

Appling County Public Library, 301 City Hall Drive, Baxley, Georgia.

Dated at Rockville, Maryland, this 9th day of July 1996.

For the Nuclear Regulatory Commission.

Kahtan N. Jabbour,

Senior Project Manager, Project Directorate II-2, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 96-17939 Filed 7-12-96; 8:45 am]

BILLING CODE 7590-01-P

Correction to Director's Decision Under 10 CFR 2.206

On June 17, 1996 (61 FR 30643), notice of issuance of Director's Decision DD-96-06 under 10 CFR 2.206 was published, concerning Indian Point Nuclear Generating Units 2 and 3. However, reference to one of the licensees, the Power Authority of the State of New York, was inadvertently omitted from the heading on page 30643.

Dated at Rockville, Maryland, this 8th day of July 1996.

For the Nuclear Regulatory Commission.

William T. Russell,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 96-17937 Filed 7-12-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 50-335]

Florida Power and Light Company, St. Lucie Plant, Units No. 1 and 2; Receipt of Petition for Director's Decision Under 10 CFR 2.206

Notice is hereby given that by letter dated June 12, 1996, Thomas J. Saporito, Jr., for himself and on behalf of the National Litigation Consultants (Petitioners) requested that the Nuclear Regulatory Commission (Commission) take action with regard to operations at the Florida Power and Light Company's (licensee's) St. Lucie Plant, Units No. 1 and 2 pursuant to 10 CFR 2.206.

The Petitioners request that the Commission (1) issue a confirmatory order requiring that the licensee not operate St. Lucie Plant, Unit No. 1, above 50 percent of its power level capacity, (2) require the licensee to specifically identify the "root cause" for the premature failure of the steam generator tubing, and (3) require the licensee to specifically state what corrective measures will be implemented to prevent recurrence of steam generator tube failures in all the steam generators in Unit 1 and Unit 2.

As basis for the requests, the Petitioners assert that (1) the licensee's

Unit 1 steam generator tubes have degraded to the extent that more than 2,500 of the tubes have been plugged, (2) the licensee has not identified the root cause for the premature failure of the steam generator tubing, (3) the licensee will most likely experience similar tube ruptures on other steam generators at the station, and (4) the licensee's "FSAR's [Final Safety Analysis Reports] and the NRC's CFR's [Code of Federal Regulations] require that the integrity of the primary systems on Unit 1 and Unit 2 not be breached."

The Petition is being treated pursuant to 10 CFR 2.206 of the Commission's regulations. The Petition has been referred to the Director of the Office of Nuclear Reactor Regulation. As provided by Section 2.206, appropriate action will be taken on this request within a reasonable time.

A copy of the Petition is available for inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington DC, and at the local public document room located at the Indian River Junior College Library, 3209 Virginia Avenue, Fort Pierce, Florida.

Dated at Rockville, Maryland, this 8th day of July 1996.

For the Nuclear Regulatory Commission.

William T. Russell,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 96-17941 Filed 7-12-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 040-08724]

Issuance of Director's Decision Under 10 CFR 2.206

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Notice of Issuance of Director's Decision Under 10 CFR 2.206.

I. Introduction

Notice is hereby given that the Director, Office of Nuclear Material Safety and Safeguards, has issued a decision concerning a Petition dated January 6, 1989, submitted by Dr. Klaus R. Romer, on behalf of McGean-Rohco, Inc.

By letter dated January 6, 1989, Dr. Klaus R. Romer, on behalf of McGean-Rohco, Inc. (Petitioner or McGean), requested that the U.S. Nuclear Regulatory Commission (NRC) take action pursuant to 10 CFR 2.206 with respect to Chemetron Corporation (Chemetron), an NRC licensee. McGean requested that NRC exercise its enforcement powers to compel

Chemetron, at the time a subsidiary of Allegheny International, Inc. (Allegheny), to immediately commence decontamination of its facilities at 2910 Harvard Avenue, Cuyahoga Heights, Ohio, (the Harvard Avenue site) under the terms agreed to by Allegheny in its Confirmation of Commitment dated November 14, 1988. The Petitioner also requested the NRC to impose sanctions upon Chemetron for its failure to carry out the decontamination of the Harvard Avenue site. McGean alleged the following bases for its requests:

(1) On November 14, 1988, Chemetron committed to begin decontamination of the Harvard Avenue site immediately and complete the job by March 17, 1989; (2) The NRC had stated that the March completion deadline would be relaxed only if Chemetron made a compelling showing of diligent efforts to clean up the site and good cause;

(3) Chemetron's letter to the NRC of December 12, 1988, which requests an extension of the deadline for good cause, fails to make a compelling showing of good cause; and

(4) Chemetron has not made a good faith effort to decontaminate the site.

