

STAFF EVALUATION OF UNION CARBIDE

AND CINTICHEM, INC., AMENDMENT

FOR LICENSE TRANSFER

Background:

By letter dated December 28, 1984, Union Carbide (hereinafter UC) and Cintichem, Inc., (hereinafter CI) submitted a joint request for transfer of the UC Materials License No. SNM-639 to CI. A similar request was submitted for transfer of the reactor Operating License No. R-81. Upon transfer of the licenses to CI, all UC real and capital assets at the Sterling Forest site will be transferred to CI and the current UC personnel will be transferred to CI as employees.

Evaluation:

On October 19, 1984, the NRC staff renewed Materials License No. SNM-639. In connection with the renewal, the staff issued an environmental impact appraisal on May 21, 1984, and a safety evaluation in October 1984. In a Federal Register Notice, dated May 21, 1984, the Commission concluded that the environmental impact created by the proposed license renewal action would not be significant. The staff's safety evaluation focused on the UC organization, administrative controls, radiation protection program, nuclear criticality safety program, fire safety capability, accident analyses and emergency response capability. An assessment of the capability of the UC facilities to withstand natural phenomena events was also performed.

Since the same personnel will operate the portions of the facility using special nuclear material and no changes in license conditions have been requested, there will be no change in any controls considered in the forementioned environmental impact appraisal or safety evaluation. Therefore, all of the conclusions of those recently issued documents are valid.

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All CI officers are U.S. citizens; any changes to that status must be approved by NRC. CI is a subsidiary of Medi-Physics, Inc., a subsidiary of Hoffman-LaRouche, a Swiss company. CI will report to NRC any action or law by the government of Switzerland which would affect ownership or operation of the licensed materials operations.

Environmental Considerations

As stated above, the staff has recently issued an environmental impact appraisal related to the renewal of Materials License No. SNM-639. This amendment related to the transfer of the license is an administrative change only. Accordingly, the amendment meets the eligibility criteria for categorical exclusions set forth in 10 CFR 51.22(c)(10). Pursuant to 10 CFR 51.22(b) no environmental impact statement or environmental assessment need be prepared in connection with the issuance of this amendment.

Nuclear Safeguards

Current safeguards are set forth in 10 CFR Part 70 and 73. The regulations in Part 70 provide for material accounting and control requirements with respect to facility organization, material control arrangements, accountability measurements, statistical controls, inventory methods, shipping and receiving procedures, material storage practices, records and reports, and management control.

The NRC's current regulations in 10 CFR Part 73 provide requirements for the physical security and protection of fixed sites and for nuclear material transit. Physical protection requirements for SNM of moderate strategic significance include provision for the establishing of controlled access areas, the monitoring of these areas to detect unauthorized penetration, and the ensuring of communications capabilities to notify offsite response forces of the need for assistance.

The NRC's regulations in 10 CFR Parts 70 and 73, described briefly above, are applied in the reviews of individual license applications. License conditions are imposed to apply specific requirements and limitations tailored to fit the particular type of plant or facility involved.

The licensee has an approved material control and accounting plan and an approved physical security plan that meet the current requirements. It is concluded, therefore, that the safeguards-related environmental impact of the proposed action is insignificant.

Conclusions

As indicated above, this amendment involves a change for ownership of the Sterling Forest facility but does not change the physical facility, operating organization, or personnel operating the facility. The staff concludes, based on the considerations discussed above, that: (1) because the amendment does not involve a significant increase in the probability or consequences of an accident previously evaluated, or create the possibility of a new or different kind of accident from any accident previously evaluated, or involve a significant reduction in a margin of safety, the amendment involves no significant hazards considerations; (2) there is reasonable assurance that the health and safety of the public will not be endangered by the proposed action, and (3) such activities will be conducted in compliance with the Commission's regulations, and the issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.



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