

July 2, 1985

Docket No. 50-54

Mr. James McGovern  
Medical Products Division  
Union Carbide Subsidiary B, Inc.  
P.O. Box 324  
Tuxedo, New York 10987

Dear Mr. McGovern

Subject: License Amendment No. 23, Transferring Operating  
License No. R-81 from Union Carbide Subsidiary B, Inc. to  
Cintichem, Inc.

The staff has completed its evaluation of the December 28, 1984 request for amendment and its accompanying data for transfer of Operating License No. R-81 from Union Carbide Subsidiary B, Inc. (UC) to Cintichem, Inc. (CI). This amendment authorizes CI to acquire by transfer all right, title and interest to all real and capital assets of the Sterling Forest facility. CI will also obtain in the transfer all of the UC personnel now operating the reactor, and will maintain the existing management structure for operating the reactor. Reactor operation and safety will be maintained in compliance with the Code of Federal Regulations, Title 10, Chapter I.

In accordance with your request and the information provided in your application, the Nuclear Regulatory Commission has issued License Amendment No. 23 to Operating License No. R-81, changing the name of the licensee from Union Carbide Subsidiary B, Inc. to Cintichem, Inc.

The license amendment, notice of issuance and staff evaluation of the license transfer, are enclosed.

Sincerely,

Original Signed by

Hugh L. Thompson, Jr., Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Enclosures:  
As stated

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

July 2, 1985

Docket No. 50-54

Mr. James McGovern  
Medical Products Division  
Union Carbide Subsidiary B, Inc.  
P.O. Box 324  
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Dear Mr. McGovern

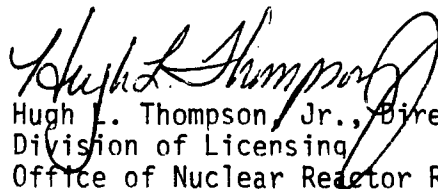
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Hugh F. Thompson, Jr., Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Enclosures:  
As stated

Cintichem, Inc.

cc: New York State Department of  
Environmental Conservation  
ATTN: Director, Office of  
Environmental Analysis  
Albany, New York 12201

Mr. William G. Ruzicka  
Manager of Nuclear Operations  
Union Carbide Nuclear Center  
Union Carbide Subsidiary B, Inc.  
P. O. Box 324  
Tuxedo, New York 10987

Attorney General  
Department of Law  
State Capitol  
Albany, New York 12224

Director, Technical Development Programs  
State of New York Energy Office  
Agency Building 2  
Empire State Plaza  
Albany, New York 12223



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

CINTICHEM, INC.

DOCKET NO. 50-54

AMENDMENT TO OPERATING LICENSE


Amendment No. 23  
License No. R-81

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for transfer of the Union Carbide Subsidiary B, Inc. License R-81 to Cintichem, Inc., dated December 28, 1984, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations as set forth in 10 CFR, Chapter I;
  - B. Cintichem, Inc. is technically and financially qualified to conduct the activities authorized by the license in accordance with the Commission's regulations;
  - C. Cintichem, Inc. has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations; and
  - D. The issuance of this amended Facility Operating License will not be inimical to the common defense and security or to the health and safety of the public and does not involve a significant hazards consideration.
  - E. The issuance of this amended Facility Operating License is in accordance with Section 109 Public Law 98-553.

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2. Accordingly, Facility Operating License No. R-81, previously issued to Union Carbide Subsidiary B, Inc., is hereby amended to reflect the transfer of the authority conferred therein from Union Carbide Subsidiary B, Inc. to Cintichem, Inc. This amendment deletes the name Union Carbide Subsidiary B, Inc. wherever it appears in the license or amendments thereto.
3. The licensee shall comply with the conditions set forth in paragraphs 8 and 11 of the license application dated December 12, 1984.
4. Directors of Cintichem shall be citizens of the United States unless otherwise approved by NRC.
5. The change authorized by this amendment may be implemented on or after its date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

  
Hugh L. Thompson, Jr., Director  
Division of Licensing

Date of Issuance: July 2, 1985

UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NO. 50-54

NOTICE OF ISSUANCE OF AMENDMENT TO TRANSFER FACILITY

OPERATING LICENSE FROM

UNION CARBIDE SUBSIDIARY B, INC TO CINTICHEM, INC

The U. S. Nuclear Regulatory Commission has issued Amendment 23 to Operating License No. R-81 to Cintichem, Inc., for operation of the facilities located at its Sterling Forest facility in Tuxedo, New York. Cintichem, Inc., has acquired all the interests previously held by the Union Carbide Subsidiary B, Inc. This amendment is effective on or after its date of issuance.

