

NOV 24 1989

Docket No. 70-36
License No. SNM-33
Amendment No. 15

Combustion Engineering, Inc.
ATTN: Mr. J. A. Rode, Plant Manager
Hematite Fuel Manufacturing
P.O. Box 107
Hematite, MO 63047

Gentlemen:

In accordance with the amendment application dated May 1, 1989, and supplements dated August 18, October 26, and November 8, 1989, and pursuant to Title 10, Code of Federal Regulations, Part 70, Materials License No. SNM-33 is hereby amended to authorize the use of uranium enriched to 5.0 weight percent in the U-235 isotope in the Building 254 pellet production lines. Accordingly, Condition 9 is revised to include the dates of May 1, August 18, October 26, and November 8, 1989. This authorization is subject to the following additional License Conditions:

36. The addition of poreformer and/or lubricant in the pelletizing process in Building 254 is not authorized.
37. Storage of special nuclear material in storage arrays on the second and third floors of Building 254, as specified on page 8-11(1), Part II, of the application, is not authorized.
38. Building 250 (boiler room and warehouse) shall remain as an authorized place of use. Building 253 is not an authorized place of use.

These conditions were discussed and agreed to by your Mr. Conant and Dave McCaughey of my staff on November 22, 1989.

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All other conditions of the license shall remain the same.

Revised License No. SNM-33, incorporating Amendment No. 15, and our Safety Evaluation Report are enclosed.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed By:

Glen L. Sjoblom, Acting Chief
Fuel Cycle Safety Branch
Division of Industrial and
Medical Nuclear Safety, NMSS

Enclosures:

- 1. Revised License No. SNM-33
- 2. Safety Evaluation Report

cc w/encls:

Mr. A. E. Scherer, Director
Nuclear Licensing

Mr. C. B. Brinkman, Manager
Washington Nuclear Operations

Dr. P. L. McGill, Vice President
Nuclear Fuel

Mr. H. E. Eskridge, Manager
Licensing, Safety and Accountability

Distribution w/encl.

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