

EDO Principal Correspondence Control

FROM: DUE: 12/02/02 EDO CONTROL: G20020638
DOC DT: 10/24/02
FINAL REPLY:

Senator Bill Frist

TO:

Rathbun, OCA

FOR SIGNATURE OF : ** GRN ** CRC NO: 02-0725

Travers, EDO

DESC:

ROUTING:

Louisiana Energy Services Proposal to Build a
Uranium Enrichment Plant (State Representative
David Davis, Michele Warner)

Travers
Paperiello
Kane
Norry
Craig
Burns/Cyr
Reyes, RII

DATE: 11/07/02

ASSIGNED TO:

CONTACT:

NMSS

Virgilio

SPECIAL INSTRUCTIONS OR REMARKS:

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OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

Date Printed: Nov 06, 2002 12:05

PAPER NUMBER: LTR-02-0725 LOGGING DATE: 11/06/2002

ACTION OFFICE:

AUTHOR: Misty Weber
AFFILIATION: SEN
ADDRESSEE: Dennis Rathbun
SUBJECT: Louisiana Energy Services proposal to build a Uranium Enrichment Plant

ACTION: Signature of EDO
DISTRIBUTION: OCA to Ack

LETTER DATE: 10/24/2002

ACKNOWLEDGED No

SPECIAL HANDLING: Senator Bill First office

NOTES:

FILE LOCATION: Adams

DATE DUE: 12/02/2002 DATE SIGNED:

United States Senate

WASHINGTON, DC 20510

October 24, 2002

Mr. Dennis K. Rathbun
Director, Office of Congressional Affairs
Nuclear Regulatory Commission
Washington, D. C. 20555-0001

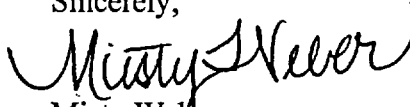
Dear Mr. Rathbun:

Senator Frist has been contacted by several of his constituents regarding Louisiana Energy Services proposal to build a Uranium Enrichment Plant in Hartsville, Tennessee.

Enclosed you will find a copy of the correspondence received by Senator Frist for your records and review. I would request your office answer any questions these constituents have communicated in their letter with Senator Frist. Any assistance your office can provide will be greatly appreciated.

Thank you for your time and attention in this matter.

Sincerely,



Misty Weller
Constituent Services

Enclosure



DAVID DAVIS
STATE REPRESENTATIVE
6TH LEGISLATIVE DISTRICT

HOME:
2016 NORTHWOOD DRIVE
JOHNSON CITY, TENNESSEE 37601
(423) 928-1456

LEGISLATIVE OFFICE:
212 WAR MEMORIAL BUILDING
NASHVILLE, TENNESSEE 37243-0106
(615) 741-1717
1-800-449-8366 EXT. 1-1717
rep.david.davis@legislature.state.tn.us

House of Representatives State of Tennessee

NASHVILLE

MEMBER OF COMMITTEES:
GOVERNMENT OPERATIONS
TRANSPORTATION

SUB-COMMITTEES:
RURAL ROADS
JOINT GOVERNMENT OPERATIONS COMMITTEE
ON EDUCATION

September 12, 2002

Senator Bill Frist
28 White Bridge Road
Suite 211
Nashville, TN 37205

Dear Senator Frist:

Enclosed you will find a copy of correspondence which I received from Ms. Michell Warner regarding Louisiana Energy Services.

You will find the correspondence self-explanatory. I would appreciate any assistance you can offer to assist me in helping my constituents. I am grateful for your help and look forward to your earliest possible response.

Thank you.

Sincerely,

David Davis
State Representative

DD:tm

Tammy Martin

From: David Davis
Sent: Thursday, September 12, 2002 9:20 AM
To: 'Warner Smith '
Cc: Tammy Martin
Subject: RE: Look what they are doing now

Michele:

Thank you for sharing your concerns with me. I will ask Tammy in my Nashville office to forward your concerns to Cong. Jenkins, Sen. Thompson, and Sen. Frist.

