=

PROGRAM FOR DISPOSITION OF DEPLETED UF₆

PRESENTATION TO DOE-EM423

1 APRIL 1993



40-8027

9406170077 930723 5DR F01A 5URRAN93-364 FDR

AGENDA ITEMS PREPARED FOR PRESENTATION AND DISCUSSION

- INTRODUCTION TO SEQUOYAH FUELS CORPORATION
- MEETING PURPOSE
- DISCUSSION OF DEPLETED UF₆ DISPOSITION
- A SOLUTION
- SEQUOYAH FUELS PROGRAM PLAN
- CLARIFICATION OF ISSUES
- ACTION PLAN



SEQUOYAH FUELS PLANT SITE





SEQUOYAH FUELS CORPORATION PERFORMS URANIUM CONVERSION WORK

- SEQUOYAH FUELS IS OWNED BY GENERAL ATOMICS TECHNOLOGY
- GENERAL ATOMICS (GA) IS ALSO OWNED BY GENERAL ATOMICS TECHNOLOGY
- · SEQUOYAH FUELS HAS TWO DIFFERENT URANIUM CONVERSION PLANTS:
 - A UF₆ PRODUCTION PLANT, AND
 - A DUF PLANT

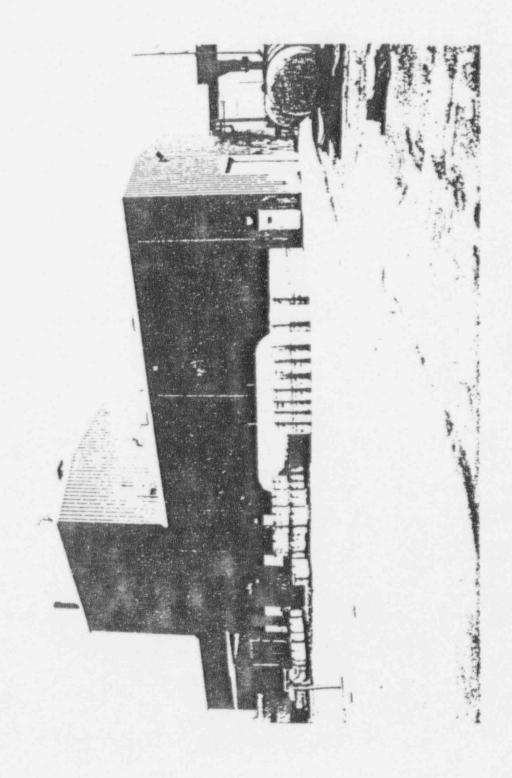


SEQUOYAH FUELS CORPORATION PERFORMS URANIUM CONVERSION WORK (CONT'D)

- UF₆ PLANT CONVERTS NATURAL U₃O₈ (YELLOW CAKE) TO UF₆
- DUF₄ PLANT CONVERTS DEPLETED UF₆ TO UF₄ (1ST STEP TO U METAL)
- SEQUOYAH FUELS HAS SHUTDOWN UF₆ PLANT
- DUF₄ PLANT IN OPERATION BUT SCHEDULED FOR SHUTDOWN IN JUNE



MODERN, STATE-OF-THE-ART DUF PLANT





CONTINUED MAINTENANCE IS COSTLY





SOLUTION RECOMMENDED FOR DISPOSITION OF DEPLETED UF₆

- CONVERT DUF₆ TO U₃O₈ (SEQUOYAH FUELS INITIAL RECOMMENDATION)
- RECOVER FLUORINE AS ANHYDROUS HF:
 - ANHYDROUS HF HAS HIGH COMMERCIAL VALUE
 - SEQUOYAH FUELS HAS DEVELOPED A PROCESS AND APPLIED FOR A PATENT
 - RECOVERY OF FLUORINE FOR REUSE MINIMIZES WASTE
 - COMMERCIAL SALE OF HF OFFSETS COST OF CONVERSION

