April 11, 2001

Mr. Don Moniak Blue Ridge Environmental Defense League P.O. Box 3487 Aiken, SC 29802

SUBJECT: REQUEST FOR DENIAL OF MIXED OXIDE FUEL FABRICATION FACILITY CONSTRUCTION AUTHORIZATION REQUEST

Dear Mr. Moniak:

I am responding to your letter dated March 23, 2001, to Chairman Meserve. Since the Chairman could later be called upon to review a decision by a presiding officer if a hearing is conducted in regard to the construction of a Mixed Oxide (MOX) Fuel Fabrication Facility, it is more appropriate for me to respond to your letter.

In your letter, you requested that the U.S. Nuclear Regulatory Commission (NRC) reject the February 28, 2001, Construction Authorization Request (CAR) for a MOX fabrication facility submitted by Duke Cogema Stone & Webster (DCS). The Office of Nuclear Material Safety and Safeguards (NMSS) recently completed its initial acceptance review of the CAR and the associated environmental report submitted by DCS in December 2000, and is now beginning its detailed technical review of these documents. This review will be conducted consistent with NRC's responsibility to ensure that the construction of any MOX fabrication facility is performed in a manner that protects public health and safety, and the environment. Our review of the DCS request for construction authority will include consideration of the concerns raised in items 1, 3, 4b, and 6 of your letter, as well as other safety and environmental issues that may be identified as the review proceeds. Your other concerns are addressed below. NRC will publish the results of its technical review in a safety evaluation report. The funding and national policy issues raised in items 2 and 4a of your letter are outside of NRC's regulatory responsibility.

To meet the NRC's environmental responsibilities under the National Environmental Policy Act regarding the proposed MOX fabrication facility, the NRC will prepare an environmental impact statement (EIS). As part of NRC's process to support development of its EIS for the MOX fuel fabrication facility, NRC will hold public scoping meetings April 17-18 in North Augusta, South Carolina, and in Savannah, Georgia, and on May 8 in Charlotte, North Carolina. These meetings will enable the public to become involved in determining the scope, or bounds of the EIS for the proposed MOX facility. You are welcome to attend these meetings and express your views as part of the scoping process. In this regard, item 5 of your letter states that the environmental report and CAR submitted by DCS did not adequately describe the compliance history of DCS regarding environmental and safety matters. As noted above, the DCS request is now pending before the NRC for authority to construct a MOX fabrication facility, and relevant environmental and safety issues will be addressed in the NMSS reviews.

In addition to the technical review of the DCS request for authority to construct a MOX fabrication facility, and the related EIS process, an opportunity for a hearing with respect to the

CAR will be provided. In this regard, NRC will soon be publishing in the <u>Federal Register</u> a notice of opportunity for hearing on the CAR. This notice will describe the requirements applicable to requesting a hearing on the CAR.

I hope this letter responds to the concerns you raised. For your information, we have posted our review schedule on the MOX website. If you have any questions or comments, I encourage you to contact NRC's Project Manager for the MOX fuel fabrication facility, Andrew Persinko at (301) 415-6522 or axp1@nrc.gov or NRC's Backup Project Manager, Tim Johnson at (301) 415-7299 or tcj@nrc.gov.

Sincerely,

/RA/

Eric J. Leeds, Branch Chief Special Projects Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards

Docket: 70-3098

cc: James Johnson, DOE Henry Potter, SC Dept of Health & Environmental Control John T. Conway, DNFSB

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