David

-----Original Message-----

From: Warner Smith
To: David Davis
Sent: 9/12/2002 8:10 AM
Subject: Look what they are doing now

I am totally against this action by Les.
Please forward this to anyone you think might listen.
This same company that tried to come into my hometown of Unicoi,
They are really playing dirty now, they are trying to take the people
rights away from them, regarding what comes to their community.
This seems unconstitutional.
LES, hasn't learnedt people don't want a nuclear enrichment
plant for a neighbor and now they are trying to take the people's basic
rights
away. and shove it down their throats.

re:
Louisiana Energy Services (LES) has asked the federal Nuclear Regulatory

Commission for a ruling that would bar the public from raising numerous
relevant issues in public hearings related to the licensing of a uranium

enrichment plant LES has proposed to build near Hartsville, Tennessee.
The ruling sought by LES, and described as "unique" by one knowledgeable

NRC staffer, would prohibit members of the public (including
organizations and local and state government bodies) from addressing
such issues as environmental justice, the financial qualifications of
the LES consortium, the disposition of the thousands of tons of
radioactive/hazardous waste the proposed plant would produce, the need
for the plant, and others. Not coincidentally, a citizens group in
northern Louisiana, Citizens Against Nuclear Trash, successfully stopped

LES from building a similar plant there in the 1990s by successfully
raising these exact issues before an NRC adjudicatory body.

"Rather than clean up its act and play by the rules," said Michael
Mariotte, executive director of Nuclear Information and Resource Service

(NIRS), "LES is attempting to change the rules so that local people
cannot even raise the same type of issues that defeated its last effort
to build a dangerous, unnecessary, uneconomic nuclear facility. This

smacks of desperation before LES even has submitted a license application. How could the NRC deny the opportunity for people to raise such fundamental issues, when the NRC has not seen even one official word of LES' plans?"

In a September 11, 2002 letter to the NRC, NIRS requested that the agency allow NIRS to comment on the LES proposals, and also requested that the NRC allow a 90-day public comment period so that people in Tennessee also could provide their comments. "The NRC should reject LES'

outrageous request out-of-hand," said Mariotte, "but at the very least, they should let the public know what LES is doing, and give the public an opportunity to respond."

The LES request would significantly limit the meaning of the Environmental Impact Statement that must be prepared for any nuclear facility of this size, as well as the opportunity for citizens and government agencies to participate in formal, legal hearings about the plant.

This is not the first time LES has sought to limit public oversight over

its activities. In 1989, it convinced then-Senate Energy Committee Chairman J. Bennett Johnston (D-LA) to pass legislation allowing foreign

ownership of uranium enrichment plants, to bypass the requirement for an

Environmental Impact Statement for such a plant, and to end the requirement for adjudicatory or formal hearings on such a plant, among other provisions. Their intent then, as it is now, was to attempt to ensure that members of the public could not legally challenge LES' plans. Most of that legislation was scrapped by the U.S. House of Representatives, and an EIS and formal hearings are still required for such a project. This time, realizing that Congress would never approve such legislation, LES is attempting to achieve the same practical goal by circumventing NRC procedures.

LES is a consortium dominated by the European firm Urenco, which is itself a consortium composed of British Nuclear Fuels, Ltd., the Dutch government, and a number of German firms. Urenco operates three uranium enrichment plants in western Europe. Other, minority, members of the LES

consortium include three major nuclear power utilities-the Exelon Corporation, Duke Power and the Entergy Corporation. Westinghouse Nuclear (a subsidiary of British Nuclear Fuels) and Cameco (a Canadian uranium mining and processing company) also are partners of LES.

While details of the current financial structure of LES are not yet known, and likely will not be made public until a formal license application is submitted, the company is basically a Limited Liability Corporation. Under this structure, each of the partners establishes a new subsidiary, which provides a relatively small amount of financing and owns a fraction of the consortium, thereby shielding the parent corporations from any liability associated with the licensing, operation

or decommissioning of the proposed project.