On March 22, 1989, the Director of the Office of Nuclear Material Safety and Safeguards, formally acknowledged receipt of the Petition and informed Petitioner that its request was being treated pursuant to 10 CFR 2.206 of the NRC's regulations. A notice of the receipt of the Petition was published in the Federal Register notice on March 28, 1989 (54 FR 12698). In the March 22, 1989, letter, the Director denied the Petitioner's request for immediate relief because NRC considered that Chemetron's actions demonstrated minimally sufficient progress towards decontamination. However, the Director deferred a decision on the remainder of the Petition.

II. Background

In 1965, pursuant to 10 CFR Part 40, the Atomic Energy Commission issued Source Material License No. SUB-852 to Chemetron, which through its McGean Unit of the Inorganic Chemical Division, manufactured catalysts containing depleted uranium. These operations were carried out between 1965 and 1972 in facilities located at the Harvard Avenue site. By February 1972, manufacture of the catalysts had been terminated, and in December 1973, the License was amended to authorize storage only for the remaining depleted uranium. No activities involving source material, other than decontamination, have been conducted at the site since the termination of the catalyst production by Chemetron in 1972.

In 1975, the McGean Chemical Company, Inc., the predecessor to McGean-Rohco, Inc., purchased the Harvard Avenue site. The Chemetron Corporation, however, retained the License and responsibility for the depleted uranium remaining at the facility. In late 1977, the Licensee was acquired by Allegheny-Ludlum Industries. In 1979, the Licensee obtained a new NRC License, No. SUB-1357, to authorize the possession of depleted uranium contamination at the Harvard Avenue site and its remediation. License SUB-1357 superseded SUB-852. The License was last renewed, pursuant to 10 CFR 40.42(a), on January 10, 1990, and is continuing in effect.

Remediation activities at the Harvard Avenue site under License SUB-1357 began in 1979, with the expectation that the project would be completed in about six months. However, those activities were not completed within the term of the License. The NRC renewed the License five times between 1979 and 1984. As renewed on July 18, 1984, the Licensee included a condition requiring, within one year, the completion of decontamination, a final radiological survey, and a request for license termination. But again, these activities were not completed within the required timeframe.

From 1985 through 1989, the NRC continued to take actions intended to lead to decontamination of the Harvard Avenue site. These actions included (1) amending the License on October 1, 1987, to require completion of decontamination by October 1, 1988; (2) issuing a Demand for Information on June 13, 1988; and (3) requesting a Confirmation of Commitment to complete the Harvard Avenue decontamination by March 17, 1989. While Chemetron performed some survey and decontamination work during this time, Chemetron did not then complete decontamination of the Harvard Avenue site. Chemetron's parent, Allegheny International, entered bankruptcy on February 20, 1988, and Chemetron then stopped spending money for decontamination until the Bankruptcy Court authorized such expenditures on March 9, 1989. This was one of several factors Chemetron claimed prevented completion of decontamination according to the required schedules. Some of Chemetron's claimed reasons for failing to meet the schedules had merit, but some did not.

Shortly after the Bankruptcy Court's authorization, Chemetron resumed decontamination activities at the Harvard Avenue site. Chemetron soon

discovered, however, that it had significantly underestimated the amount of contamination at the site due to an inadequate characterization of that contamination. From 1989 to 1992, including Allegheny's emergence from bankruptcy in 1990 (Allegheny was reorganized as Sunbeam/Oster Company, Inc. (Sunbeam)), the NRC sought Chemetron's commitment to characterize and remediate the Harvard Avenue site. To that end, concurrent with the NRC's approval of a transfer of control over the License to Sunbeam through the reorganization, the NRC sought Chemetron's commitment to complete a revised remediation plan for the Harvard Avenue site, based on adequate site characterization. On August 31, 1990, Chemetron proposed to complete a revised remediation plan by March 1, 1991, and the NRC approved this schedule and the transfer of control of the License on September 11, 1990.

