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NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

Charles A. Gourd, Ph.D
HC 73, Box 295
Park Hill, OK 74451

RE: Docket No. 40-8027 - *MLA*

Dear Dr. Gourd:

This letter responds to your letter dated February 13, 1987 (copy enclosed) in which you raised numerous issues regarding the Sequoyah Fuels Facility (hereafter referred to as the UF₆ facility). I have consulted with personnel from the Office of Nuclear Material Safety & Safeguards and Region IV in order to respond to your points. This reply responds to those matters raised that are within the NRC's area of regulatory responsibility, i.e., matters related to protection of public health and safety and the environment, including your inquiry as to whether the NRC staff followed proper procedures in approving in October 1986 the restart of the UF₆ facility following the January 1986 accident. In response to your concerns that the price of Kerr-McGee stock may have been affected by information you assert may have been provided to stock traders and SFC officials in advance of Judge Frye's decision in the depleted uranium hexafluoride (DUF₆) to depleted uranium tetrafluoride (DUF₄) proceeding, the Securities and Exchange Commission, to which you sent a letter regarding that matter, is the appropriate federal agency to consider your assertion.

The principal point addressed in your letter is your dissatisfaction with both the substance of the Staff's responses to questions you brought to the Staff's attention regarding air emissions from the UF₆ facility and the way in which Region IV documented and addressed your questions. A review of Region IV's files indicates that you made telephone contacts with that office in the period of Spring and Summer of 1986 to express technical concerns related to practices at the UF₆ facility. By letter to you dated July 15, 1986 (Attachment 1 to this letter), Mr. Mark Emerson, the Region's Allegations Coordinator, documented that you had expressed concerns regarding airborne emissions from the UF₆ facility and SFC reports that have a bearing on the evaluation of those emissions. You specifically identified a concern that an air monitor placed off site in the vicinity of the UF₆ facility was placed in a low spot such that it might not accurately measure emissions from the facility. Mr. Emerson stated that if his reply did not accurately reflect all of your concerns, you should contact him as soon as possible to clarify your concerns. In response to this reply, you sent a letter to Mr. Emerson (undated, but received on July 28, 1986). Therefore, Region IV's understanding of these concerns is based upon the telephone contacts and your July 28th letter.

In their contacts with you, Region IV personnel were attempting to determine if you were raising concerns regarding the safe operation of the UF₆ facility. Pursuant to its procedures, concerns of the type you raised are documented by the Staff as "allegations." Allegations are tracked through an accounting system to assure that they are addressed and resolved to the extent they raise issues within the Commission's jurisdiction. You state that Mr. Emerson changed your questions into "accusations" (letter, p. 2) and that "he had the audacity to accuse me of asking rhetorical questions" (letter, p. 3). You have misinterpreted Mr. Emerson's inquiries to you, which were intended to elicit the necessary information to enable him to document your concerns so that they could then be investigated by the Staff. This was not intended to make you feel as if you were an accuser.

Your letter refers to a November 3, 1986 letter that you sent to Region IV seeking additional information. Region IV has not received such a letter, but will review it if you resend it and will pursue any new matters raised therein. The Staff believes that it has addressed the concerns you have raised where you have identified a safety concern. Specifically, Inspection Report 86-08 for the UF₆ facility (September 4, 1986, copy enclosed as Attachment 2) addressed your concerns 1) that environmental data regarding wind speed and direction and temperature were erroneously recorded at the UF₆ facility by SFC on October 17, 1984 and 2) that SFC misrepresented to the Staff that the predominant wind direction at the facility site was from the East. As noted in your letter (p. 3), a copy of that Inspection Report was sent to you. The Staff concluded from a comparison of temperature recordings on October 17, 1984 at the facility site and Fort Smith, Arkansas, information regarding temperatures on that same date at Tulsa and McAlester, Oklahoma, and temperature reports at the same hour of the day at the facility site on October 16 and 18, 1984, that the 64° F temperature reported for the facility site for 0700 hours on October 17th was either erroneously reported or 46° F was transposed to 64° F. Inspection Report 86-08, Section 3a. Although you state your disagreement with the Staff's conclusion (letter, p. 4), you have not provided any information that would lead the Staff to believe that this matter needs to be investigated further.

You also state your disagreement with the Region's resolution of a second concern that you raised that was addressed in Inspection Report 86-08. That concern related to an alleged misrepresentation by SFC to the NRC that the wind at the facility site is predominantly from the East. See Inspection Report 86-08, Section 3(1). As reflected in the Inspection Report, SFC provided in an Environmental Report dated November 1971 wind rose data measured at the facility site during 1971. Those data indicated a trend of slightly predominant wind patterns from the Easterly direction. In a Supplemental Report dated June 1972, SFC provided a table of annual percentage frequency of occurrence of wind directions by speed groups measured at Fort Smith between 1953 and 1963. Those data showed a predominant wind pattern from the East/Northeast and Northeast directions. The Inspection Report also noted that the Staff's Environmental Assessment regarding renewal of the license for the UF₆ facility reported data from Fort Smith for the 1955-1974 period. Those data showed a predominant wind direction to the North, with the next most frequent direction being to the South. The NRC inspector

found no evidence to suggest that data had been altered or misrepresented by SFC, but did note that the data sets from Fort Smith appeared to be in conflict with each other. In any event, recognizing that there may be differences between local wind patterns at the facility site and those at Fort Smith, the Staff required SFC to set up air monitoring stations near the residential areas to measure actual radiological conditions.

