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

October 15, 1997

The Honorable Fred Thompson  
United States Senate  
Washington, D.C. 20510-4204

Dear Senator Thompson:

I am responding to your letter of September 9, 1997, that transmitted concerns from Diversified Scientific Services, Inc. (DSSI), regarding U.S. Nuclear Regulatory Commission (NRC) regulation of special nuclear material (SNM). In particular, DSSI is concerned that the 350-gram SNM possession limit is unnecessarily restricting DSSI's business and forcing mixed waste to remain in Tennessee rather than being processed and shipped to the Envirocare disposal site in Utah.

The limit that DSSI referenced is the possession limit for uranium-235 that can be licensed by an Agreement State. An Agreement State is a State that has signed an agreement with NRC pursuant to Section 274 of the Atomic Energy Act under which NRC discontinues its regulatory authority in certain areas and the State assumes that authority. Persons wanting to possess more than the limits which can be regulated by an Agreement State are required to obtain a license from NRC. Utah recently determined that Envirocare had violated its SNM possession limit, and reported this matter to the NRC. Facilities that possess larger quantities of SNM are required to obtain an NRC license. Envirocare does not possess such a license.

Following notification by the State of Utah, NRC conducted an inspection which confirmed that Envirocare had violated NRC regulations related to the possession of SNM. Therefore, NRC issued a Confirmatory Order on June 25, 1997, which required Envirocare to stop receiving SNM waste until Envirocare had reduced its SNM inventory below the regulatory limits. Envirocare notified the NRC on July 18, 1997, that it had certified that the SNM inventory was below the regulatory limits and that it would resume accepting waste containing SNM on July 24, 1997. The Order also required Envirocare to submit a compliance plan for continued compliance with NRC regulations, which it did on July 23, 1997. NRC approved the compliance plan on August 1, 1997.

Envirocare has proposed several long-term solutions which would allow possession of larger quantities of SNM. In addition to several non-licensing approaches, such as exemption and rulemaking requests, we understand Envirocare will submit a license application to NRC in late October or early November of this year. Envirocare has reduced the SNM inventory and

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has resumed accepting waste containing SNM. Envirocare informed NRC that, to remain in compliance with its possession limit, it has temporarily suspended accepting mixed waste shipments requiring treatment from several generators, while it processes mixed waste from another source. DSSI is one of the generators affected by this temporary suspension. NRC will continue to work expeditiously with the State of Utah to resolve this matter.

I trust this letter responds to your concerns. If I can be of further assistance, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Shirley Ann Jackson". The signature is written in black ink and is positioned above the printed name.

Shirley Ann Jackson

# United States Senate

WASHINGTON, DC 20510-4204

September 9, 1997

The Honorable Shirley Ann Jackson  
Chairwoman  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Chairwoman Jackson:

I was recently contacted by Diversified Scientific Services, Inc. (DSSI) of Kingston, Tennessee regarding an issue under the jurisdiction of the Nuclear Regulatory Commission (NRC).

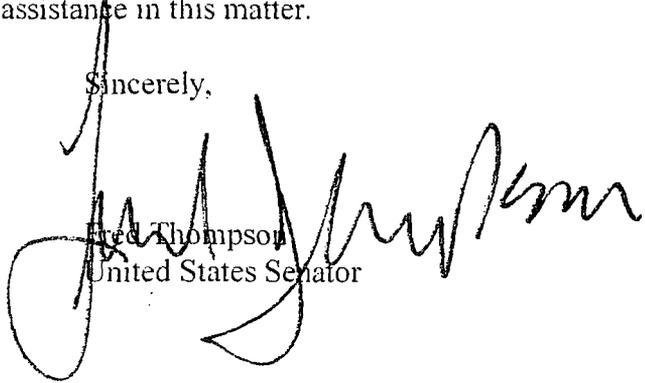
DSSI is a waste management company which processes mixed waste, some of it containing radioactive and hazardous materials. DSSI is concerned that an NRC regulation limiting the amount of special nuclear material (SNM) that may be possessed by any person or business to 350 grams is unnecessarily restricting DSSI's business and is forcing mixed waste to remain in Tennessee rather than being processed and shipped to the Envirocare disposal site in Utah. Because it has been similarly affected by the 350-gram limit, Envirocare has been forced to restrict incoming shipments from waste management companies such as DSSI.