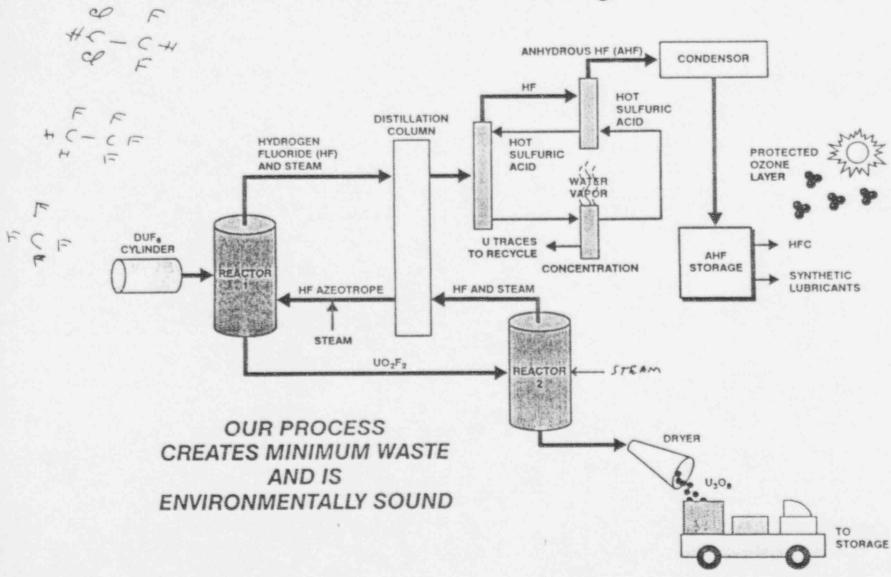


SOLUTION RECOMMENDED FOR DISPOSITION OF DEPLETED UF₆ (CONT'D)

- MODIFY SEQUOYAH FUELS DUF₄ PLANT TO SERVE AS PILOT PLANT
- OPERATE PILOT PLANT TO PROVE OUT PROCESS AND COMMERCIAL ECONOMICS
- PROVIDES BASIS FOR COMPETITIVE COMMERCIAL CONVERSION SERVICES



SOLUTION RECOMMENDED FOR DISPOSITION OF DEPLETED UF₆



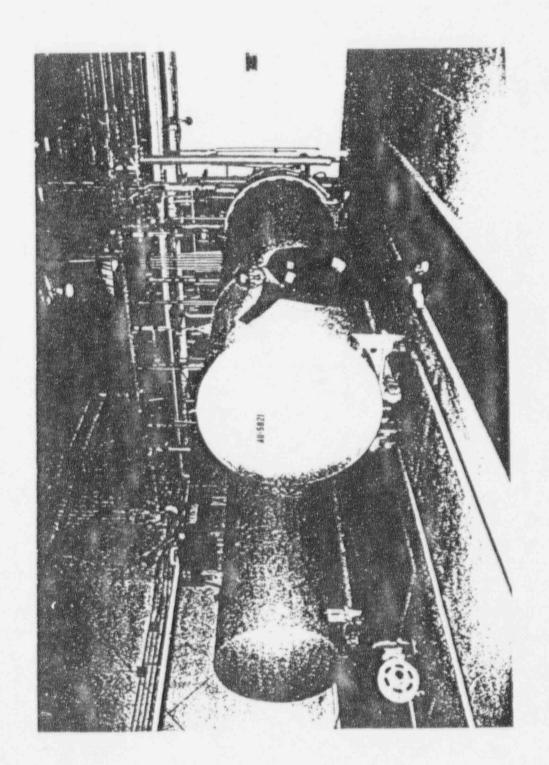


SEQUOYAH FUELS DUF₄ PLANT IDEAL FOR DEVELOPMENT OF DEPLETED UF₆ DISPOSITION

- DUF₄ PLANT, BUILT IN 1988, IS A STATE-OF-THE-ART PLANT
- DUF₄ PLANT AVAILABILITY OFFERS A UNIQUE OPPORTUNITY
 - CAN BE USED AS IS FOR DISPOSITION DEVELOPMENT IF DISPOSITION FORM IS UF₄
 - CAN BE MODIFIED AT LOW COST FOR OTHER DISPOSITION FORMS SUCH AS $\rm U_3O_8$
- SEQUOYAH FUELS HAS FORMULATED A LOW COST PLAN FOR DEVELOPING UF₆ DISPOSITION WHICH TAKES ADVANTAGE OF THE DUF₄ PLANT
- MEETING PURPOSE IS TO DISCUSS PLAN AND TO OBTAIN CLARIFICATION OF ISSUES FROM DOE



