and limitations and incorporates responses when those limits are reached or exceeded.

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Westinghouse wants a program with a solid strategy and no surprises. However, Westinghouse is also seeking to have a program which offers flexibility so that they are able to handle the “unexpected situation”.

Westinghouse has evaluated the impact of current and remaining onsite activities with Hematite’s license. Westinghouse wants to ensure that all decommissioning activities are consistent and integrated with the Hematite license. The forthcoming license amendment request will include updates to Chapters 1, 4, and 7 of the Hematite license, the Fundamental Nuclear Material Control Program, and the Physical Security Plan. It will also include a supplemental security plan (Safeguards Information controlled) and a request for specific exemption from certain NRC regulations. Westinghouse’s submittal will address the issues identified by the NRC staff in their August 24, 2006, Request for Additional Information and comments made by the NRC at the January 25, 2006, public meeting.

Westinghouse is also planning to utilize this forthcoming amendment request to update existing information. Updated will be site characterization data and the decommissioning cost estimate. While Hematite possesses a license amendment which allows them to dismantle and demolish onsite buildings, Westinghouse is now planning on proposing an option which would permit them to retain certain non-process buildings, should they so desire.

Westinghouse has identified two major changes that they plan to propose to the Hematite license. The first is a change in the license material possession limit to allow a Category II Quantity. The second is a request for special authorization and associated regulatory exemptions in the event that undocumented special nuclear material (SNM) was discovered which resulted in an accumulated amount in excess of the licensed limits.

For the first change, Westinghouse will propose license material possession limits which would provide sufficient margin to bound the quantities and forms of SNM that have a credible and reasonable likelihood of being accumulated. Currently, material which is buried in the ground at the Hematite site does not count against the possession limits. However, once removed from the burial pits, it does count against the possession limit. Westinghouse is confident that, based on the information from the burial logs, characterization studies, and inspections, SNM inventory on site will be maintained well below the proposed license limits.

Westinghouse stated that during buried waste remediation, the operational goal of the Hematite radioactive waste shipping program is to limit, to the extent practicable, total material on site at or below Category III quantities. This operational goal is intended to preserve as much margin as possible below the license possession limits for discovery of undocumented material. Furthermore, operational restrictions to be implemented in the field will include the use of radiological scans and/or assays to ensure that the total material is maintained below the license limit.

With regard to the second change, Westinghouse stated that the proposed additional special authorization and exemption is intended to address the hypothetical discovery and removal of undocumented SNM during buried waste remediation in an amount that would result in an unanticipated accumulation of greater than license limits (referred to by Westinghouse as the “unanticipated condition”). Westinghouse is taking this approach since it believes the possibility of unexpectedly encountering and removing undocumented buried material in quantities that

could exceed the proposed license possession limits is so remote as to be considered incredible. Thus, Westinghouse believes that this approach is a reasonable and practicable alternative to establishing license limits at a Category I level, which would require implementation of regulatory requirements that, given reasonable expected SNM quantity accumulation during remediation, would have no significant offsetting safety/security benefits.

Westinghouse stated that the proposed new special authorization and exemption would be implemented such that in the event of the "unanticipated condition", Westinghouse would cease buried waste remediation activities at Hematite and promptly notify the NRC. The situation would need to be resolved with NRC before any further buried waste remediation activities could be resumed. Furthermore, Westinghouse indicated that site SNM inventory would be promptly reduced to within the license limits, and for the short time that the limits would exceeded, supplemental security and material control and accounting measures, as appropriate, would be implemented.

These two major license changes will impact the licensing basis document and various program documents. Chapters 1, 4 and 7 of the licensing basis document will require updating. The Physical Security Plan and the Fundamental Nuclear Material Control Program will also require updating. They would now become Category II plans and would incorporate a supplemental plan for the "unanticipated condition." Specifically, the Physical Security Plan would incorporate a graduated approach as Category conditions changed from Category III to a Category II. In addition, it would be supplemented with some but not all Category I requirements (for the "unanticipated condition"). Westinghouse would have hardware and personnel in place for a Category II program.

The forthcoming submittal will also include additional details on the Hematite Final Status Survey Plan.

Westinghouse has not selected a contractor for the burial pit remediation work. A contractor is expected to be selected in the Fall 2007 and detailed work plans are anticipated to be available for NRC review during the first quarter of 2008.

During the Westinghouse presentation, on a number of occasions, the NRC staff noted the necessity for the Westinghouse amendment request, associated transmittals and the Hematite Decommissioning Plan all to contain sufficient information for the staff to draw a conclusion on the acceptability of the proposed action. The NRC stated that the schedule is not the NRC's point of emphasis at Hematite. The NRC's emphasis is in securing from Westinghouse, a submittal with sufficient detail and rigor for the staff to be able to render a decision. The staff noted that inclusion of the remediation contractor's input into the process prior to the submittal may be beneficial. It could ensure that Westinghouse and the contractor are in agreement and understand the approach. Absent such an understanding and agreement, the potential exists for the contractor to be performing the remediation work in a manner which would be inconsistent with the Decommissioning Plan. Such a situation could result in a stop work order by the NRC.

Because the meeting ran over the allotted time for the telephone bridge lines, there was no opportunity for public statements from those participating via telephone. There were no comments from members of the public who were present at the meeting. There was one

comment made from a member of the Advisory Committee on Nuclear Waste and Materials.
The meeting adjourned at 3:10 PM.

Enclosures:

1. Attendee List
2. Agenda
3. Westinghouse Presentation

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Enclosure 1
Attendee List
(ML072000039)

AGENDA

NRC - Westinghouse Management Meeting on Forthcoming License Submittal on Former Fuel Cycle Facility, Hematite, MO

June 19, 2007

- Introductory Remarks - NRC/Westinghouse
- Bases for Delay in License Amendment Submittal - Westinghouse
- Approach Changes Since October 2006 Meeting - Westinghouse
- Product to be Submitted - Westinghouse
- NRC Expectations - NRC
- Opportunity for Public Statements
- Concluding Remarks - NRC/Westinghouse

Enclosure 3
Westinghouse Presentation
(ML072000040)