

DOCKET NO.: 40-3392
 LICENSEE: Allied Chemical Company
 SUBJECT: AMENDMENT TO INCREASE POSSESSION LIMIT

BACKGROUND

By letter dated October 29, 1982, Allied Chemical Company (Allied) requested that the possession limit for natural uranium in Materials License SUB-526 be increased from fifty million pounds to seventy five million pounds. The increase in possession limit was requested so that Allied could receive a relatively large shipment of uranium now in storage at another location.

DISCUSSION

Natural uranium at the Allied-Metropolis UF₆ plant is primarily in the form of yellow cake in sealed drums, UF₆ in 10 or 14 ton cylinders or in process inventory. Increasing the possession limit for natural uranium will increase the quantity stored onsite in sealed drums (yellow cake) or cylinders (UF₆), but will not increase the in-process inventory. The yellow cake in drums and the solid UF₆ in cooled cylinders present minimal safety hazard since it is in a solid non-dispersable form.

Allied has stored large quantities of yellow cake and UF₆ without incident since the plant was first licensed. Increasing the possession limit does not materially increase the risk to public or worker health and safety and will have no significant environmental impact.

CONCLUSION AND RECOMMENDATION

Based on the above analysis, I believe the possession limit for natural uranium at Allied can be increased to seventy five million pounds without undue risk to the public or worker health and safety and without significant adverse environmental impact. I recommend that the amendment be approved.

Original Signed By:
 W. A. Nixon

W. A. Nixon
 Uranium Process Licensing Section
 Uranium Fuel Licensing Branch
 Division of Fuel Cycle and
 Material Safety, NMSS

Original signed by:
 W. T. Crow

Approved by: W. T. Crow, Section Leader

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