Chemetron, however, again failed to meet its schedule, and failed to meet subsequent revised schedules showing completion of site characterization by March 1, 1991, and completion of a revised remediation plan by August 16, 1991. While some characterization data had been obtained, the site characterization report submitted on July 28, 1991, was inadequate, and, consequently, Chemetron's August 16, 1991, remediation plan was also inadequate. Accordingly, the NRC sought to compel Chemetron to characterize the site. As a result, on May 5, 1992, the NRC and Chemetron entered into a Consent Order that established June 15, 1992, as the submittal date for the Final Site Characterization Report for the Harvard Avenue site. Chemetron met this date, and on January 8, 1993, the NRC approved the Final Site Characterization Report as an acceptable basis for developing a remediation plan.

After NRC acceptance of the Final Site Characterization Report, Chemetron, by License Condition, established October 1, 1993, as the submittal date for the remediation plan. Chemetron submitted a remediation plan on this date that was incomplete. Accordingly, the NRC issued a Confirmatory Order to Chemetron on October 26, 1993, which required, *inter alia*, that all required portions of the remediation plan be submitted by November 15, 1993. Chemetron complied with this order.

On February 28, 1995, Chemetron submitted Revision 1 to its site remediation plan, which incorporated modifications as requested by the NRC. On June 7, 1996, the NRC approved Chemetron's revised remediation plan

for the Harvard Avenue site and amended the License to authorize remediation of the site in accordance with the plan.

III. Discussion

Since the Petition was submitted to NRC, NRC staff and inspectors have made numerous site visits and inspections of the Harvard Avenue site. The inspections included routine safety inspections, which involved observing the status of site physical security provisions, verifying compliance with 10 CFR Part 20 radiation protection requirements, and observing the condition of tarpaulins securing soil piles. In April 1992, NRC inspectors installed air sampling devices and thermoluminescent detectors to measure radioactivity levels at the Harvard Avenue site and verify Chemetron measurements. These monitoring efforts were discontinued in 1993 because the results indicated radioactivity was at background levels consistent with the continuing Chemetron monitoring results. The NRC inspections, site visits, and monitoring have ensured that public health and safety have been adequately protected.

As set forth above, Chemetron made progress (except for some time while in bankruptcy) towards remediating the Harvard Avenue site, but this progress was very slow. One major impediment to remediating the site was the lack of an adequate site characterization. The NRC's frustration with the slow progress towards adequate characterization of the site resulted in the NRC's entering into the Consent Order of May 5, 1992, which compelled Chemetron to submit an adequate Final Site Characterization Report on June 15, 1992. The characterization report was acceptable because it provided information on: (1) depleted uranium concentration levels not only on the surface, but also at depth; (2) depleted uranium concentration levels in soil piles; and (3) groundwater monitoring results. The NRC then required Chemetron, through a license condition, to submit a remediation plan for the Harvard Avenue site by October 1, 1993.

As described above, Chemetron did not meet its schedule for submitting an adequate remediation plan for the Harvard Avenue site, which resulted in the NRC issuing the Confirmatory Order of October 26, 1993. The Confirmatory Order led to the NRC's June 7, 1996, approval of Chemetron's site remediation plan. The NRC staff concluded that this remediation plan, unlike the previous ones submitted by Chemetron, is adequate because (1) it is based on a comprehensive site

characterization; (2) adequately describes the decommissioning activities; (3) provides acceptable radiological controls to protect workers and the public; (4) provides an adequate plan for conducting a final survey; and (5) provides an acceptable decommissioning cost estimate. By authorizing Chemetron to proceed, NRC staff is confident that Chemetron can safely and successfully complete the remediation within the one-year schedule proposed. In the NRC review of the Harvard Avenue remediation plan, NRC staff considered the radiological controls that Chemetron would use during the remediation and the health and safety impacts of the proposed onsite disposal cell. Accordingly, NRC has now received adequate assurance from the Licensee that it has produced a final remediation plan that will lead to the ultimate decontamination of the Harvard Avenue site by the end of 1997.

In accordance with Commission policy, the Petitioner's request to impose sanctions was not granted as requested. On April 10, 1992, the Commission approved the "Action Plan to Ensure Timely Cleanup of Site Decommissioning Management Plan Sites." The Action Plan discussed the imposition of civil penalties for sites listed in NRC's Site Decommissioning Management Plan (SDMP). (Chemetron's Harvard Avenue site is one of the SDMP listed sites.) The Action Plan provides that civil penalties should be limited to two situations. Specifically, the Action Plan provides that "the NRC will consider civil penalties where (1) the licensee or responsible party fails to comply with an order compelling payment into an escrow account; or (2) the licensee or responsible party fails to comply with a requirement or an order compelling cleanup when there is already sufficient decommissioning funding."

