

RETURN TO 396-SS

L. Rowe  
70-687

CINTICHEM, INC.

a wholly owned subsidiary of

Medi-Physics, Inc.

P.O. BOX 816, TUXEDO, NEW YORK 10987

(914) 351-2131

November 12, 1987



Director  
Fuel Cycle Safety Branch  
Division of Industrial and Medical Nuclear Safety  
U. S. Nuclear Regulatory Commission  
Washington, DC 20555

Dear Mr. Director:

The Director of the NRC's Division of Safeguards and Transportation, NMSS, issued to Cintichem a new License Condition 2.3 to Amendment SG-1 of our License Number SNM-639. This condition was issued via the NRC's October 16, 1987 letter, a copy of which is attached.

In accordance with this October 16th letter, we are hereby requesting that our SNM-639 License be changed to add additional clarification as to our uranium possession limits. Please add a note to our SNM-639 Materials License Section 8 possession limits and to the SNM-639 Consolidated Application Appendix A, Section I-1.4, to state that possession of unself-protected high enriched uranium is limited to 4.99 kilograms of U-235.

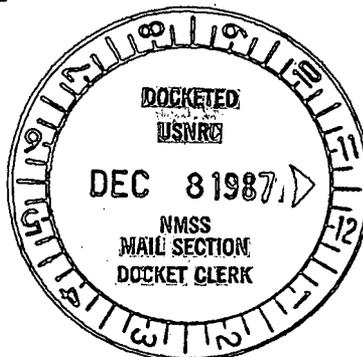
A Cintichem check will be sent to the NRC's Division of Accounting and Finance to cover the administration fee required for this revision.

Thank you for your assistance.

Sincerely,

*W.G. Ruzicka*

William G. Ruzicka  
Manager of Nuclear Operations



WGR/bjc

Attachment

cc: Robert F. Burnett  
Director, Division of Safeguards and Transportation  
NMSS - USNRC

NOV 25 AM 11:00  
RECEIVED  
87 DEC 11  
U.S. NRC  
FEE MONTH

8802050003 871112  
PDR ADDCK 07000687  
C PDR

Log	Dec 88-55
Remitter	
Check No.	51050285
Amount	0.150
Fee Category	1.014
Type of Fee	Amendment
Date Check Recd.	12/11/87
Date Computed	12/1/87
By:	Jackson

28831



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

RECEIVED

OCT 16 1987

OCT 21 1987

SGLB:RLJ  
70-687

J.J. McGOVERN

Cintichem, Inc.  
Attn: Mr. J. McGovern  
Plant Manager  
P.O. Box 816  
Tuxedo, New York 10987

Gentlemen:

This is in response to your letter dated September 23, 1987, in which you requested an exemption to submit a Fundamental Nuclear Material Control Plan (FNMCP) as required by 10 CFR 74.51(c)(1).

As noted in your letter, your specific exemption request is based on the fact that although you possess strategic special nuclear material in excess of the formula quantity limit stated in the Part 74 Rule, the majority of the material is in the form of irradiated reactor fuel, irradiated isotope production targets and isotope production waste which includes fission products. We have determined that your request is warranted on the basis that (1) you never possess more than a formula quantity of unself-protected special nuclear material on site and (2) the majority of your possessed material is not readily separable from mixed fission products and that it meets the criteria for exemption as self-protected SNM per 10 CFR 73.6(b).

We have determined that the granting of your request and the additional granting of a complete exemption from 10 CFR 74.51, 74.53, 74.55, 74.57 and 74.59 (i.e., the complete MC&A Reform Rule) is warranted in that it will not adversely affect the common defense and security nor the public health and safety and is otherwise in the public interest. Giving you a total exemption from the MC&A Reform Rule is based on our recognition that such rule was not intended to be applied to self-protected (i.e., greater than 100 rem at 3 ft.) special nuclear material. Thus, you should continue to follow the requirements of 10 CFR 70.51, 70.57, and 70.58 as appropriate to your operations. Accordingly, under the authority of 10 CFR 74.7, we are issuing new License Condition 2.3 to Amendment SG-1 of your License No. SNM-639, effective immediately, to read as follows:

- 2.3 Notwithstanding the requirements of 10 CFR 74.51(a) and (b), which require the licensee to provide the capabilities defined in 10 CFR 74.53, 74.55, 74.57 and 74.59, and notwithstanding the restrictions of 10 CFR 70.51(e), 70.57(b) and 70.58(a), which limit the application of 70.51, 70.57 and 70.58 requirements to special nuclear material of moderate strategic significance, the licensee shall:

~~0711030421~~  
2pp.

OCT 16 1987

- A. be exempt from 10 CFR 74.51, 74.53, 74.55, 74.57 and 74.59 requirements,
- B. follow all requirements of 10 CFR 70.51(b), (c), (e), and (f),; 70.57(b) and (d); and 70.58(a); unless specifically exempted or excepted by another license condition in this SG-1 Amendment, and
- C. continue to follow the Plan identified in Condition 2.1.

It should be noted that the above license condition is being granted on the basis that Cintichem, Inc., never possesses more than a formula quantity of unself-protected strategic special nuclear material (i.e., less than 100 rem at 3 ft. without intervening shielding) on site. In this regard, we request that you formally submit a request to the Fuel Cycle Safety Branch, Division of Industrial and Medical Nuclear Safety, (within 30 days after receipt of this letter) asking that your SNM-639 License be modified so as to restrict your possession of unself-protected high enriched uranium to 4.900 kilograms (or any other value less than 5.000 kg) of U-235 contained in HEU.

It should be noted that this license condition was mutually agreed upon during a telephone conversation on October 5, 1987 between Mr. J. J. McGovern of Cintichem and Mr. R. L. Jackson of NRC.

We have determined that the enclosure to your September 23, 1987 letter contains information of the type specified in 10 CFR 2.790(d). Accordingly, pursuant to Section 2.790(d)(1), such information is deemed to be commercial or financial within the meaning of 10 CFR 9.5(a)(4) and shall be withheld from public disclosure unless subject to the provisions of 10 CFR 9.12.

Sincerely,

*Robert F. Burnett*  
for Robert F. Burnett, Director  
Division of Safeguards  
and Transportation, NMSS