JAN 2 9 1990

Note to Glen S. Sjoblom, IMSB

CONVERSATION WITH NEW SEQUOYAH FUELS CORPORATION REGARDING THE FERTILIZER PROGRAM

Per your instruction, on January 23, 1990, Merri Horn and I called Scott Knight, Vice President, Administration, of New Sequoyah Fuels Corporation (NSFC) regarding the treated raffinate fertilizer program. We were informed that NSFC had not formally contacted the State regarding the specific amendment application because it does not change any limiting parameters on the use of the treated raffinate nor does the State regulate this aspect of the fertilizer program. Eventually, NSFC plans to request complete elimination of regulatory controls on the application of the treated raffinate for use as a commercial fertilizer. This request will probably follow the upcoming renewal. NSFC does plan to advise the State at the time the request is made. NSFC mentioned that the fertilizer is approved by the State Agriculture Department. Mr. Knight did not provide any information that was not known previously by the staff.

At the end of the conversation, Mr. Knight mentioned an incident that occurred midday Monday at the depleted UF₄ (DUF₄) facility. There was a spill of DUF₄ that had contaminated the floor. NSFC believes a solenoid valve allowed DUF₄ to overfill the storage bin and flow onto the floor. Apparently, some of the material reached the ventilation system. One worker was in the building, and he has been placed on bioassay (fecal) sampling to monitor his intake. Decontamination is progressing. Mr. Knight stated that although this was not a reportable event, the Region IV Office had been informed. Mr. Knight stated that there was no impact to the outside environment.

Original signed by George H. Bidinger

George H. Bidinger, IMUF

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