The clear intent of the Action Plan is to take into account the financial impact of a civil penalty on achieving decommissioning. In the staff's view, for scheduler violations, the test should be the reasonableness of the Licensee's efforts to achieve decommissioning in a timely manner. It is not the intent of NRC staff to impose civil penalties where such penalties adversely affect the financial ability of the Licensee to properly complete decommissioning.

On May 11, 1994, NRC staff issued a Notice of Violation and Proposed Civil Penalty of \$10,000 to Chemetron for submitting an incomplete remediation plan on the date established for the plan submittal set under a License Condition (i.e., October 1, 1993). The base civil

penalty of \$5,000 was escalated because NRC identified the violation and because of the Licensee's limited corrective action. The civil penalty reflected the poor progress that had been made at that time by the Licensee in the decommissioning. The NRC deferred imposition of the civil penalty until a final waste disposal option for both the Harvard Avenue site and Chemetron's Bert Avenue site is approved, to ensure that sufficient funds have been set aside to carry out the decommissioning.

As set forth above, based on the Commission's guidance in the Action Plan, NRC has not imposed sanctions as requested by the Petitioner. However, NRC staff has taken appropriate enforcement actions where the Licensee did not achieve decommissioning milestones set out in the License.

Based on the above, the NRC staff has taken appropriate actions to ensure the decontamination of the Harvard Avenue site. The most significant actions include the issuance of a License Amendment (dated May 25, 1993) and two Orders (dated May 5, 1992, and October 26, 1993) to establish schedules for the submittal of documents key to the Harvard Avenue site remediation and the issuance of a License Amendment on June 7, 1996, authorizing Chemetron to proceed with the remediation. Further, based on a review of the Licensee's actions regarding this decontamination effort, the NRC staff has concluded that the Licensee has made adequate progress towards this end. Therefore, for all practical purposes the Petitioner's request to compel the remediation of the Harvard Avenue site has been granted to the extent that this is required by the License Amendments of May 25, 1993, and June 7, 1996, and the Orders of May 5, 1992, and October 26, 1993. However, NRC staff does not consider that the imposition of sanctions, beyond those proposed on May 11, 1994, is needed to compel completion of the Harvard Avenue site remediation. Therefore, we are denying the Petitioner's request to impose further sanctions. Finally, the staff has concluded that no additional NRC actions are warranted concerning these requests. Should Chemetron fail to meet its one-year schedule for decontamination of the Harvard Avenue site, NRC staff will take appropriate action at that time.

IV. Conclusion

For the reasons discussed above, Petitioner's request that NRC compel Chemetron to commence action to decontaminate the Harvard Avenue site has been granted to the extent this is

required by the License Amendments of May 25, 1993, and June 7, 1996, and the Orders dated May 5, 1992, and October 26, 1993. However, to the extent these actions were not taken in the time originally specified by Petitioner, the request is denied. Petitioner's second request that NRC impose sanctions against Chemetron for failing to comply with its November 14, 1988, Confirmation of Commitment to decontaminate the Harvard Avenue site, as requested by the Petitioner, has been denied. Further, no substantial public health and safety concerns currently exist that warrant additional NRC action concerning these requests.

As provided by 10 CFR 2.206(c), a copy of this Decision will be filed with the Secretary of the Commission for the Commission's review. The Decision will become a final action of the Commission twenty-five (25) days after issuance unless the Commission on its own motion institutes review of the Decision within that time.

Dated at Rockville, Maryland, this 3rd day of July 1996.

For the Nuclear Regulatory Commission.
Carl J. Paperiello,
Director, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 96-17936 Filed 7-12-96; 8:45 am]

BILLING CODE 7590-01-P

Chemical, Galvanic, or Other Reactions in Spent Fuel Storage and Transportation Casks; Issued

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of issuance.

SUMMARY: The Nuclear Regulatory Commission (NRC) has issued Bulletin 96-04 to notify all holders of operating licenses or construction permits for nuclear power reactors; all holders of, and applicants for, certificates of compliance for storage/transportation casks for commercial spent fuel; all vendors of storage/transportation casks for commercial spent fuel; and all registered users of transportation casks for commercial spent fuel, about the potential for chemical, galvanic, or other reactions among the materials of a spent fuel storage or transportation cask, its contents, and the environments the cask may encounter during use, that may produce adverse conditions in cask loading, unloading and handling operations or degrade the performance and integrity of the cask. However, action is only requested from licensees with independent spent fuel storage installations, vendors of spent fuel storage and transportation casks, and