

ADAMS Template: SECY-067

DOCUMENT DATE: 08/06/1965

TITLE: PR-050 - INFORMAL - LICENSING OF PRODUCTION AND
UTILIZATION FACILITIES - DETERMINATION THAT THE
FISSION PRODUCT CONVERSION AND ENCAPSULATION
FACILITY IS A UTILIZATION FACILITY

CASE REFERENCE: PR-050
INFORMAL

KEY WORD: RULEMAKING COMMENTS

Document Sensitivity: Non-sensitive - SUNSI Review Complete

Fission Prod. License

DOCKET NUMBER

PETITION RULE

PR 50

AUG 12 1965

Martin-Marietta Corporation
Nuclear Division
P. O. Box 988
Baltimore, Maryland 21220

Attention: Mr. N. Elliott Felt, Jr.
General Manager



Gentlemen:

This is in response to your informal request for a Commission determination as to whether the proposed Fission Product Conversion and Encapsulation Facility is a utilization facility as defined in the Atomic Energy Act. The Commission has determined that the proposed FPCE is a utilization facility within the meaning of the Act and this finding is being published in the Federal Register. A copy of the notice to be published is enclosed for your information.

This finding will require that Isochem, Inc., apply for a construction permit and subsequently an operating license pursuant to 10 CFR Part 50 of the Commission's regulations.

Sincerely yours,

Original Signed by
Eber R. Price, Director
Div. of State & Licensee
Relations
Eber R. Price, Director
Division of State and
Licensee Relations

Enclosure:
As stated above

bcc: Secretary (2) ✓
OGC
R. C. Braun, DC
Roger Huard
REG & SLR Reading

DSL	OGC	DSL
	See ltr to	
LPRHuard:bmi	Isochem, Inc.	ERPrice
8/10/65	8/10/65	8/ /65

Fission Prod Conversion

DOCKET NUMBER

PETITION RULE

PR 50

AUG 12 1965

U. S. Rubber Company
1230 Avenue of the Americas
New York, New York

Attention: **Dr. F. Dudley Chittendon**
Vice President



Gentlemen:

As you know, the Martin-Marietta Corporation informally requested a Commission determination as to whether the proposed Fission Product Conversion and Encapsulation Facility is a utilization facility as defined in the Atomic Energy Act. The Commission has determined that the proposed FPCE is a utilization facility within the meaning of the Act and this finding is being published in the Federal Register. A copy of the notice to be published is enclosed for your information.

This finding will require that Isochem, Inc., apply for a construction permit and subsequently an operating license pursuant to 10 CFR Part 50 of the Commission's regulations.

Sincerely yours,

Original Signed by
Eber R. Price, Director
Div. of State & licensee
Relations
Eber R. Price, Director
Division of State and
Licensee Relations

Enclosure:
As stated above

bcc: Secretary (2) ✓
OGC
R. C. Braun, DC
Roger Huard
REG & SLR Reading

DSLR	OGC	DSLR
LFRHuard:bmi	See ltr to	ERPrice
8/10/65	Isochem, Inc.	8/ /65
	8/10/65	

AUG 12 1965

Isochem, Inc.
P. O. Box 250
Richland, Washington

Attention: Dr. Nelson Judy
President



Gentlemen:

As you know, the Martin-Marietta Corporation informally requested a Commission determination as to whether the proposed Fission Product Conversion and Encapsulation Facility is a utilization facility as defined in the Atomic Energy Act. The Commission has determined that the proposed FPCE is a utilization facility within the meaning of the Act and this finding is being published in the Federal Register. A copy of the notice to be published is enclosed for your information.

This finding will require that Isochem, Inc., apply for a construction permit and subsequently an operating license pursuant to 10 CFR Part 50 of the Commission's regulations.

Sincerely yours,
Original Signed by
Eber R. Price, Director
Div. of State & Licensee
Relations

Eber R. Price, Director
Division of State and
Licensee Relations

bcc: Secretary (2) ✓
OGC
R. C. Braun, DC
Roger Huard
REG & SLR Reading

Enclosure:
As stated above

DSLRL	OGC	DSLRL
LPRHuard:bmi	HShapar	ERPrice
8/10/65	8/ /65	8/ /65

TITLE 10 - ATOMIC ENERGY

Chapter 1 - ATOMIC ENERGY COMMISSION

Part 50 - LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

Determination that the Fission Product Conversion and Encapsulation Facility is a Utilization Facility

The Atomic Energy Act of 1954, as amended, (the Act) defines a "utilization facility" as ". . . any equipment or device . . . determined by rule of the Commission to be capable of making use of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public, or peculiarly adapted for making use of atomic energy in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public" (subsection 11aa.). Thus far, the only equipment or device determined by the Commission to constitute a "utilization facility" is a "nuclear reactor other than one designed or used primarily for the formation of plutonium or U-233". (10 CFR § 50.2(b), 21 FR 355, January 19, 1956).

