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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

DOCKETED
USNRC

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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In the Matter of)
)
LOUISIANA ENERGY SERVICES, L.P.)
)
(Claiborne Enrichment Center))

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

Docket No. 70-3070-ML

PARTIES' MARCH 15, 1994, JOINT PROGRESS REPORT

I. INTRODUCTION

This (eleventh) joint progress report responds to the Licensing Board's request in its May 7, 1992, Memorandum and Order (Memorializing Prehearing Conference), ASLBP No. 91-641-02-ML, that "the parties should provide the Board with a [bimonthly] joint progress report on their activities for meeting the prehearing schedule." This report has been reviewed, and found acceptable, by NRC Staff Counsel, Citizens Against Nuclear Trash (Intervenor), and Louisiana Energy Services, L.P. (Applicant).

Applicant requests a prehearing conference on scheduling matters and suggests a telephone format to minimize cost to the parties. As discussed in Section III below, the NRC staff Safety Evaluation Report ("SER") and Draft Environmental Impact Statement ("DEIS") have been issued. According to the Licensing Board's May 7, 1992, Order, the start date for the hearing on safety matters is scheduled for June 10, 1994. Based on the current status of this proceeding, Applicant would like the Board to confirm this date and to resolve any related matters that may be raised by the parties.

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II. LICENSE APPLICATION STATUS

In response to comments received on the DEIS, the NRC staff has requested Applicant to provide additional information. Applicant will provide the information by March 31, 1994.

III. STAFF DOCUMENTS AND HEARING SCHEDULE

The SER was made available by the NRC staff on January 25, 1994. The publication date of the Final EIS, which will follow the DEIS publication date (of November 17, 1993) by about nine months, remains August 30, 1994, but could change depending on resolution of the DEIS comments received. (The comment period closed January 25, 1994.)

Based on these dates and the Board's schedule from the May 7, 1992, Memorandum and Order, the following schedule remains unchanged:

- Discovery on technical issues will end March 25, 1994 (8 weeks following issuance of SER);
- Prefiled testimony on technical issues is due May 20, 1994 (8 weeks following end of discovery);
- The hearing on technical issues will start June 10, 1994 (3 weeks following filing of prefiled testimony);
- Discovery on environmental issues will end October 25, 1994 (8 weeks following issuance of FEIS);
- Prefiled testimony on environmental issues is due December 6, 1994 (6 weeks following end of discovery); and

- The hearing on environmental issues will start December 27, 1994 (3 weeks following filing of prefiled testimony).

IV. DISCOVERY

Discovery activity involves (1) Intervenor's responses to Applicant's Interrogatories served on Intervenor August 11, 1992, and (2) Applicant and Intervenor providing each other with lists of witnesses. Applicant intends to provide a list of anticipated witnesses to Intervenor by March 15, 1994. Intervenor intends to provide Applicant with a list of witnesses within the next two weeks.

Subject to the Licensing Board's Corrected Order of February 22, 1993, Intervenor answered most of Applicant's Interrogatories related to safety issues on February 11, 1994, and expects to answer the remaining safety interrogatories (i.e., B.4-6, I.8, I.9, and I.10) by the end of discovery.

V. CONTENTIONS

On January 18, 1994, Intervenor filed three new contentions (T, U and W) on environmental issues, and withdrew contentions T and U on February 11, 1994. Contention W is still pending before the Licensing Board. The brief summary below provides the status (e.g., allowed, withdrawn) of each contention and basis along with a short summary for orientation purposes. This summary was prepared by Applicant's counsel and is not intended to alter or

supersede the actual scope or content of the Contentions and Bases as allowed by the Board.

A. No Waste Disposal Plan. WITHDRAWN.

Contention A alleges that LES has no plan for disposal of depleted uranium hexafluoride (DUF6) and that LES must comply with the mixed waste requirements of the Resource Conservation and Recovery Act. This contention was **withdrawn** and the Basis was added to Contention B. The Basis was then **denied** by the Board on December 19, 1991.

B. Decommissioning Plan Deficiencies. PARTIALLY ALLOWED.

Contention B alleges that the Plan is inadequate because:

1. ALLOWED. The \$9.5 million per year estimate allegedly does not include the cost of disposal and has no realistic basis;
2. DENIED. LES allegedly does not know how or where to dispose of DUF6;
3. DENIED. The decommissioning plan allegedly has no information about the amount of payments into the trust;
4. ALLOWED. There are allegedly no details provided about how decommissioning costs were derived;
5. ALLOWED. LES allegedly did not indicate which buildings would be decontaminated and dismantled; and
6. DENIED. LES allegedly has not responded to the NRC's June 25, 1991, questions on the decommissioning plan.