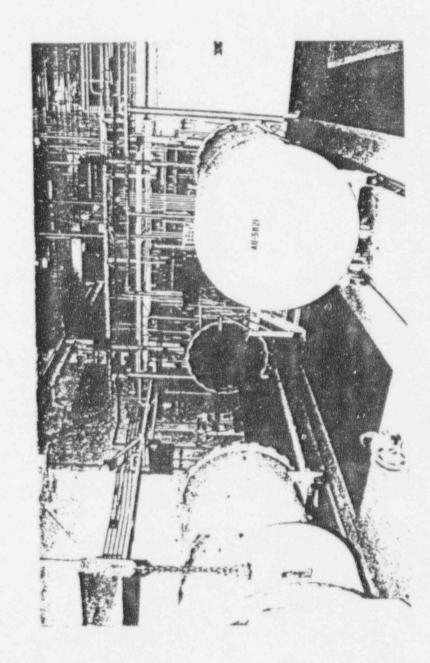
AUTOCLAVE SIZED TO HOLD 14-TON CYLINDERS



NOTE: 3RD BAY

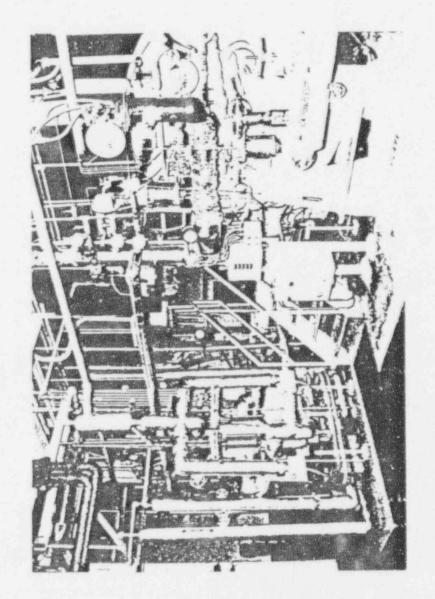


AUTOCLAVE SYSTEM HANDLES DUF₆ CYLINDERS SAFELY



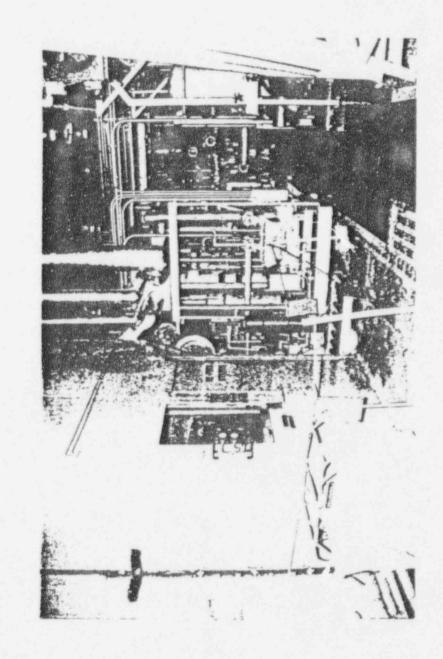


AUTOCLAVE SYSTEM IS AUTOMATED



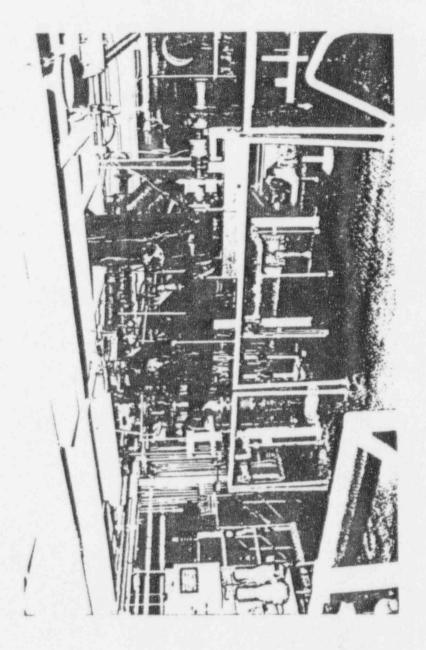


NEEDED REFRIGERATION SYSTEMS ARE IN PLACE



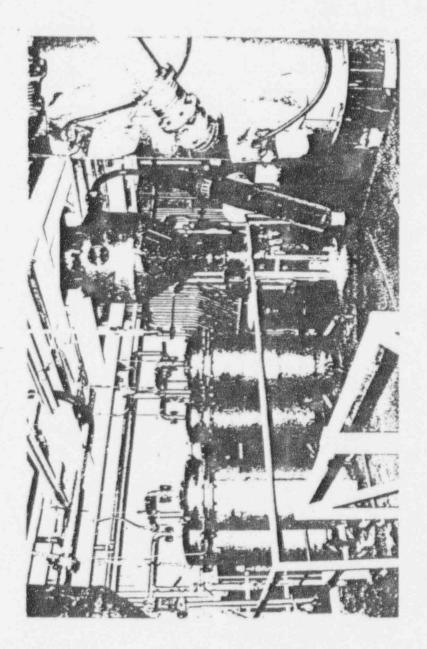


DUF₄ REACTOR DISCHARGE WITH HF VENT CURRENTLY OPERATING



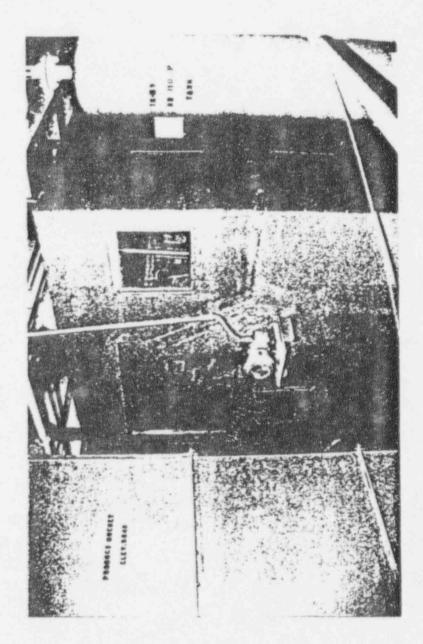






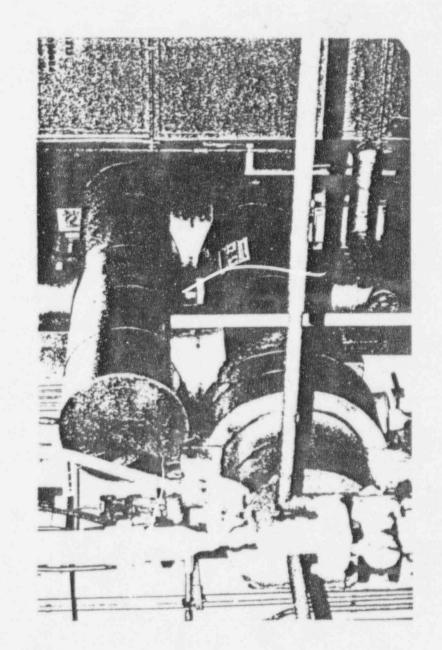


VIBRATING SCREEN SIZES PARTICLES



