



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

JUN 5 1980

PDR

Docket No. 50-201

New York State Energy Research and
Development Authority
ATTN: Mr. James Larocca, Chairman
Agency Building No. 2
Empire State Plaza
Albany, New York 12223

Gentlemen:

This letter is in reference to your responsibilities as a co-licensee under your facility license (CSF-1) for the Western New York Nuclear Service Center Facility in West Valley, New York. Based on information provided to us, the initial term of your agreements with the Nuclear Fuel Services, Inc. (NFS) will end on December 31, 1980. Our correspondence with NFS since their announcement on September 22, 1976 of withdrawal from commercial reprocessing has failed to indicate the intentions of either co-licensee with respect to the future of the facility. In addition, we have not been informed of your plans for submitting appropriate applications for amendments to the facility license as had been stated in NFS's letter of September 22, 1976 from R. W. Deuster to K. R. Chapman of the Nuclear Regulatory Commission (NRC).

Neither the NRC nor its predecessor, the Atomic Energy Commission (AEC), is or was a party to the "Lease," the "Facilities Contract," or the "Waste Storage Agreement," which were entered into by the predecessor to the New York State Energy Research and Development Authority (The Authority) and NFS on May 15, 1963. The requirements of your facility license are independent of and in addition to any of the various contractual provisions and obligations that exist between yourselves and NFS. As you are aware, should you desire to transfer the license to another prospective site operator, a license transfer application must be submitted in accordance with the provisions of 10 CFR 50.80. We are very interested in your future plans and intentions. Specifically, we request that you respond to the questions listed below:

1. Do you and NFS plan to renew the lease? If so, what term and what facility status do you propose during any such lease renewal period?

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2. Have you identified or obtained a prospective site operator to replace NFS? If so, when do you intend to submit a license transfer application under 10 CFR 50.80? The NRC staff requires this information, if and when it is available, to plan for the staffing and budgetary requirements needed to support an efficient acceptance and review of such an application.

We recognize the major potential impact on the future of the facility that is beginning to be generated by the Department of Energy's (DOE) West Valley high level waste immobilization project. As you know, there are various legislative proposals awaiting full consideration and decision by the Congress that will give the DOE sufficient authority and resources to continue and complete this most important project. Although many of the details associated with the waste immobilization project are still being formulated, it appears likely that some ancillary portions of the facility may not be used in support of the immobilization project. These ancillary portions could include the interceptor and lagoons, the low level waste treatment plant and the fuel receipt and storage area. As the details of DOE's waste immobilization project become clearer, the NRC staff intends to ask detailed questions on the co-licensees' plans for the decommissioning and disposition of any such ancillary portions of the facility.

The staff considers the plans for the future of the West Valley facility to be a joint responsibility of both the Authority and NFS. For your information we have enclosed a copy of a similar letter request being sent to your co-licensee. Because of the importance of this matter, we are also sending copies of these letters to Mr. Sidney R. Petersen, Chairman of the Board of the Getty Oil Company, and the Honorable Hugh T. Carey, Governor of the State of New York.

Over three and one-half years have elapsed since the onset of consultations between the co-licensees that was mentioned in NFS's letter of September 22, 1976. We recognize that in the intervening period, various interested organizations have tried to answer the broad range of questions that need to be answered before complete decisions on the future disposition of the West Valley site can be made.

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In spite of the unavailability of all necessary answers to these questions, we must begin to address the answerable questions now and begin to plan the site's future without further delay. Therefore, we request that you respond to the questions contained in this letter within thirty days.

As has been our long standing practice, we would be pleased to meet with both you and NFS to discuss these matters at any time.

Sincerely,



Richard E. Cunningham, Director
Division of Fuel Cycle and
Material Safety
Office of Nuclear Material Safety
and Safeguards

Enclosure: Letter to NFS

cc: Governor Hugh T. Carey
Sidney R. Petersen, Getty Oil Co.
Ralph W. Deuster