I understand the need to place limits on the possession of special nuclear material, and I share the Commission's concern about preventing any potential criticality. However, DSSI argues that, as a practical matter, the SNM contained in its waste is intermixed with tons of soil, debris, and other materials and is so dilute that it does not present any safety concerns. They point to NRC documents substantiating their claim that this material presents no health or safety risk and that there is no danger of a criticality incident.

I hope that you will taken DSSI's concerns into consideration during upcoming Commission discussions on the application of the SNM limit to waste management companies and to the Envirocare disposal site in Utah.

Thank you in advance for your assistance in this matter.

Sincerely,

  
Fred Thompson  
United States Senator

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has resumed accepting waste containing SNM. Envirocare informed NRC that, to remain in compliance with its possession limit, it has temporarily suspended accepting mixed waste shipments requiring treatment from several generators, while it processes mixed waste from another source. DSSI is one of the generators affected by this temporary suspension. NRC will continue to work expeditiously with the State of Utah to resolve this matter.

I trust this letter responds to your concerns. If I can be of further assistance, please contact me.

Sincerely,

Original signed by  
Shirley Ann Jackson

Shirley Ann Jackson

has resumed accepting waste containing SNM. Envirocare informed NRC that, to remain in compliance with its possession limit, it has temporarily suspended accepting mixed waste shipments requiring treatment from several generators, while it processes mixed waste from another source. The Paducah plant is one of the generators affected by this temporary suspension. NRC will continue to work expeditiously with the State of Utah to resolve this matter.

I trust this letter responds to your concerns. If I can be of further assistance, please contact me.

Sincerely,

Shirley Ann Jackson

Originating Office: EDO/NMSS  
Ref: CR-97-189  
Commission Correspondence

SAJ - Approved  
GJD - Approved/edits  
NJD - Approved/comment  
EXM - Approved/edits

OFC	SECY	OCA	OCM/SAJ		
NAME	JShoemaker	DKRathbun	JR JNO		
DATE	10/10/97	10/14/97	10/15/97		

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WASHINGTON, D. C. 20555

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Washington, DC 20510-4204

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The limit that DSSI referenced is the possession limit for uranium-235 that can be licensed by an Agreement State. An Agreement State is a State that has signed an agreement with NRC under which NRC discontinues its regulatory authority and the State assumes that authority. Persons wanting to possess more than the limits which can be regulated by an Agreement State are required to obtain a license from NRC. Therefore, if DSSI and Envirocare have a need to possess greater quantities of SNM, they could apply for an NRC license.

Envirocare informed us that, to remain in compliance with its possession limit, it has temporarily suspended accepting mixed-waste shipments requiring treatment from several generators, while it processes mixed waste from another source. DSSI is one of those generators.

Envirocare filed a petition for rulemaking, in October of 1992, that requested a categorical exemption from the 350-gram SNM possession limit, for persons generating or disposing of low-specific activity waste contaminated with SNM. My staff is evaluating the petition request and is currently preparing a recommendation for the Commission on this subject. After reviewing the staff's recommendation, the Commission will decide on the appropriate action to take in response to this petition.

F. Thompson

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We understand Envirocare may submit a license application to NRC for receipt, storage, and processing of low-level radioactive waste and mixed waste. If such a license were applied for and issued by NRC, Envirocare would no longer be subject to the 350-gram possession limit for activities covered by its Agreement State license.

I trust this letter responds to your concerns.

Sincerely,

Shirley Ann Jackson

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