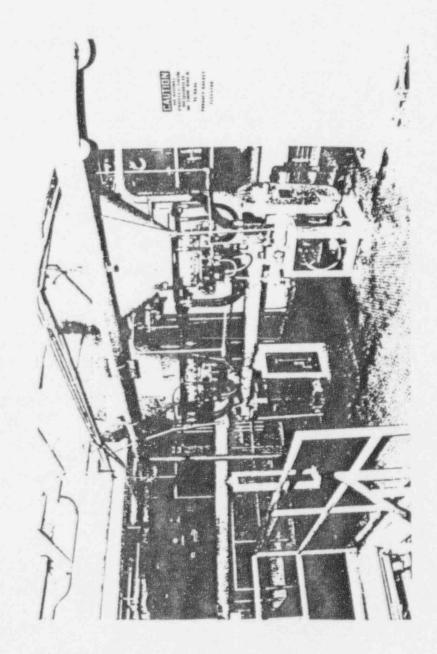


HYDROFLUORIC ACID CONDENSORS



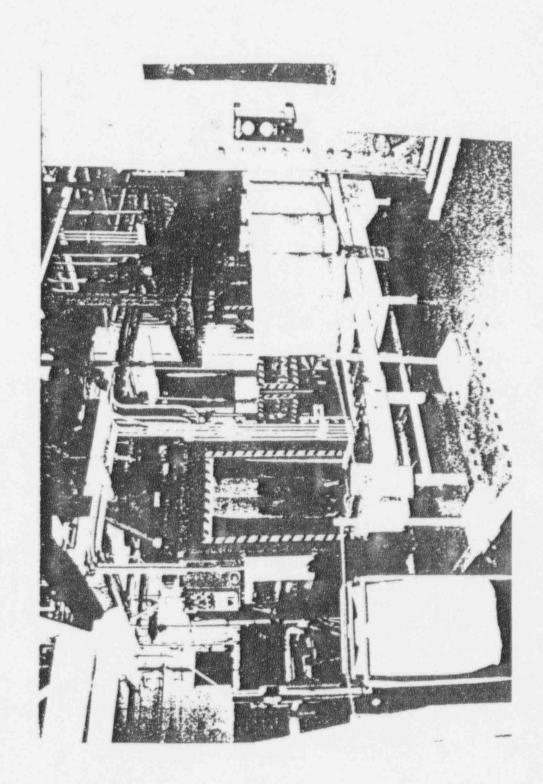


MAINTAINS U₃0₈ ACCOUNTABILITY



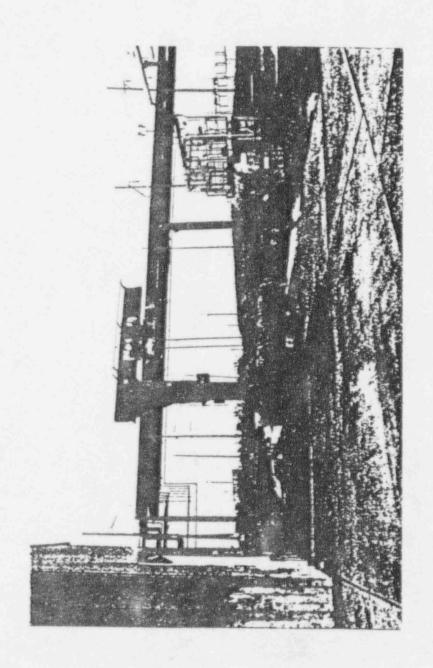


DRUM LOADING SYSTEM FOR SAFE AND EFFICIENT U₃0₈ HANDLING





SYSTEM HAS DEMONSTRATED SAFE HANDLING ANHYDROUS HF INTERMEDIATE STORAGE





DEPLETED UF₆ DISPOSITION UNRESOLVED (CONT'D)

- CYLINDERS SUBJECT TO LOSS OF CONTAINMENT: (CORROSION, INADVERTENT DAMAGE)
- LARGE MANAGEMENT COST: \$6 9 MILLION PER YEAR
- VERY LITTLE NEAR TERM NEED FOR DEPLETED UF₆



DEPLETED UF DISPOSITION UNRESOLVED

