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HARMON, CURRAN, GALLAGHER & SPIELBERG  
2001 S STREET, N.W.  
SUITE 430  
WASHINGTON, D. C. 20009-1125

GAIL MCGREEVY HARMON  
DIANE CURRAN  
ANNE SPIELBERG  
JANNE G. GALLAGHER  
JESSICA A. LADD

April 5, 1993

TELEPHONE  
(202) 328-3500  
FAX  
(202) 328-6918

BY HAND  
Donnie H. Grimsley, Director  
Division of Freedom of Information  
and Publication Services  
Office of Administration  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

FREEDOM OF INFORMATION  
ACT REQUEST

*FOIA-93-196*  
*Rec'd 4-5-93*

SUBJECT: Freedom of Information Act Request

Dear Mr. Grimsley:

On behalf of Native Americans for a Clean Environment, and pursuant to the Freedom of Information Act, 5 U.S.C. § 552(b), et seq., I hereby request that you make available copies of the following documents related to Sequoyah Fuels Corporation's ("SFC's") uranium processing plant in Gore, Oklahoma. NACE requests that you provide copies of any and all documents in the NRC's possession that discuss:

- 1) the finances and/or financial condition of Sequoyah Fuels Corporation;
- 2) the finances and/or financial condition of Sequoyah Fuels Corporation's ("SFC's") parent corporation, General Atomics ("GA");
- 3) the finances and/or financial condition of ConverDyn, the joint venture between GA and Allied Signal whose profits are intended to cover the decommissioning costs of the SFC site;
- 4) SFC's and GA's belief that, or plans for assuring that, there will be sufficient funds to decommission the Gore site, as required by 10 C.F.R. §§ 40.36 and 40.42.

This request includes all documents submitted by SFC, GA, or ConverDyn, which are intended to demonstrate their ability to finance the decommissioning of the SFC facility, including any documents submitted in response to the NRC's demand for submission of a decommissioning funding plan. See Letter from James M. Taylor, NRC, to James J. Sheppard, SFC and J. Neal Blue, GA (December 29, 1992).

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This request does not include documents that are already in the NRC's Public Document Room.

If SFC or GA has requested that any of the requested documents be withheld from public disclosure, we request that you make an independent determination as to whether they must be disclosed pursuant to the Freedom of Information Act. Moreover, for any documents that you determine to be exempt from disclosure under the FOIA, we request that you nevertheless order their disclosure pursuant to 10 C.F.R. § 2.790(a), which requires the NRC to disclose documents unless, after balancing the public interest against the interest of the person urging nondisclosure, there is a "compelling" reason for nondisclosure. In this case, the public interest in disclosure far outweighs any interest that SFC, GA or ConverDyn may have in nondisclosure. The SFC plant is extremely contaminated, to the extent that SFC itself is predicting that it will take the extraordinary term of ten years to decommission it. SFC has given a preliminary estimate of the decommissioning costs at over \$20 million, and that estimate is likely to increase substantially as more detailed information about the cleanup is provided. Meanwhile, GA has refused to make a commitment to assuring that the decommissioning costs will be paid, and has instead told the NRC that it expects decommissioning to be funded by profits from ConverDyn. NACE believes that GA has not provided sufficient assurances that adequate funding for the decommissioning of the SFC will be provided; and therefore, the members of the public who live in the area of the SFC site and threatened with the long-term presence of a contaminated nuclear and hazardous waste dump, with the potential for contamination of offsite groundwater. Thus, the public has an extremely compelling interest in disclosure of any information in NRC's possession which sheds light on GA's, SFC's, and Converdyn's financial ability to fulfill their responsibility to clean up the SFC site.

For each document or portion thereof which is withheld in response to this letter, we request that you explain the basis for the withholding, including the exemption claimed under the Freedom of Information Act, and your reasons for believing that the document should not be released in the public interest.

Pursuant to NRC regulations at 10 C.F.R. § 9.85, we request that any searching and copying fees incurred as a result of this search be waived. Native Americans for a Clean Environment is a non-profit, tax-exempt organization that was formed for the purpose of educating the public about environmental issues, with em-

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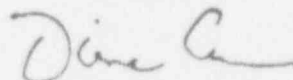
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phasis on the nuclear industry. NACE has intervened in the license renewal proceeding for the SFC plant, and has been very active in seeking enforcement action against SFC for unsafe operation and environmental contamination. NACE also expects to intervene in the NRC's decommissioning proceeding for the facility. The information obtained through this FOIA request will be used to aid NACE in its participation in the public decisionmaking process regarding decommissioning of the SFC plant. NACE also widely shares the information it receives, through contacts with the press, government agencies, and through publication of its monthly newsletter, which reports to about 1,000 readers on environmental issues affecting Native Americans.

NACE also merits a waiver of fees because it is a non-profit charitable organization with limited resources, and is unable to pay the large searching and copying fees that may be incurred as a result of this request.

We look forward to your prompt response.

Sincerely,

  
Diane Curran

cc: Lance Hughes, Director  
Native Americans for a Clean Environment