September 26, 2002

MEMORANDUM TO: Michael T. Lesar, Chief Rules Review and Directive Branch Division of Administrative Services Office of Administration

FROM: Melvyn N. Leach, Chief /ra/ Special Projects and Inspection Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards

SUBJECT: PUBLISHING NOTICE IN THE <u>FEDERAL REGISTER</u> CONCERNING SOLICITATION OF PUBLIC COMMENTS ON LICENSING ISSUES ASSOCIATED WITH AN URANIUM GAS CENTRIFUGE ENRICHMENT FACILITY

Attached please find one signed original, five copies, and an electronic version on a floppy diskette of the <u>Federal Register</u> notice identified below for your transmittal to the Office of the Federal Register for publication.

Notice of Finding of No Significant Impact:
Notice of Availability of Environmental Report
Notice of Opportunity for Hearing:
Notice of Availability of License Amendment Request for:
Notice of Availability of Draft EIS for:
Notice of Availability of Final EIS for:

M. Lesar

Notice of Issuance of Facility Operating License or Amendment:

- Notice of Preparation of Environmental Assessment:______
- Environmental Assessment:______

CONTACT: T. Johnson, NMSS/FCSS (301) 415-7299

Attachments: Request, five copies and floppy diskette (electronic version)

Docket No. 70-3103

M. Lesar

Notice of Preparation of Environmental Assessment:

Environmental Assessment:

□ Other_____

CONTACT: T. Johnson, NMSS/FCSS (301) 415-7299

Attachments: Request, five copies and floppy diskette (electronic version)

Docket No. 70-3103

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NUCLEAR REGULATORY COMMISSION DOCKET NO. 70-3103 Louisiana Energy Services Gas Centrifuge Enrichment Facility

AGENCY: Nuclear Regulatory Commission

ACTION: Opportunity to Provide Public Comments

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is requesting comments from members of the public concerning a series of "white papers" presented to the NRC by the Louisiana Energy Services addressing licensing issues for a gas centrifuge uranium enrichment facility to be located in the area of Hartsville, Tennessee. The Commission will consider comments received in response to this notice in developing its position on the issues raised in these "white papers."

DATES: Comments are due by (30 days). Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received on or before this date.

FOR FURTHER INFORMATION CONTACT: Mr. Timothy C. Johnson, Project Manager, Special Projects and Inspection Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T-8A33, Washington, D.C. 20555. Telephone (301) 415-7299, e-mail TCJ@nrc.gov.

SUPPLEMENTARY INFORMATION:

On December 17, 2001, Louisiana Energy Services (LES) notified the NRC of its intention to apply for a license to construct and operate a gas centrifuge enrichment facility in the United States. Subsequently, LES and the NRC staff have met in several public meetings to discuss pre-application issues. LES currently intends to submit its application in December 2002. By letter dated April 24, 2002, LES presented six pre-application policy issues "white papers" to the NRC. LES submitted these white papers to the Commission as LES believes that Commission direction on these issues will be essential to the conduct of an efficient regulatory review process. The white papers addressed the following subjects:

- Analysis of need for the facility and the no-action alternative under the National Environmental Policy Act
- 2. Environmental justice
- 3. Financial qualifications
- 4. Antitrust review
- 5. Foreign ownership
- 6. Disposition of depleted uranium tails

A public meeting was held on April 30, 2002, to discuss these papers. Comments on the papers were submitted by two attendees at the meeting: the Department of Energy and the United States Enrichment Corporation. The NRC prepared a meeting summary, dated May 28, 2002, which is publicly available. At the time of the April meeting, LES had not chosen a site for the facility.

On September 9, 2002, LES notified the NRC that it had selected a site in Hartsville, Tennessee, where the Tennessee Valley Authority had planned at one time to build a nuclear power plant. By letter dated, September 11, 2002, the Nuclear Information and Resource Service requested an opportunity to submit comments. Now, that a site has been chosen, the NRC is providing a 30 day public comment period on the issues proposed by LES.

The April 24, 2002, LES "white papers;" the May 28, 2002, NRC Meeting Summary; DOE's July 25, 2002, comments; and USEC's June 19, 2002, comments are accessible electronically from the NRC Agency wide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the internet at the NRC Web site, <u>http://www.nrc.gov/reading-</u> <u>rm/adams.html.</u> The ADAMS Accession Numbers for these documents are: ML022350051, ML021480298, ML022350130, and ML021770197 respectively. These documents may also be examined and/or copied for a fee at NRC's Public Document Room located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Members of the public may provide comments on the subject application within 30 days of the publication of this notice in the Federal Register. The comments may be provided to Micheal Lesar, Chief, Rules Review and Directives Branch, Division of Administration Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington DC 20555.

Dated at Rockville, Maryland, this 26th day September, 2002

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

/ra/

Melvyn N. Leach, Chief Special Projects and Inspection Branch Division of Fuel Cycle Safety and Safeguards Office of Nuclear Material Safety and Safeguards