- LARGE NUMBER OF CYLINDERS OF DEPLETED UF₆ HAVE ACCUMULATED
- AS OF END OF FY 90,
 - 34,400 STD 14-TON CYLINDERS
 - ~7,000 OF OTHER TYPES (10-TON CYLINDERS + MISC)
- TOTAL INVENTORY OF 322,100 TONNES OF U (>1 BILLION LB OF UF₆)
- INVENTORY CONTINUES TO INCREASE

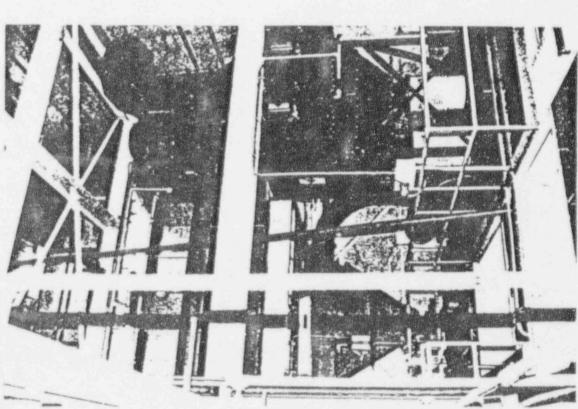


FOUR PHASE PROGRAM PLANNED FOR DEVELOPING DEPLETED UF₆ DISPOSITION

- PHASE 1 (3 MOS) PROCESS AND PRODUCT EVALUATION
- PHASE 2 (9 MOS) DUF₄ PLANT DESIGN MODIFICATIONS
- PHASE 3 (6 MOS) DUF₄ PLANT CONVERSION TO DEPLETED UF₆ PILOT PLANT
- PHASE 4 (18 MOS) DEPLETED UF₆ PILOT PLANT OPERATION