Under the normal NRC process, if citizens or their governments decided to challenge any part of the LES license application, a three-member Atomic Safety and Licensing Board (typically composed of one lawyer and two scientists) would be appointed to hear the disputes. The ASLB acts as a judicial body, and its hearings include rights of discovery,

cross-examination, and other legal safeguards. Since the beginning of the nuclear age, only one project ever has been denied a license by an ASLB as a result of such hearings: that project was the LES uranium enrichment plant proposed for the small town of Homer, Louisiana (one other project, the Byron nuclear reactor near Rockford, Illinois, was initially denied a license in 1984, but the denial was later overturned).

NIRS letter to the NRC is available on NIRS' website, www.nirs.org, or via e-mail or fax by request.

The Nuclear Information and Resource Service (NIRS) was founded in 1978 to assist grassroots environmental organizations and people concerned about nuclear power, radioactive waste, and sustainable energy issues. NIRS and its affiliate WISE (World Information Service on Energy) have two offices in the United States, and 11 offices in Europe, Asia, and South America.

Michele Warner
175 Garland Rd.
Unicoi, Tn 3769

DEAR SENATOR FRIST,

ON SEPTEMBER 9, LOUISIANA ENERGY SERVICES, A CORPORATION WITH EUROPEAN OWNERSHIP, DID DECIDE WHERE TO PLACE A FACILITY FOR ENRICHING URANIUM. IT LOOKS LIKE IT MAY BE IN HARTSVILLE, TENNESSEE, ON THE CUMBERLAND RIVER. WE, IN NASHVILLE, WILL BE DOWNRIVER OF THIS FACILITY.

IN CITIES WHICH ARE DOWNRIVER OF URANIUM ENRICHMENT PLANTS, THERE ARE HIGHER RATES OF BIRTH DEFECTS, HIGHER RATES OF CANCER, HIGHER RATES OF MISCARRIAGE, AND HIGHER RATES OF INFERTILITY. IN PARTICULAR, THERE ARE HIGHER RATES OF CHILDHOOD LEUKEMIAS. OVER TIME, HEALTH COSTS SOAR.

IN ADDITION, THERE WILL BE A GREATER NUMBER OF TRUCKS ON OUR INTERSTATES, TAKING URANIUM 238 TO THE FACILITY, AND CARRYING URANIUM 235 AWAY FROM IT. BOTH FORMS OF URANIUM ARE RADIOACTIVE. THESE TRUCKS WILL COME FROM HARTSVILLE DOWN TO

NASHVILLE TO TRAVEL ON INTERSTATE 40, INTERSTATE 65 AND INTER-
STATE 24, GOING IN SIX DIFFERENT DIRECTIONS. NASHVILLE WILL
HAVE TO SEEK NEW SOURCES OF REVENUE IN ORDER TO PAY THE INCREASED
NUMBERS OF TENNESSEE HIGHWAY PATROLMEN AND TEMA EMERGENCY
WORKERS NEEDED.

AN URANIUM ENRICHMENT FACILITY SHOULD BE PLACED IN
A REMOTE AREA WHERE THE ROUTINE RELEASE OF RADIOACTIVE GASES
WILL NOT CONTAMINATE FARMLAND, AND THE ROUTINE DISCHARGE OF
RADIOACTIVE WASTEWATER WILL NOT CONTAMINATE THE WATER SUPPLY
FOR MORE THAN A MILLION PEOPLE. THE PEOPLE OF HARTSVILLE
AND NASHVILLE DESERVE BETTER THAN THIS.

WE HAVE BEEN INFORMED THAT
DUKE ENERGY, A LEADING
PARTNER IN LES, WITHHELD
POWER IN CALIFORNIA LAST
YEAR IN ORDER TO BOOST
PROFITS, CAUSING BLACKOUTS.

SINCERELY,

A WORRIED GROUP OF SCIENTISTS
IN NASHVILLE