Isobchem, Inc., a subsidiary of the Martin-Marietta Corporation and the U. S. Rubber Company, has proposed constructing a Fission Product Conversion and Encapsulation Facility (FPCE) at the Hanford, Washington AEC site. The proposed plant will receive radioactive waste resulting

from the chemical processing of irradiated fuel elements, and further treat such wastes to yield in purified form one or more of the fission product elements contained in the feed.^{1/}

The FPCE will process megacurie quantities of radioactive material which pose significant safety considerations. The theoretically possible consequences resulting from a release of a portion of this material are of the same order of magnitude as those for some already defined utilization or production facilities. Licensing of the plant will require many complex analyses of the processes to be performed, of the equipment and materials to be used and of the interrelationships between one part of the system with other parts. As a utilization facility, the FPCE will be licensed under 10 CFR Part 50, "Licensing of Production and Utilization Facilities," rather than Part 30, "Licensing of Byproduct Material". A construction permit will be required and a public hearing upon the application for the permit will be held. The license application for the plant will be reviewed by the Commission's Advisory Committee on Reactor Safeguards. Operators in the plant will be required to be licensed under 10 CFR Part 55, "Operators' Licenses". As an incident to licensing under Part 50, the Commission will be required, by subsections 170a. and c. of the Act, to extend Price-Anderson indemnity.

^{1/} It is anticipated that the plant would convert the wastes into usable forms of the following quantities of byproduct material annually: 29 megacuries of strontium-90, 29 megacuries of cesium-137, 200 megacuries of cerium-144, and 53 megacuries of promethium-147.

The Commission recognized that such a plant might be classified as a utilization facility when it promulgated Part 150 of its regulations, "Exemptions and Continued Regulatory Authority in Agreement States Under Section 274," (27 FR 1352, February 14, 1962). The Statement of Considerations states, in part:

"As has previously been announced, the Commission is conducting studies of activities involving the processing and use of very substantial quantities of byproduct material (in the order of hundreds of thousands of curies). These studies have been undertaken in part to provide information on which the Commission may make a determination as to whether provisions of the Price-Anderson Indemnity Act (section 170 of the Atomic Energy Act of 1954) should be extended to such activities. They have also been undertaken for the purpose of providing information as to whether the Commission should determine that facilities which process such quantities of byproduct material are production or utilization facilities within the meaning of Section 11 of the Act. If the Commission finds that such facilities should be classified as utilization facilities, the Commission's licensing and regulatory requirements would be applicable. The provisions of the Price-Anderson Indemnity Act cannot be made applicable except to activities licensed by the Commission."

Inasmuch as Isochem, Martin-Marietta and U. S. Rubber Company, the persons subject to and named in the determination, have received notice, notice of proposed rule making and public procedure thereon are unnecessary. Since those persons are not required to take any action in preparation for effectiveness of the rule, good cause exists for making the rule effective within less than thirty days after publication.

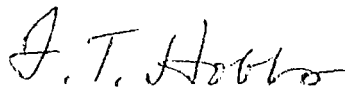
Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, the Commission has determined that the

proposed Fission Product Conversion and Encapsulation Facility (FPCE) to be built at Hanford, Washington, by Isochem, Inc., a subsidiary of the Martin-Marietta Corporation and of the U. S. Rubber Company, is peculiarly adapted for making use of atomic energy in such manner as to affect the health and safety of the public and as such is a utilization facility within the purview of subsection 11aa. of the Atomic Energy Act of 1954, as amended. This notice shall be effective upon publication in the FEDERAL REGISTER.

(Sec. 161, 68 Stat. 948; 42 U.S.C. 2201. Interpret or apply sec. 11aa., 68 Stat. 922; 42 U.S.C. 2014).

Dated at Washington, D. C., this 6th day of August,
1965.

FOR THE ATOMIC ENERGY COMMISSION



F. T. Hobbs
Acting Secretary

RECEIVED

1965 AUG 12 PM 3 17

U.S. ATOMIC ENERGY COMM.
OFFICE OF THE SECRETARY
GERMANTOWN