C. Lack of Protection Against Worst Case Accidents. DENIED.

Contention C alleges that LES characterizes a number of reasonably foreseeable accidents as not credible and fails to fully evaluate their potential impacts on health and the environment, to protect adequately against them, or to provide adequate emergency measures. The bases are:

1. DENIED. **Cylinder rupture** -- Dependence on administrative controls allegedly is insufficient; fails allegedly to consider the Sequoyah or Portsmouth accidents;

2. DENIED. Worst case criticality accident -- LES position that criticality accidents cannot occur allegedly is not supported by the law or facts;
3. WITHDRAWN. Autoclave rupture -- Overheating allegedly could occur;
4. DENIED. Storage yard fire -- Procedures as a method to prevent fires allegedly are inadequate;
5. DENIED. Transportation accident -- Assumption that a 30-minute fire will not occur during a crash allegedly is invalid;
6. DENIED. Airplane crash -- LES allegedly fails to consider the increased use of the Homer airport as a result of CEC construction and operation; and
7. WITHDRAWN. Gas well explosion -- LES allegedly does not consider the possibility or consequences of a natural gas explosion from one of the local wells.

D. Lax Attitude Toward Criticality Safety. DENIED.

Contention D alleges that LES "demonstrates a dangerously smug attitude toward serious accidents . . . corporate attitude may not contain a serious commitment to maintaining preparedness for a criticality accident."

E. Cylinder Rupture. WITHDRAWN.

Contention E alleges that LES fails to meet the requirements of 10 C.F.R. § 20.105 in the event of a cylinder rupture.

F. Lack of Criticality Monitors. DENIED (without prejudice).

Contention F alleges that LES violates 10 C.F.R. § 70.24 by not providing criticality monitors.

G. Inadequate Protection From Toxic Effects of UF₆. DENIED.

Contention G alleges that the plant boundary exposure limits do not provide adequate protection of the public.

H. Emergency Planning Deficiencies. PARTIALLY ALLOWED.

Contention H alleges that reasonable assurance of public health and safety is not provided in the event of an emergency. The bases are:

1. DENIED. LES allegedly has not responded to the NRC's questions of June 25, 1991;

2. ALLOWED, WITHDRAWN IN PART. LES allegedly has not identified primary routes for access of emergency equipment or evacuation, or offsite emergency support organizations (along with their qualifications);

The portion of Basis 2 related to "[L]ocations of fire stations, police stations, hospitals, and other offsite emergency support organizations" has been **withdrawn** by CANT's June 12, 1992, answer to Applicant's Interrogatories on Contention H;

3. ALLOWED. The EP allegedly does not include a list of hazardous chemicals used at the site;
4. ALLOWED. LES allegedly does not identify each type of radioactive materials accident for which actions will be needed to prevent offsite dose;
5. ALLOWED. More details about notification of state authorities allegedly must be provided;
6. ALLOWED. The operating crew allegedly is "skeletal"; allegedly not clear are: emergency response authority when a partial crew is present, communication information, emergency training requirements, and levels of authority;
7. ALLOWED, WITHDRAWN IN PART. The list of participating government agencies allegedly is inadequate;

The portion of Basis 7 that applies to the Homer Police Department has been **withdrawn** by CANT's June 12, 1992, answer to Applicant's Interrogatories on Contention H;

8. WITHDRAWN. EP allegedly does not indicate the type or thoroughness of training for emergency response personnel;
9. DENIED. EP allegedly does not specify a media information contact;
10. ALLOWED. EP allegedly fails to describe authority, capability, responsibility and interfaces with government agencies;
11. DENIED. EP allegedly is fatally flawed by not providing specific guidelines for offsite protective actions;
12. DENIED. LES allegedly should establish an EPZ; a UF6 release can kill people as far as 20 miles away;

13. DENIED. LES allegedly should indicate how it plans to notify people within a few miles of the plant;
14. DENIED. LES allegedly should indicate how it plans to evacuate elderly people living near the plant;
15. DENIED. LES allegedly should provide residents within 5 mi. of the CEC and inmates of Wade prison with regular, updated emergency procedures;
16. WITHDRAWN. Allegedly no provisions are provided for projection of offsite radiation exposures;

This basis is **withdrawn** by CANT's June 12, 1992, answer to Applicant's Interrogatories on Contention H;

17. ALLOWED IN PART, WITHDRAWN IN PART. LES allegedly has given only the vaguest description of proposed measures to mitigate **onsite** (not offsite) consequences of accidents;

The parts of this basis related to the "vaguest description of proposed measures for mitigating onsite consequences of accidents at the CEC" and "approximate times required to accomplish a safe shutdown" are **withdrawn** by CANT's June 12, 1992, answer to Applicant's Interrogatories on Contention H;

18. WITHDRAWN. LES allegedly has not described instrumentation to monitor toxic materials;
19. WITHDRAWN. LES allegedly has not provided backup offsite emergency communications;
20. ALLOWED. LES allegedly has not described plans to ensure instruments and supplies are well-stocked and in working order;
21. DENIED. The EP allegedly plans for only the most minor of possible accidents;
22. DENIED. LES allegedly has not indicated how it will provide emergency plan information to local planning committees; and
23. ALLOWED. The EP Appendix allegedly lacks agreement letters and information on the capabilities of local emergency organizations.