COLLECT PARTICULATES FROM FACILITY ATMOSPHERE **ENVIRONMENTAL PROTECTION SYSTEMS**





PHASE 1 CONFIRMS DISPOSITION FORM AND CONVERSION PROCESS

- DISPOSITION REQUIREMENTS DEFINITION
- ASSESSMENT OF ALTERNATE DISPOSITION FORMS
- DISPOSITION FORM SELECTION
- EVALUATION OF ALTERNATE CONVERSION PROCESSES
- SELECTION OF CONVERSION PROCESS (RISK EVALUATION, COST BENEFIT, ENVIRONMENTAL IMPACT, STATUS OF TECHNOLOGY, WASTE MINIMIZATION)
- COST AND SCHEDULE ESTIMATES FOR FOLLOW-ON PHASES
- ECONOMIC EVALUATIONS OF DISPOSITION COSTS, \$/kgU



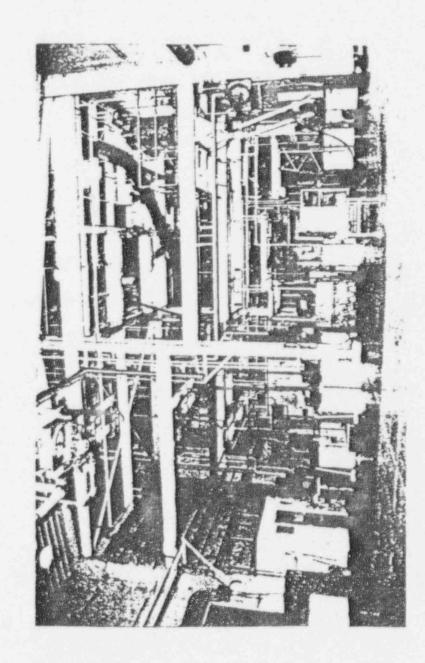
PHASE 2 DEVELOPS PLANT DESIGN MODIFICATIONS

- LAB SCALE DEVELOPMENT OF PROCESS DESIGN PARAMETERS*
- DETAIL DESIGN (P&IDs, EQUIPMENT DESIGN AND SPECIFICATION, OPERATING PROCEDURES, ETC)
- PREPARATION AND SUBMITTAL OF LICENSE APPLICATION
- COST AND SCHEDULE FOR PILOT PLANT MODIFICATIONS
- UPDATE ECONOMIC ANALYSIS

* SBIR PROPOSAL SUBMITTED TO PERFORM THIS FOR SEQUOYAH FUELS PATENTED PROCESS

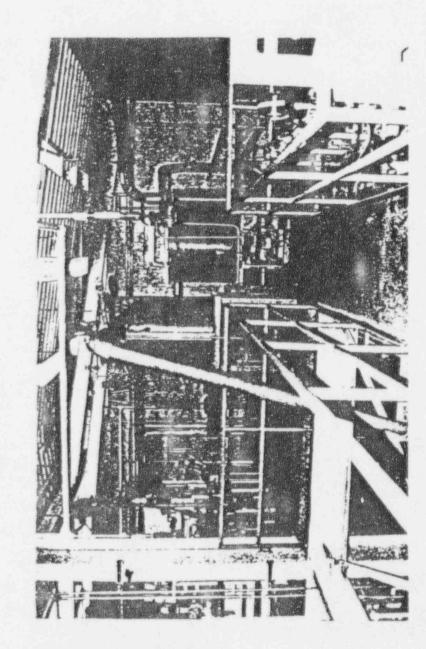


ADDITIONAL AREA AVAILABLE FOR EXPANSION





ENVIRONMENTAL PROTECTION SYSTEMS AUTOMATICALLY MONITOR FACILITY





PHASE 3 MODIFIES PLANT DESIGN

- OBTAIN CONSTRUCTION PERMIT
- PROCESS EQUIPMENT PROCUREMENT
- EQUIPMENT INSTALLATION
- PROCESS CHECKOUT
- UPDATE ECONOMIC ANALYSIS



