## SEP 2 8 1990

URFO: REH Docket No. 40-8968

Hydro Resources, Inc. ATTN: Mark Pelizza Uranium Resources, Inc. 12377 Merit Drive, Suite 750, LB14 Dallas, Texas 75251

Dear Sirs:

The Nuclear Regulatory Commission has formulated an interim position regarding disposal of byproduct material wastes generated by in-situ uranium producers. This position is being transmitted for your review and comment. Following review of your comments, those comments received from others affected, and comments received from involved states, the NRC will consider reissue if necessary.

The following points constitute the NRC position for review of requests for on-site disposal of in-situ wastes.

- 1. In-situ licensees should seek permanent disposal for in-situ wastes. The selection of any permanent disposal option should reflect existing policy guidance contained in Criterion 2 to avoid proliferation of small disposal sites and, therefore, associated long term surveillance obligations. Thus, licensees requesting on-site disposal should be encouraged to identify and use permanent disposal options and disposal options which will not lead to the establishment of small disposal areas at a number of sites. Such options could include commercial disposal at a facility such as Envirocare, disposal at a Part 61 licensed facility or disposal at a separate facility specifically established to serve multiple in-situ licensees.
- An in-situ licensee may demonstrate that no option other than individual on-site disposal is currently available for in-situ wastes. In this case, the licensee should include a request to store in-situ wastes for an interim period of time until permanent disposal options become available.

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NRC would authorize storage for a period of time generally no greater than five years. As part of the license amendment request, the licensee would also be required to provide a surety sufficient to cover the costs to properly dispose of the waste that is being stored and provide assurance that there are no legal or technical restrictions against on-site storage or disposal in the future. This would include some site characterization activities and analysis sufficient to demonstrate that the onsite disposal option is feasible and would not be in conflict with Appendix A, Part 40 requirements. If on-site disposal is precluded because of site characterization problems or by economic or other institutional factors, on-site storage must not be approved. In such a case, a licensing action to approve initial or continuing operation could only occur after an off-site permanent disposal option was formulated.

3. If during the third year of the five year temporary storage authorization no other options are likely to become available, NRC will consider requests for on-site disposal upon licensee demonstration, as required by Criterion 2, that off-site disposal or other disposal options are not available or impracticable. Prior to the end of the third year, if no permanent off-site disposal option can be demonstrated to be available, the licensee must propose a suitable onsite disposal design for NRC review and approval.

Should on-site disposal be approved, applicants for such disposal sites would be required to fully comply with all applicable parts of Appendix A to 10 CFR 40, including funding of long term surveillance for their facilities.

Please direct your comments to:

Nuclear Regulatory Commission
Office of Nuclear Material Safety and Safeguards
ATTN: Richard L. Bangart, Director
Division of Low Level Waste
Management and Decommissioning
M/S 5E4
Washington, D. C. 20555

Please provide a copy of your comments to this office also. Your response is requested prior to October 26, 1990.

Should you have any questions, please call me at (303) 236-2805.

Sincerely,

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Ramon E. Hall Director

bcc:

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