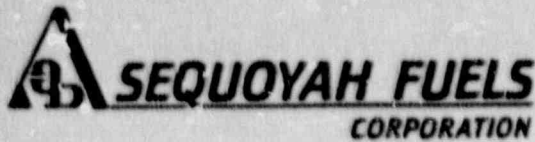


40-8027

RETURN ORIGINAL TO PDR, HQ.



September 18, 1989

Certified Mail
Return Receipt Requested

Leland C. Rouse, Chief
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS
U.S. NUCLEAR REGULATORY COMMISSION
Washington, D.C. 20555



RE: License SUB-1010; Docket No. 40-8027
Response to L. C. Rouse's Letter of March 30, 1989

Dear Mr. Rouse:

In your letter of March 30, 1989, you requested that Sequoyah Fuels Corporation (SFC) submit an evaluation of alternatives to mitigate or eliminate the buildup of contamination in the sediment and soil along the effluent stream for Outfall 001.

SFC has reviewed the situation and does not see a reasonable alternative to the original pipeline concept. Therefore, SFC will commit to installing an Outfall 001 pipeline from its present outfall sampling point downstream to the boundary of the Corps of Engineers (Corps) property. Furthermore, SFC will make another attempt to gain an easement to continue the pipeline over Corps property to the headwaters of the Robert S. Kerr Reservoir.

If you have any questions regarding this matter, you may contact Lee Lacey at 918/489-3207.

Sincerely,

Scott Knight

Scott F. Knight
Vice President
Administration

SPK:LRL:nv

cc: R. E. Hall, URFO - Region IV
K. E. Asmussen, General Atomics
B. B. Lenz
File

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