PHASE 4 CONSISTS OF PILOT PLANT OPERATIONS

- OBTAIN OPERATING LICENSE
- 18 MONTH PERIOD
- ASSESSMENT OF OPERABILITY/MAINTAINABILITY/RELIABILITY
- COMMERCIAL ACCEPTANCE OF HF PRODUCT
- PACKAGE FOR COMPETITIVE PROCUREMENT OF PRODUCTION PLANTS



PROGRAM COMPLETION PROVIDES FOR COMPETITIVE COMMERCIAL CONVERSION SERVICES

- ACTUAL COSTS, PROCESS CAPITAL, OPERATION, AND MAINTENANCE
- ACTUAL PRODUCTION CAPACITIES, LBS PER AY, PER YEAR
- PROVEN OPERATION AND MAINTENANCE PROCEDURES
- ACTUAL ENVIRONMENTAL HEALTH PHYSICS EXPERIENCE
- FINALIZATION OF DISPOSITION COST ESTIMATES



DUF₆ DISPOSITION PROGRAM PHASE 1 SCHEDULE

PHASE 1 SCHEDULE
Process and Product Evaluation
Requirements Definition
Disposition Form Assessment
Disposition Form Selection
Conversion Process Evaluation
Conversion Process Selection
Cost Estimates and Economics
Presentation and Submittal



DUF6 DISPOSITION PROGRAM SCHEDULE

YEARS YEAR 1 YEAR 2 YEAR 3 TOTAL PROGRAM SCHEDULE PHASE 1 16.000 PHASE 2 9 Months DUF Plant Design Modifications Laboratory Scale Tests Design of Mods DUF Plant Survey **Economic Evaluation** License Application Construction Permit PHASE 3 6 Months DUF Plant Conversion Plant Mods Economics License PHASE 4 18 Months (Operation) **Pilot Plant Operation** Operations Deployment Package Economics **Final Report**



SOME ISSUES REQUIRE DOE CLARIFICATION

- DISPOSITION FORM DOE REQUIREMENTS AND PROGRAM OBJECTIVES, OR ANY ADVANCED THINKING
- STATUS REGARDING RCRA CLASSIFICATION
- DOE TIMING FOR DEPLETED UF₆ DISPOSITION START/END
- PROGRAM BUDGET PROJECTIONS
- SEQUOYAH FUELS ELIGIBILITY TO BID ON COMMERCIAL PRODUCTION SERVICES



SEQUOYAH FUELS PROGRAM IS LOW COST/LOW RISK (CONT'D)

- TRAINED PERSONNEL AVAILABLE
- LOCAL, STATE, AND CONGRESSIONAL POLITICAL SUPPORT
- PATENTED PROCESS AVAILABLE
- PROJECTED COST ~1/2 OF NEW PILOT PLANT



ACTION PLAN PROPOSED BY SEQUOYAH FUELS

DUF₄ PLANT SHUTDOWN

UNSOLICITED PROPOSAL (ALL 4 PHASES)

DOE DECISION REQUESTED

PHASE 1 START DATE

JUNE, 1993

APRIL 7, 1993

JUNE 15, 1993

JULY 1, 1993



SEQUOYAH FUELS PROGRAM IS LOW COST/LOW RISK

- MAKES USE OF AN EXISTING PLANT/SITE
- EXISTING PLANT IS A MODERN STATE-OF-THE-ART PLANT
- ENVIRONMENTAL CONTROLS ARE IN PLACE
- PLANT/SITE IS CURRENTLY LICENSED



SOME ISSUES REQUIRE DOE CLARIFICATION (CONT'D)

- ULTIMATE STORAGE/DISPOSAL SITE CONSIDERATIONS
- COMMERCIAL SALE OF HF
- SEQUOYAH FUELS SITE DECOMM/DECON
- RESPONSIBILITY FOR DEPLETED UF₆ FROM FUTURE PROCESSING BY U.S. ENRICHMENT CORPORATION
- RECYCLE OF CYLINDERS

