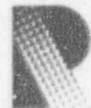


40-8857



POWER RESOURCES

October 25, 1993

RETURN ORIGINAL TO PDR, HQ.

Mr. R.E. Hall, Director
Uranium Recovery Field Office
U.S. Nuclear Regulatory Commission
P.O. Box 25325
Denver, Colorado 80225



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URFO RECEIVED

Dear Mr. Hall,

During the September 9, 1993 URFO Transition Oversight Team (TOT) meeting in Denver, Mr. Knapp requested that Industry provide some specific examples of criteria that could be used to streamline our licenses and reduce the regulatory burden on both the Licensee and NRC staff. Power Resources, Inc. (PRI) appreciates the opportunity to work with the TOT during this transition process.

PRI fully supports a performance-based criteria approach for achieving regulatory goals. This type of approach would allow licensees the discretion to determine the most appropriate actions and the operational flexibility necessary in these types of facilities to meet the criteria.

PRI believes that many existing license conditions which currently require an amendment prior to making program changes can easily be modified to allow more operator flexibility and reduce NRC staff burden without compromising the NRC's regulatory oversight role. These areas include personnel changes, production circuit changes, byproduct material disposal authorization, etc. These modifications could be effected by requiring adherence to particular regulatory guides or referencing commitments made in the Licensee's application. Additionally, PRI believes that the license can be further streamlined by eliminating those conditions that duplicate commitments made in the application and those regulations that we must comply with. Some specific streamlined license condition examples from our Source Material License are attached for your consideration.

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Finally, PRI believes it is appropriate at this time to address with you and the TOT the question concerning NRC's regulatory authority over in situ (ISL) wellfields. The ISL industry has long argued that the NRC has no regulatory basis for regulating ISL wellfields. On the average, ISL wellfield production fluids contain 0.005% to 0.01% uranium and therefore do not meet the 0.05% source material criteria of 10 CFR 40.13. It is PRI's opinion that NRC's jurisdiction over ISL operations begins in the ion exchange facilities where uranium concentrations on the IX resin first exceed the 0.05 % U concentration rendering it source material. Additionally, in Wyoming and Nebraska, the State has ground water primacy and the NRC regulatory efforts in this area are duplicative of existing State requirements.

Highland Uranium Project
Post Office Box 1210
Glenrock, Wyoming 82637

Fax: 307-358-4533
Casper: 307-235-1628
Douglas: 307-358-6541

DESIGNATED ORIGINAL

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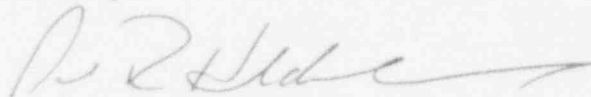
Handwritten: Mary C. Nord

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Should it be determined that the Atomic Energy Act and the Commissions' regulations do not allow NRC to relinquish this aspect of the program, a determination should be made as to what portions can be deferred to the State. For the remainder, sound technical criteria should be developed, placed in the license, and the licensee allowed to operate as he sees fit within the bounds of these criteria with the results documented and reviewed by the NRC during routine facility inspections.

PRI appreciates the opportunity to work with the NRC in developing a regulatory streamlining framework and look forward to further interaction at the November 18 meeting. Please call me should you have any questions.

Sincerely,



P.R. Hildenbrand
Manager of Environmental
and Regulatory Affairs

PRH/ksj

attachment

cc: S.P. Morzenti
M.R. Lueders
W.F. Kearney

ATTACHMENT

Examples of "Streamlined" License Conditions

(A) Current License Condition:

The licensee is authorized to dispose of byproduct material from the Highland Uranium Project at a site licensed by the NRC to receive byproduct material. The licensee shall identify the disposal facility to the NRC in writing. The licensee's approved waste disposal agreement must be maintained onsite. In the event the agreement expires or is terminated, the licensee shall notify the NRC, Uranium Recovery Field Office, within 7 working days after the expiration date. A new agreement shall be submitted for NRC approval within 90 days after expiration, or the licensee will be prohibited from further lixiviant injection.

[Applicable Amendments: 17, 27, 45]

Suggested Modification:

The licensee is authorized to dispose of byproduct material at a site licensed by the NRC to receive byproduct material. The licensee shall identify the disposal facility to the NRC and maintain a copy of the agreement onsite for inspection by the NRC. Should the agreement be terminated for any reason, the NRC shall be notified within 7 working days and a new agreement put in place within 180 days from the date of termination or the licensee will be prohibited from further lixiviant injection. The licensee shall identify the new disposal facility to the NRC in writing and maintain a copy of the agreement onsite for NRC inspection.

(B) Current License Condition:

Any corporate organization changes affecting the assignments or reporting responsibilities of the radiation safety staff as described in Section 9 of the Operations Plan of the approved license application and as shown in the submittal dated November 5, 1992, shall require approval by the NRC in the form of a license amendment.

[Applicable Amendments: 18, 27, 29, 36, 37, 40, 45]

Suggested Modification:

Any corporate organization changes affecting the assignments or reporting responsibilities of the radiation safety staff as described in Section 9 of Volume 6 of the approved license application shall not be made until the licensee has performed and documented a review of the proposed change to ensure that the assignments and reporting responsibilities of the radiation safety staff remain as described in Regulatory Guide 8.31. In the case of a change in the RSO or RST, the review must show that the new personnel meet the training and educational recommendations of

Regulatory Guide 8.31. The licensee must make these reviews available to the NRC during their annual facility inspection.

(C) Current License Condition:

Any significant changes which alter a production zone injection/recovery balance or processing plant circuit as illustrated in figure 2 of the Operations Plan of the approved license application shall be reviewed by the CRSO and shall require prior approval from the NRC in the form of a license amendment. [Applicable Amendments: 36, 45]

Suggested Modification:

Any proposed significant change to the production circuit as illustrated in Figure 2 of Volume 6 of the approved license application shall not be implemented until the licensee has documented that the proposed change will not significantly impact the environment or public health and safety. This documentation must be made available for NRC review during the annual facility inspection.

(D) Current License Condition:

In order to ensure that no unapproved disturbance of cultural resources occurs, any work resulting in the discovery of previously unknown cultural artifacts shall cease. The artifacts shall be inventoried and evaluated in accordance with 36 CFR Part 800, and no disturbance shall occur until the licensee has received authorization from the NRC to proceed.

[Applicable Amendments: 36, 45]

Suggested Modification

To ensure that no unapproved disturbance of cultural resources occurs, any work resulting in the discovery of previously unknown cultural artifacts shall cease. The landowner (i.e. private, state or federal agency, as appropriate) will be notified and the artifacts shall be inventoried and evaluated in accordance with 36 CFR Part 800. No further disturbance shall occur until the licensee has received authorization from the appropriate landowner (private, state or federal) to proceed. [Applicable Amendments: 36, 45]