The amendment deletes the name Union Carbide Subsidiary B, Inc., and replaces it with the name of Cintichem, Inc., wherever it appears in the license or the amendments thereto.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), Section 109 of Public Law 98-553, and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR, Chapter I, which are set forth in the license amendment. Prior public notice of this amendment was not required since the amendment does not involve a significant hazards consideration.

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This amendment changes administrative procedures or requirements only. Accordingly, this amendment meets the eligibility criteria for categorical exclusion 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.

For further details with respect to this action, see (1) the application for amendment dated December 28, 1984, (2) Amendment No. 23 to License No. R-81 and (3) the Staff Evaluation. These items are available for public inspection at the Commission's Public Document Room 1717 H Street, N.W., Washington, D.C. A copy of item (2) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Director, Division of Licensing.

Dated at Bethesda, Maryland this 2nd day of July 1985.

FOR THE NUCLEAR REGULATORY COMMISSION

*Cecil O. Thomas*

Cecil O. Thomas, Chief  
Standardization & Special  
Projects Branch  
Division of Licensing



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

STAFF EVALUATION OF UNION CARBIDE SUBSIDIARY B, INC.  
AND CINTICHEM, INC.  
AMENDMENT FOR LICENSE TRANSFER  
DOCKET NO. 50-54  
LICENSE NO. R-81

Background

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

Evaluation

NRC staff recently completed a safety evaluation and an environmental assessment for a license renewal application submitted by UC. The expected consequences of a broad spectrum of postulated accidents were considered during the safety evaluation associated with the license renewal application. The staff performed conservative analyses of these accidents and determined that the design and location of the facility, together with the technical specifications, provide reasonable assurance that the reactor can continue to be operated at 5Mwt without significant risk to the health and safety of the public or the reactor operating staff. Based upon the results of those analyses, NRC issued a new Class 104c license to UC in September 1984 that would terminate in the year 2000. Since the same personnel will operate the same reactor facility as provided under the ownership of UC, there should be no change in the safety performance of the staff and the reactor. In addition, any new operating personnel would have to meet the requirements for operator qualifications established in 10 CFR 55. CI will maintain the same degree of control over reactor operations and safety that was maintained by UC and is required by NRC rules and regulations. Therefore, there should be no decrease in the safety of the reactor, or the health and safety of the operators or the public. There will be no changes to the physical facility, the performance characteristics of the reactor, or the operational aspects of the technical specifications. Accordingly, there should be no increase in quantity, character or concentration of radioactive effluents released to the environment, nor any decrease in the level of public health and safety.

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-LaRoche, a Swiss company. CI will report to the Commission any action or law by the Government of Switzerland that would affect ownership or operation of the reactor facility.

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### Environmental Considerations

This amendment involves administrative changes only. Accordingly, the amendment meets the eligibility criteria for categorical exclusion 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 Waste Policy Act of 1982

Section 302(b)(1)(R) of the Nuclear Waste Policy Act of 1982 provides that the NRC may require, as a precondition to the issuance or renewal of an operating license for a research or test reactor, that the licensee shall have entered into an agreement with the Department of Energy (DOE) for the disposal of high-level radioactive waste and spent nuclear fuel. UC has an agreement with DOE to ship spent fuel to DOE facilities or designated receivers of the fuel. Since CI must retain this agreement with DOE, CI is also in conformance with the Nuclear Waste Policy Act.

### Physical Security and Accountability

UC has established and maintains a program designed to protect the reactor and its fuel and to ensure its security. The NRC staff has reviewed the plan and visited the site. The staff concludes that the plan, as amended, meets the requirements of 10 CFR 73.67 for special nuclear materials of moderate strategic significance. The UC license authorization for reactor fuel falls within that category. Both the Physical Security Plan and the staff's evaluation are withheld from public disclosure under 10 CFR 73.21.

In addition to the physical security requirements of 10 CFR Part 73, the requirements of 10 CFR 70 pertain. 10 CFR 70 is concerned with record keeping, inventory, accountability of enriched uranium, semi-annual material balance reports, transportation of special nuclear material, and material transfer reports.

The Physical Security Plan which will be maintained by CI, plus the requirements for replicate methods of SNM accountability, inventory and material balances in 10 CFR 70, and the requirements for SNM transfer, transportation and shipment to a designated DOE facility, provide multiple checks on the status of the SNM at any time. The systems and accountability procedures and requirements are the same as those currently employed by UC in conformance with their license requirements.