Your letter refers to "the incredible position that the data from the National Weather Service in Fort Smith cannot be verified because it is not under the control of the licensee." See letter, p. 4. Specifically, the Inspection Report stated: "Since the data sets were obtained from a meteorological station not under the licensee's control, the accuracy of the data could not be verified." Inspection Report 86-08, Section 3(1), emphasis added. This statement reflects the fact that the NRC does not have the mandate to independently assess the Weather Service's program, regarding aspects such as instrument calibration, quality assurance of measurements, and data reporting capabilities. By contrast, the NRC does have such authority with respect to data gathering performed by licensees.

The Staff believes that it took all reasonable steps to investigate your concern regarding the reporting of predominant wind directions. Nothing in your letter provides a basis for investigating this matter further.

Concern No. 3 in your letter questions whether the existing SFC air monitoring stations are properly positioned in terms of various factors. Some of these concerns were expressed by you at the public meeting on July 8-9, 1986 regarding resumption of operation of the UF₆ facility. At about that same time you were in telephonic communication with Region IV regarding concerns you had with respect to the UF₆ facility. As described above, Region IV wrote to you on July 15, 1986 documenting the concerns you had stated and inviting you to call Mr. Emerson if the letter did not completely and accurately reflect all of your concerns. Based upon its understanding of your concerns, as documented in the July 15 letter, the Region addressed those concerns in Inspection Report 86-08. You did contact Mr. Emerson on August 1, 1986 and expressed concerns regarding raffinate, injection wells, the fly-over of the UF₆ facility following the accident in January 1986, and ground water contamination monitors. Mr. Emerson followed-up with you by telephone on August 11, 1986. Based upon the Region's review of its records, it does not appear that the information brought to the Region's attention in these exchanges was as detailed as that contained in your February 13, 1987 letter to me. Now that the Staff has received your concerns as expressed in the February 13 letter, the following additional responses are provided.

Concern No. 3 is questioning whether the existing SFC air monitoring stations are properly positioned in relation to:

1. Height of the smoke stack;
2. The true wind speed and direction;
3. Distance to the nearest fence monitors and other monitors;
4. The specific weights of the various emissions; and
5. The subsequent dilution factor of 1,000.

About 50 percent of the radioactivity released from SFC operations are from short exhaust vents in the buildings. The height of the smoke stack (the HF scrubber exhaust stack) is about 150 ft. The maximum ground-level concentrations for gaseous effluents are expected to occur at distances less than 800 meters (about $\frac{1}{2}$ mile) from the site. (See Environmental Assessment for Renewal of Source Material License No. SUB-1010, NUREG-1157, August 1985, Table A.5.)

At present, there are four air monitoring stations at the fence line of the SFC site and six air monitoring stations offsite. Continuous air monitoring is conducted at these stations to measure the uranium concentration in air. The four fence line stations are installed to measure concentrations at restricted/unrestricted boundary areas of the plant site in each principal compass direction. Concentrations determined from samples collected by these air samplers are used to demonstrate compliance with NRC regulations limiting offsite releases of radioactive material. See 10 C.F.R. Part 20.

The offsite air monitoring stations are installed at strategic locations near residential areas. The locations of the offsite air monitors were not based solely on the actual prevailing wind directions but were based on potential nearest residential areas that could be impacted. These locations are appropriate to demonstrate compliance with the EPA's radiation standards (40 C.F.R. Part 190) for routine operation at the plant, since the EPA standards are based on realistic doses to individuals. The present air sampling network can detect airborne uranium concentrations at nearby residential areas during routine and accidental releases but, of course, cannot detect concentrations in directions (whether in prevailing wind directions or not) where no nearby residences are located.

Air monitors collect air particulates by pulling ambient air into the monitor enclosure from all directions. Since the enclosures are omnidirectional, it is not possible to "point" a sampler in a specific direction and exclude air from other directions. See p. 6 of your letter. Therefore, whether or not the air sampler is "facing" the plant should make no difference in the results obtained.

The referenced dilution factor of 1,000 was not a consideration in the placement of air monitors, since the air monitors are designed to measure actual uranium concentrations in air to demonstrate compliance with 10 C.F.R. Part 20 at the facility fenceline and 40 C.F.R. Part 190 at the nearest residence. The data on dose assessment and uranium concentrations in air at the facility fenceline and the nearby residences are not based on a release rate and dilution factor calculation.

