

December 19, 2003

Mr. Rod Krich
Vice President
Louisiana Energy Services
1133 Connecticut Avenue
Suite 200
Washington, DC 20036

SUBJECT: GAS CENTRIFUGE PROJECT AGREEMENT STATE LICENSING

Dear Mr. Krich:

We recently considered the issue of Agreement State jurisdiction as it applies to licensing a commercial-scale uranium enrichment facility. Because a uranium enrichment facility is considered to be a production facility and licensed by NRC under the provisions of 10 CFR Parts 40 and 70, all activities relating to the use of special nuclear, source, and byproduct material would be entirely under the regulatory jurisdiction of the NRC. Therefore, no Agreement State licensing would be required for these materials for your facility, which is proposed to be located in New Mexico, an Agreement State.

If you have any questions, please contact me at 301-415-7299.

Sincerely,

/RA/

Timothy C. Johnson, Project Manager
Special Projects and Inspection Branch
Division of Fuel Cycle Safety
and Safeguards
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-3103

cc: William Szymanski/DOE
James Curtiss/W&S
Mario Robles/USEC
James Ferland/LES
Dennis Holmberg/Lea County
James Brown/Eunice
Bobby Walloch/Hobbs
Michael Marriotte/NIRS
Lee Cheney/CNIC
Claydean Claiborne/Jal
Troy Harris/Lovington
Betty Richman/Tatum
Glen Hackler/Andrews
William Floyd/New Mexico
Richard Ratliff/Texas
Jerry Clift/Hartsville
Derrith Watchman-Moore/New Mexico

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Lee Cheney/CNIC	

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NAME	LClark		PLohaus	
DATE	12/ 09 /03		12/ 12 /03	

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