### Conclusions

As indicated above, this amendment involves a change for ownership of the reactor facility but does not change the physical facility, operating organization, or personnel operating the reactor. 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.

Principal Contributor:  
Harold Bernard

July 2, 1985

Docket N. 50-54

Mr. Stuart J. Somerville  
Cintichem, Inc.  
P. O. Box 816  
Tuxedo, New York

Dear Mr. Somerville:

Subject: License Amendment No. 23, Transferring Operating  
License No. R-81 from Union Carbide Subsidiary B, Inc. to  
Cintichem, Inc.

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In accordance with your request and the information provided in your application, the Nuclear Regulatory Commission has issued License Amendment No. 23 to Operating License No. R-81, changing the name of the licensee from Union Carbide Subsidiary B, Inc. to Cintichem, Inc.

The license amendment, notice of issuance and staff evaluation of the license transfer, are enclosed.

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Original Signed by

Hugh L. Thompson, Jr.

Hugh L. Thompson, Jr., Director  
Division of Licensing

Office of Nuclear Reactor Regulation

Enclosure:

As stated

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

July 2, 1985

Docket No. 50-54

Mr. Stuart J. Somerville  
Cintichem, Inc.  
Sterling Forrest Research Center  
Tuxedo, New York 10987

Dear Mr. Somerville:

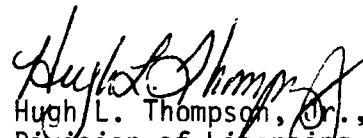
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Division of Licensing  
Office of Nuclear Reactor Regulation

Enclosures:  
As stated

Cintichem, Inc.

cc: New York State Department of  
Environmental Conservation  
ATTN: Director, Office of  
Environmental Analysis  
Albany, New York 12201

Mr. William G. Ruzicka  
Manager of Nuclear Operations  
Union Carbide Nuclear Center  
Union Carbide Subsidiary B, Inc.  
P. O. Box 324  
Tuxedo, New York 10987

Attorney General  
Department of Law  
State Capitol  
Albany, New York 12224

Director, Technical Development Programs  
State of New York Energy Office  
Agency Building 2  
Empire State Plaza  
Albany, New York 12223



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

CINTICHEM, INC.

DOCKET NO. 50-54

AMENDMENT TO OPERATING LICENSE


Amendment No. 23  
License No. R-81

1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for transfer of the Union Carbide Subsidiary B, Inc. License R-81 to Cintichem, Inc., dated December 28, 1984, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations as set forth in 10 CFR, Chapter I;
  - B. Cintichem, Inc. is technically and financially qualified to conduct the activities authorized by the license in accordance with the Commission's regulations;
  - C. Cintichem, Inc. has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations; and
  - D. The issuance of this amended Facility Operating License will not be inimical to the common defense and security or to the health and safety of the public and does not involve a significant hazards consideration.
  - E. The issuance of this amended Facility Operating License is in accordance with Section 109 Public Law 98-553.

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2. Accordingly, Facility Operating License No. R-81, previously issued to Union Carbide Subsidiary B, Inc., is hereby amended to reflect the transfer of the authority conferred therein from Union Carbide Subsidiary B, Inc. to Cintichem, Inc. This amendment deletes the name Union Carbide Subsidiary B, Inc. wherever it appears in the license or amendments thereto.
3. The licensee shall comply with the conditions set forth in paragraphs 8 and 11 of the license application dated December 12, 1984.
4. Directors of Cintichem shall be citizens of the United States unless otherwise approved by NRC.
5. The change authorized by this amendment may be implemented on or after its date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

  
Hugh L. Thompson, Jr., Director  
Division of Licensing

Date of Issuance: July 2, 1985

UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NO. 50-54

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The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), Section 109 of Public Law 98-553, and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR, Chapter I, which are set forth in the license amendment. Prior public notice of this amendment was not required since the amendment does not involve a significant hazards consideration.

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This amendment changes administrative procedures or requirements only. Accordingly, this amendment meets the eligibility criteria for categorical exclusion 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.

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Dated at Bethesda, Maryland this 2nd day of July 1985.

FOR THE NUCLEAR REGULATORY COMMISSION

*Cecil O. Thomas*

Cecil O. Thomas, Chief  
Standardization & Special  
Projects Branch  
Division of Licensing



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

STAFF EVALUATION OF UNION CARBIDE SUBSIDIARY B, INC.  
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Principal Contributor:  
Harold Bernard