In Concern No. 1 you state complaints about the conduct of the public meeting held in Gore, Oklahoma on July 8-9, 1986 (your recollection that this meeting was held sometime in the Fall of 1985 is mistaken) regarding resumption of operation of the UF_6 facility following the January 1986 accident. You assert that the NRC advertised that the meeting would be a public hearing. Since you have been a participant in the informal proceeding regarding the authorization of operation of the DUF_6 - DUF_4 facility at the Gore site, you

apparently assumed that the same procedures applied to the NRC's consideration of the resumption of operation of the UF₆ facility. There were, however, requests for a hearing filed with respect to the application for an amendment to the SFC source material license to authorize operation of the DUF₆-DUF₄ facility and the Commission granted an informal hearing before an Administrative Judge from the Atomic Safety and Licensing Board on that proposed amendment. See Sequoyah Fuels Corporation (Sequoyah Facility), Docket No. 40-8027, Commission Order, dated July 24, 1985. At the time of the July 1986 meeting, no requests for a hearing on resumption of operation of the UF₆ facility had been filed with the Commission and no hearing had been instituted on that matter. Subsequently, a hearing was requested with respect to the Order Modifying License (51 Fed. Reg. 36888, October 16, 1986) which preceded authorization to restart the UF₆ facility, but the Commission denied those requests. See Sequoyah Fuels Corporation (UF₆ Production Facility), CLI-86-19, 24 NRC 508 (1986).

On page 2 of your letter, you inquire as to the "legal authorities and regulations" involved in the authorization of resumption of operation of the UF₆ facility. The principal substantive provisions of the regulations applicable to this authorization are found in 10 C.F.R. Part 40. Prior to authorizing resumption of operation of the UF₆ facility in October 1986, the Staff made the necessary findings under this Part. The Staff also responded at that time to all comments raised at the public meeting that pertained directly to its decision regarding authorization to resume operation of the facility. See Response to Statements Made During Public Meetings--July 8-9, 1986 (Attachment 3), which was issued as Appendix C to the Staff's Safety Evaluation Report related to this authorization (October 14, 1986).

The public meeting held in Gore on July 8-9, 1986 was an informal means by which the Staff could receive the views of members of the public regarding restart of the UF₆ facility. Although you question whether restart was authorized under "slightly irregular conditions" (letter, p. 2), no further formality of procedure was required. As indicated by the Public Notice of the meeting (Attachment 4), the meeting was not identified as being part of any hearing process and, in fact, the notice clearly stated that matters that were the subject of hearings before the Administrative Judge, i.e., the DUF₆-DUF₄ hearing and a separate hearing involving disposal of solid waste from the UF₆ facility, were outside the scope of the meeting.

Your letter also suggests that there was something improper in the Staff's inviting employees of SFC to attend the meeting and offer their views. Id. This was done because the Staff wished to hear from the people who would be most affected in the event of an accident at the facility and who participate in the routine operation of the facility. See Attachment 3, Q&A 18. The Staff does not accept your apparent view that it was improper specifically to invite SFC employees to the meeting.

Finally, at page 6 of your letter you refer to an Inter-Agency letter of agreement among the NRC, Environmental Protection Agency (EPA), the Occupational Safety and Health Administration of the Department of Labor (OSHA), and the State of Oklahoma as to jurisdiction over various aspects of operation

of the UF₆ facility. The Staff is unaware of any such agreement letter, however, I am enclosing the following correspondence that addresses jurisdiction of the various federal agencies you have identified:

Letter from Lando W. Zech, Jr. (Chairman, NRC) to Representative Mike Synar, dated January 13, 1987 (Attachment 5);

Letter from John B. Miles, Jr., Director of Field Operations, OSHA, to James G. Partlow, Director, Division of Inspection Programs, NRC, dated January 16, 1986 (Attachment 6); and

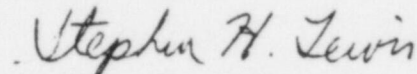
Letter from Patrick R. Tyson, Acting Assistant Secretary for OSHA, to Chairman Zech, dated March 13, 1986 (Attachment 7).

Also enclosed is Chapter 1007 of the NRC staff's Inspection and Enforcement Manual, Interfacing Activities Between Regional Offices and OSHA (June 18, 1984), Attachment 8 to this letter.

The NRC staff kept other federal and state agencies fully apprised of its inspection and licensing activities with respect to the UF₆ facility following the accident. Other agencies were invited to attend NRC inspections. Additionally, certain agencies (e.g., EPA, OSHA) conducted independent inspections at the facility. The Staff also consulted with these agencies prior to authorizing restart of operations.

In closing, thank you for your letter and please excuse the delay in this response.

Sincerely,



Stephen H. Lewis
Senior Supervisory Trial Attorney

Enclosures (8): As stated.

cc: PDR/LPDR