I. Incomplete License Application. ALLOWED.

Contention I alleges that the license application and associated documents is incomplete. The Board has allowed Contention I, limited to eleven issues, the first seven of which relate to the ER, and the remaining four of which (8-11) relate to the SAR:

1. Environmental impacts of site preparation and construction;
2. Monitoring data to support source term determinations for gaseous effluent;
3. Evaluation of means of reducing liquid effluent concentrations;
4. Assessment of radiological impacts of plant operation;
5. Environmental effects of accidents;
6. Baseline data for pre-operational effluent and environmental monitoring program;
7. Program to maintain releases as low as reasonably achievable (ALARA);
8. Finalization of design features for earthquakes, tornadoes, and missiles;
9. Quality assurance program for Class I equipment;
10. Program for surveillance and maintenance of cylinders containing tails in interim storage; and
11. Management and control program.

J. Inadequate Assessment of Costs Under NEPA. PARTIALLY ALLOWED.

Contention J alleges that the benefit-cost analysis does not adequately describe or weigh the costs or impacts of the CEC and fails to demonstrate that there is a need for the CEC. The bases are:

1. DENIED. ER allegedly does not discuss environmental impact of tons of mixed radioactive waste;
2. DENIED. Environmental and safety analyses allegedly do not account for severe low probability accidents that result in discharges that exceed legal limits;

3. ALLOWED. LES allegedly has not provided adequate basis for decommissioning cost estimates;
4. ALLOWED. The need for the CEC allegedly is not shown;
5. DENIED. The impact of improper use of the CEC to produce weapons-grade UF6 allegedly has not been shown;
6. ALLOWED. The assessment of the effect on ground and surface water allegedly is inadequate; allegedly, the number of domestic wells is incorrect; Lake Claiborne was not dammed for flood control; allegedly LES and NRC recognize that contamination of the area is virtually inevitable;

The Board accepted this basis, restricting it to potential impacts on present and possible future surface and groundwater drinking water supply;

7. DENIED. The effect on wetlands allegedly has not been evaluated;
8. DENIED. Property values allegedly may be depressed; and
9. ALLOWED. The CEC and closing the local road allegedly will have negative economic and sociological impacts on the local minority communities.

K. No Discussion of No-Action Alternative. ALLOWED.

Contention K alleges that LES has not discussed the no-action alternative, as required by NEPA.

L. Online Enrichment Monitoring. ALLOWED.

Contention L alleges that online enrichment monitoring should be provided to prevent unlawful diversion of production to highly enriched uranium.

M. Monitoring of Sampling Ports, Process Valves, and Flanges. ALLOWED.

Contention M alleges that LES will not adequately monitor employee access to process connections to prevent production of HEU by batch recycling.

N. Centrifuge Cell Walls. WITHDRAWN.

Contention N alleges that opaque walls around small cells of centrifuges should be prohibited.

O. Design For Effective IAEA Inspections. DENIED.

Contention O alleges that the NRC should require the cascade design be conducive to online gas enrichment monitoring by IAEA.

P. Liability Insurance. DENIED.

Contention P alleges that \$120 million in liability insurance is inadequate.

Q. Financial Qualifications. ALLOWED.

Contention Q alleges that LES has not demonstrated that it is financially qualified to build and operate the CEC.

R. Management Competence and Integrity. DENIED.

Contention R alleges that Urenco has proven unable to control the spread of its enrichment technology.

S. Quality Assurance. DENIED.

Contention S alleges that the QA plan is inadequate.

T. Use of CFCs. WITHDRAWN.

Contention T alleges that the facility should not be licensed without an analysis of the effects of substituting refrigerants. (Withdrawn by Intervenor on February 11, 1994.)

U. DEIS -- Consultation With Other Agencies. WITHDRAWN.

Contention U alleges that the NRC did not consult adequately with other agencies prior to issuing the DEIS. (Withdrawn by Intervenor on February 11, 1994.)

W. DEIS Should Analyze DUF₆ DISPOSITION AWAITING DECISION.

Contention W alleges that the DEIS is deficient for not assessing the environmental impacts of converting depleted UF₆ to U₃O₈ and disposal.

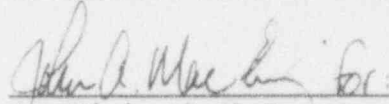
VI. MISCELLANEOUS

Applicant filed a motion on February 15, 1994, proposing that the Licensing Board and parties participate in a fact finding tour of Urenco centrifuge enrichment facilities in Europe. On March 7, 1994, the NRC staff filed a motion opposing the tour on the basis of the cost in light of the lack of any pending issue to be addressed by such a tour. The motion is pending before the Licensing Board.

VII. CONCLUSION

The parties will submit another progress report on May 16, 1994.

LOUISIANA ENERGY SERVICES, L.P.



J. Michael McGarry, III

WINSTON & STRAWN,
ATTORNEYS FOR LOUISIANA ENERGY
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March 15, 1994

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CERTIFICATE OF SERVICE

I hereby certify that copies of "Parties' March 15, 1994, Joint Progress Report" have been served on the following by deposit in the United States Mail, first class, this 15th day of March, 1994:

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